



Guide to non-Danish shareholders and their voting service providers

The guide presents an overview of the rules that foreign investors are required to fulfill, in order to be able to vote at AGMs in Denmark.

Voting rights in Danish companies

Danish law on voting at general meetings

The Danish record date implies that a shareholder's right to attend a general meeting and to vote is determined on the basis of the shares held by the shareholder at the end of the record date. According to Danish law, the record date is one week prior to the general meeting.

Record date – registered shareholders

The shareholding of each shareholder is according to the Danish Companies Act determined at the record date based on the number of shares held by the shareholder as (i) registered in the register of shareholders or (ii) notified to the Danish company or the registrar acting on behalf of the company by a notice of ownership for the purpose of registration in the register of shareholders.

Nominees and voting rights

Shares registered in the name of a nominee are generally not considered to comply with the above requirements to exercise voting rights. For such shares held through nominees, an alternative method to enable right to vote for the underlying shareholder, however, used in practice by creating a temporary registration - see below.

Temporary registration of beneficial owners under nominee holdings

This solution entails that the individual shareholder is treated as having requested a temporary individual registration in the share register only with effect for the general meeting in question. The temporary registration is deleted from the share register immediately after the general meeting.

The practical aspects of applying this method for voting are described below in Section A and Section B.

Section A. Voting on shares held through nominees

Power of Attorney

To vote on shares held through a custody bank as nominee, shareholders should ensure that the nominee has a general power of attorney to vote on behalf of the shareholder. A sample wording of such power of attorney is set out below in Section B.

Identification of underlying shareholders from nominee holding

In addition, the notice from the nominee that identifies the underlying owner/shareholder and the relevant share position must be received by the company or the registrar acting on behalf of the company before the end of the record date i.e. one week prior to the general meeting.

Deadline and required actions

When the power of attorney is in place, the shareholder and its custody bank(s) shall in connection with general meetings of Danish companies observe the following:

Deadline for identification of underlying shareholders

No later than at the end of the record date (CET) the nominee shall notify the company or the registrar representing the company of the following:

Entitlement and Power of Attorney

1. the shareholder's name (i.e. the name of the underlying shareholder)
2. the shareholder's number of shares as of the record date with reference to the applicable account number of the nominee with the Danish custody bank.
3. signed power(s) of attorney from the beneficial shareholder to the custody bank which is registered as a nominee in the Danish company's register of shareholders presented in an "unbroken chain". See more instructions under Section B.



Risk when deadline is passed

If the above information is received after the expiry of the record date, there will be a risk that votes will be declared invalid as a result of late temporary registration in the register of shareholders.

Deadline for Voting instructions

The specific voting instructions must be submitted to the Danish registrar at least three days prior to the general meeting. In practice, however, the Danish custodians usually provide the Danish registrar with an electronic file from global proxy distributors e.g. Broadridge or ISS/GDP. This file both includes the specific voting instructions and the names and holdings of the underlying shareholders. Thus, the voting instructions normally are received by the Danish company or the registrar acting on behalf of the company before the end of the record date i.e. one week prior to the general meeting.

Section B. Wording and validity of power of attorney

Power of attorney

The powers of attorney presented in an "unbroken chain" from the shareholder through one or more custodians and/or a voting service provider must document each legal entity's right to exercise the voting rights on behalf of the shareholder. The wording of a power of attorney to accompany voting instructions may be:

Example of wording of a power of attorney

"The undersigned [shareholder + address] hereby authorise [custody bank or voting service provider + address] with full power of substitution and sub-delegation to represent, act and vote on my/our behalf at general meetings [or a specific general meeting] of Danish companies with respect to instructions submitted by me/us.

This power of attorney is governed by Danish law and shall remain in full force and effect until withdrawn as notified to Danish companies by written instrument.

Place/date

Signature of the shareholder"

(The power of attorney must be signed by (a) the beneficial owner in person or (b) by a person acting on behalf of the beneficial owner, in which case the signature and the authorization to sign must be confirmed by an official notary).

Votes received by a custodian by power of attorney may be passed on to a third party by the following wording:

"The undersigned [custody bank + address] hereby authorise [another custody bank or voting service provider + address] with full power of substitution and sub-delegation to represent, act and vote on my/our behalf at general meetings of Danish companies with respect to instructions submitted by us.

This power of attorney is governed by Danish law and shall remain in full force and effect until withdrawn as notified to Danish companies by written instrument.

Place/date

Signature of the custody bank"

Limit of validity of power of attorneys

The previous time limit in Danish law of 12 months applying to powers of attorney has been abandoned – unless the power of attorney is issued to the Board of Directors, the managing director or managers appointed by the Board of Directors. Powers of attorney issued prior to 1 March 2010 are generally considered to have expired under previous legislation.

Nominee shareholder wants to attend a general meeting – How to do?

Ordering admission cards on shares of Danish companies held through nominees

You may receive an admission card for a general meeting by contacting your custody bank in whose name as nominee the shares are registered in the Danish companies register of shareholders.

Deadline for custody bank to identify shareholder

Your custody bank shall through its corresponding Danish custody bank request an admission card for you - providing information on your name and documenting the size of your shareholding as of the record date.

The wording of such documentation may be:

"We hereby confirm that the beneficiary owner of the following shares registered on VP custody account no. [insert account no.] are:



[Insert shareholder's name and address]

Passport no. [insert passport no.]

The holdings as of the record date [insert record date] is:

[Insert no. of shares and Company name and ISIN]

Place/date

Signature of the Custody bank"

Deadline for request of admission card

The Danish custody bank shall by forwarding the information and documentation mentioned above notify the Danish company or the registrar acting on behalf of the company at least three days prior to the general meeting.

Admission card sent by mail or collected at the general meeting

As a general rule, admission cards will be sent by ordinary mail to the address to which your custody account is registered. However, the Danish company or the registrar acting on behalf of the company is also able to hand over admission cards on arrival at the general meeting. If you wish to collect the admission card at the venue you must bring your passport or other personal identification in order to document your identity.

If you present a legal entity, you must present appropriate proof of identification. Such identification may consist of a document that proves your authorization to sign on behalf of the entity or a document that proves you're a part of the management in the entity.

Proxy form appointing third party representative

Institutional investors (e.g. investment funds, pension funds etc.) must also fill out a proxy form appointing their third party representative. Such proxy form can be downloaded from the Danish company's website and forwarded to the Danish company or the registrar acting on behalf of the company.

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