

**ARTICLES OF ASSOCIATION**  
**OF**  
**NOVOZYMES A/S**

**1. NAME**

- 1.1 The name of the company is Novozymes A/S.
- 1.2 The secondary name of the company is Novo Enzymes A/S (Novozymes A/S).

**2. OBJECTS**

- 2.1 The objects of the company are to carry out research in, development and production of and trade in biological solutions, including enzymes, microorganisms and other biotechnological processes and products as well as any other related activities as may be specified by the Board of Directors. The company strives to operate in a sustainable and responsible manner, inter alia in a financial, environmental and social regard.

**3. SHARE CAPITAL**

- 3.1 The company's share capital amounts to DKK 610,000,000 divided into an A share capital of DKK 107,487,200 and a B share capital of DKK 502,512,800
- 3.2 The share capital is divided into shares of DKK 1 or multiples thereof. One share certificate may comprise several shares.
- 3.3 The share capital has been paid up in full.
- 3.4 The Articles of Association contain special rules on the pre-emptive subscription rights of the A shareholders and of the B shareholders in connection with an increase of the share capital (Article 3.5), on the negotiability of the A shares (Article 4.5), on the voting rights attached to the A shares and the B shares (Article 10), on the dividend rights of the A shareholders and of the B shareholders (Article 17.2) and with the rights of the A shareholders and B shareholders to be covered in case of liquidation (Article 19). In other respects, no shares shall carry special rights.
- 3.5 Where the share capital is increased by issuance of A shares as well as B shares, the existing ratio between the two classes of shares must not be changed. Where such capital is increased, the holders of A shares shall have a pre-emptive right to subscribe for new A shares, and the holders of B shares shall have a pre-emptive right to subscribe for new B shares. Where the shareholders during a shareholder meeting resolve to increase the share capital by A shares or B shares, the existing holders of both classes of shares shall have proportionate pre-emptive subscription rights to the new A shares or B shares, respectively.

**4. SHARES AND SHAREHOLDERS' REGISTER**

- 4.1 The shares shall be issued in the names of the holders and are registered in the names of the holders in the company's register of shareholders. The B shares shall be registered with VP Securities A/S. Entry of a B share under the holder's name in the company's register of shareholders shall only be valid in relation to the company if notice of the registration has been received by VP Securities A/S. The company shall not be liable for the correctness of notifications received from VP Securities A/S.

- 4.2 The company's shareholders' register is maintained by VP Investor Services A/S (VP Services A/S), CVR no. 30201183, which has been appointed by the company to maintain the shareholders' register on the company's behalf.
- 4.3 The A shares shall be non-negotiable instruments. The B shares shall be negotiable instruments.
- 4.4 No restrictions shall apply to the transferability of B shares.
- 4.5 Where a shareholder wishes to sell one or more A shares, such shares shall be offered to the Board of Directors on behalf of the other A shareholders and at a price not lower than the average of the buying prices quoted for the B shares on Nasdaq Copenhagen A/S during the last three months prior to the submission of such offer. Such offer shall be accompanied by a bank certification proving said average price. Where no price has been quoted for the B shares during the last three months prior to submission of such offer, the A shares intended to be sold shall be offered at a price not lower than the value assessed for the B shares by a bank designated by the Board of Directors. Such assessment shall be the average of the prices estimated by such bank for each of the last three months prior to the submission of said offer. Within 30 days of receipt of such offer, the Board of Directors shall inform the selling shareholder whether other A shareholders wish to acquire the shareholding in question. The purchase price shall be paid no later than two months after it has been fixed. Where the other A shareholders do not exercise or do not fully exercise their preferential right to acquire the A shares offered, the shareholder intending to sell shall be entitled – within a period of three months – to sell any shares that have not been acquired by the other shareholders to any third party on the same terms and conditions as those contained in the offer submitted to the Board of Directors, cf. above. These provisions shall not apply to any transfer of shares by inheritance or to a shareholder's transfer of shares during his lifetime to his spouse, issue or to family foundations. The provisions of this Article shall further apply to compulsory sales in connection with administration of estates or to proceedings or any other actions taken by creditors.

## **5. INCREASE OF THE SHARE CAPITAL**

- 5.1 Until March 2, 2018, the Board of Directors shall be authorized to increase the share capital in one or more stages by issuing B shares of up to DKK 62,600,000 in connection with any full or partial acquisition of an existing enterprise and without granting pre-emptive subscription rights to existing shareholders. In such cases payment shall be effected otherwise than in cash.
- 5.2 Until March 2, 2018, the Board of Directors shall further be authorized to increase the share capital in one or more stages by up to DKK 62,600,000 by means of cash payment. Where the subscription price of the capital increase is equivalent to the market price of the B shares, the Board of Directors may decide to increase the share capital solely by means of issuing B shares and without granting pre-emptive subscription rights to existing shareholders.

Where the subscription price of the capital increase is lower than the market price of the B shares, the capital increase shall be distributed proportionately between A shares and B shares, with pre-emptive rights for existing shareholders.

- 5.3 Until March 2, 2018, the Board of Directors shall further be authorized to issue warrants in one or more stages by up to DKK 20,000,000 B shares to the company's or its subsidiaries' employees and to resolve on the corresponding capital increases. The shareholders of the company are not to have any pre-emptive rights at the exercise of this authorization by the Board of Directors – be it in connection with the issuance of warrants or in connection with the exercise of warrants – provided that warrants are issued at a subscription price corresponding at least to the market price on the date of the resolution of the Board of Directors. The Board of Directors stipulate in-detail terms for the issuance of warrants, including provisions on terms of exercise of warrants and the recipient's legal position in case of capital increase, capital decrease, issuance of new warrants as well as liquidation, merger og demerger of the company prior to the time of exercise.
- 5.4 In connection with an increase in the share capital as set out in Articles 5.1 to 5.3, the following shall also apply: (i) the shares shall be issued in the name of the holders; (ii) A shares are non-

negotiable instruments whereas B shares are negotiable instruments; and (iii) the other provisions of the Articles of Association relating to A shares and/or B shares shall be applicable.

## **6. CANCELLATION OF SHARES**

- 6.1 Shares which have not been notified for registration with VP Securities A/S may be cancelled by the Board of Directors without any court order subject to applicable law.

## **7. SHAREHOLDERS' MEETING: TIME, PLACE AND NOTICE**

- 7.1 Subject to Danish legislative limitations and the limitations set out in the Articles of Association, the shareholders' meeting shall exercise the highest authority of the company.
- 7.2 Shareholders' meetings shall be held at a venue in Region Hovedstaden as specified by the Board of Directors.
- 7.3 The annual shareholders' meeting shall be held before the end of April every year.
- 7.4 An extraordinary shareholders' meeting shall be held in accordance with a resolution of a shareholders' meeting or the Board of Directors, or at the request of the auditor or shareholders who together represent at least 5% of the total share capital. Such request shall be made in writing to the Board of Directors and shall be accompanied by one or more specific proposals. Notice convening the shareholders' meeting shall then be given no later than 14 days after the request is received.
- 7.5 The shareholders' meeting shall be convened by the Board of Directors at no more than five weeks' and no fewer than three weeks' notice on the company's website [www.novozymes.com](http://www.novozymes.com).
- 7.6 The following information shall be made available to the shareholders on the company's website [www.novozymes.com](http://www.novozymes.com) no later than three weeks before any shareholders' meeting, including the day on which the meeting takes place:
- The notice of the shareholders' meeting
  - The total number of shares and voting rights on the date on which notice of meeting is given, including the total number of shares in each class
  - The documents to be presented at the shareholders' meeting, including the latest audited annual report in the case of the annual shareholders' meeting
  - The agenda and the full proposals
  - Forms for voting by proxy and by mail. If these are not made available online, the company shall provide information on the website as to how the forms can be obtained in paper form and shall send the forms to any shareholder who requests them.
- 7.7 The shareholders are entitled to have one or more specific proposals discussed at the shareholders' meeting, provided the Board of Directors has received such proposals in writing no later than six weeks before the date of the shareholders' meeting.
- 7.8 The company may choose to effect all communication from the company to individual shareholders solely by electronic means, including e-mails. General announcements will be available to the shareholders on the company's website [www.novozymes.com](http://www.novozymes.com) unless otherwise stipulated in the Danish Companies Act. The company may at any time communicate with individual shareholders by standard mail as a supplement or alternative to electronic communication.

The company may send to the shareholders notices of annual or extraordinary shareholders' meetings, including the full proposals for amendments of the Articles of Association, forwarding of agenda, annual reports, company announcements, admission tickets and other general information from the company to shareholders by electronic means, including via e-mail. With the exception of admission tickets to the shareholders' meetings, the above documents can be found on the company's website [www.novozymes.com](http://www.novozymes.com).

The company is required to request from the shareholders registered by name an electronic address to which announcements, etc., can be sent. It is the responsibility of the individual shareholder to ensure that the company has the correct electronic address.

The shareholders can find more detailed information on the requirements for the systems used and on procedures in connection with electronic communication on the company's website [www.novozymes.com](http://www.novozymes.com).

## **8. SHAREHOLDERS' MEETING: CHAIRMAN AND MINUTE BOOK**

- 8.1 The shareholders' meeting shall be presided over by a chairman, appointed by the Board of Directors. The chairman shall decide on all matters relating to the proceedings of the meeting, the casting of votes and the results hereof.
- 8.2 The resolutions passed at the shareholders' meeting must be entered in a minute book to be signed by the chairman of the meeting. The minutes or a certified extract of the same shall be made available to the shareholders on the company's website [www.novozymes.com](http://www.novozymes.com) no later than two weeks after the shareholders' meeting.

## **9. SHAREHOLDERS' MEETING: MAJORITY VOTE AND QUORUM**

- 9.1 All business items transacted at the shareholders' meeting shall be resolved by a simple majority of votes unless the Danish Companies Act or the Articles of Association require a special majority of votes or prescribe any other kind of tightened requirements.
- 9.2 To carry a motion to amend the Articles of Association, shareholders representing at least 2/3 of the total number of votes in the company shall be present at the shareholders' meeting, and at least 2/3 of the votes cast and 2/3 of the voting capital represented at such shareholders' meeting shall vote in favor of the resolution, always provided that the Danish Companies Act does not prescribe a further qualified majority of votes.
- 9.3 Where less than 2/3 of the total number of votes in the company were represented at a shareholders' meeting and where, during such meeting, a resolution to amend the Articles of Association was passed by the qualified majority prescribed by Article 9.2, the Board of Directors shall within two weeks convene a second shareholders' meeting at which such resolution may be passed irrespective of the number of shareholders represented if 2/3 of the votes cast and 2/3 of the voting capital represented at such special meeting have voted in favor hereof, always provided that the Danish Companies Act does not prescribe a further qualified majority of votes.
- 9.4 Provided it is not explicitly withdrawn, a proxy assigned for the first shareholders' meeting specified in Article 9.3 shall also be considered valid for the next shareholders' meeting.

## **10. SHAREHOLDERS' MEETING: ADMISSION AND VOTING RIGHT**

- 10.1 A shareholder's right to attend and vote at the shareholders' meeting is determined in relation to the shares the shareholder owns on the registration date, which is one week before the shareholders' meeting.

Further, attendance at the shareholders' meeting requires that the shareholder has requested an admission ticket to the shareholders' meeting in question no later than three days before the meeting takes place. Admission tickets are issued to persons who, pursuant to the shareholders' register, are listed as shareholders on the registration date, or from whom the company on the registration date has received a request in due form for entry in the shareholders' register.

- 10.2 Unless the shareholder specifies an address to which the admission ticket is to be sent, it shall be collected from the company's offices no later than the day before the shareholders' meeting.

- 10.3 Any share amount of DKK 1 of the A share capital shall carry 10 votes.
- 10.4 Any share amount of DKK 1 of the B share capital shall carry 1 vote.
- 10.5 Voting rights may be exercised by a proxy, who does not need to be a shareholder, on condition that said proxy substantiates his/her right to attend the shareholders' meeting by presenting an admission ticket, and a written and dated proxy in accordance with applicable law.

## **11. SHAREHOLDERS' MEETING, AGENDA**

- 11.1 The agenda for the annual shareholders' meeting shall comprise:
1. The Board of Directors' verbal report on the company's activities in the past financial year
  2. Presentation and approval of the audited annual report
  3. Resolution on the distribution of profit or covering of loss
  4. Approval of the Board of Directors' remuneration for the current year
  5. Election of Chairman of the Board of Directors
  6. Election of Vice Chairman of the Board of Directors
  7. Election of other members of the Board of Directors
  8. Election of auditor(s)
  9. Any proposals from the Board of Directors or shareholders
  10. Any other business

## **12. BOARD OF DIRECTORS**

- 12.1 The Board of Directors shall be in charge of the overall management of the company and shall decide on all matters other than the day-to-day business of the company.
- 12.2 The Board of Directors comprises 4 to 8 members, all of whom are elected by the annual shareholders' meeting, including the Chairman and the Vice Chairman. Members are elected for one year at a time. Members at the end of their term may be re-elected. No one who has reached the age of 70 may be elected to the Board of Directors. A member shall retire from the Board of Directors no later than at the first Annual Shareholders' Meeting after he or she has reached the age of 70. The Board of Directors further comprises a number of members elected by the employees of the company and its subsidiaries in accordance with applicable law thereon in force from time to time.
- 12.3 The Vice Chairman is the deputy for the Chairman and shall act in his place in the Chairman's absence. In the permanent absence of the Chairman or the Vice Chairman, the Board of Directors shall elect a new Vice Chairman, and in the permanent absence of both the Chairman and the Vice Chairman, the Board of Directors shall elect both a new Chairman and a new Vice Chairman, in all cases until the next shareholders' meeting.
- 12.4 Board meetings are convened and chaired by the Chairman. Board meetings shall be convened at the request of a member of the Board of Directors, of a member of the management registered with the Danish Business Authority, or by the company's auditor(s).
- 12.5 The Board of Directors shall constitute a quorum when more than half of its members are present, including the Chairman or the Vice Chairman. The Board of Directors may pass resolutions by a majority of the members present. In case of a parity of votes, the Chairman has

the casting vote and in case of a parity of votes in the absence of the Chairman, the Vice Chairman has the casting vote.

- 12.6 The Board of Directors shall lay down rules of procedure for the execution of its function. The Board of Directors' rules of procedure shall be made publicly available on the company's website [www.novozymes.com](http://www.novozymes.com).
- 12.7 The proceedings of a board meeting shall be recorded in a minute book to be signed by all members of the Board of Directors.
- 12.8 Remuneration of the Board of Directors for the current financial year is approved at the annual shareholders' meeting each year.

### **13. EXECUTIVE MANAGEMENT**

- 13.1 The Board of Directors shall appoint a managing director to be in charge of the day-to-day business of the company. The Board of Directors may also appoint up to 6 additional managers. All managers referred to in this Article shall be registered with the Danish Business Authority.
- 13.2 The Board of Directors has drawn up general guidelines for remuneration of the Board of Directors and Executive Management. These guidelines were discussed and approved by the company's annual shareholders' meeting on February 22, 2017, cf. Section 139 of the Companies Act. The guidelines for remuneration have been made available to the public on the company's website [www.novozymes.com](http://www.novozymes.com).

### **14. LANGUAGE**

- 14.1 The company's corporate language is English.
- 14.2 The company's annual report is prepared in English. The Board of Directors may decide that the annual report is to be prepared in Danish as well.

### **15. AUTHORITY TO SIGN FOR THE COMPANY**

- 15.1 The company shall be legally bound by the joint signatures of two members of Executive Management registered with the Danish Business Authority, or by the joint signatures of one member of Executive Management registered with the Danish Business Authority and the Chairman or Vice Chairman of the Board of Directors, or by the joint signatures of all members of the Board of Directors.

### **16. FINANCIAL YEAR**

- 16.1 The financial year of the company shall be the calendar year.

### **17. ANNUAL REPORT AND DIVIDENDS**

- 17.1 The annual report shall be prepared according to the provisions of the Danish Financial Statements Act.
- 17.2 Any profit of the company according to the annual report shall be distributed as follows:
  - 1. Necessary provisions.
  - 2. A priority dividend of 0.5% to holders of A shares.
  - 3. A dividend of up to 5% to holders of B shares.

4. After the holders of B shares have received a 5% dividend, the remaining profit shall be transferred to reserves, distributed as additional dividend or applied as otherwise decided at the annual shareholder meeting upon a proposal of the Board of Directors.

Any distribution of dividends shall be subject to the provision that the A shareholders shall never receive a dividend exceeding the percentage rate of the dividend paid to the B shareholders.

- 17.3 Payment of dividends on A shares is sent to the shareholders at the address listed in the shareholders' register on the date of the annual shareholders' meeting. Payment of dividends on B shares is made, with discharge for the company, in accordance with the statutory requirements. VP Securities A/S shall effect payment of the declared dividend via an account-holding bank to the shareholders registered with VP Securities A/S on the payment date. The right to dividends shall lapse three years after the due date of payment hereof.
- 17.4 The Board of Directors is authorized to pass a resolution concerning distribution of an extraordinary dividend in accordance with applicable law.

## **18. AUDIT**

- 18.1 Audit shall be carried out by one or two auditors, at least one of whom shall be a state-authorized public accountant, always subject to applicable law. The auditor(s) shall be appointed at the annual shareholders meeting. The appointment shall be for a term of one year. Retiring auditor(s) may be reappointed. One or more auditing companies may be appointed auditors.

## **19. DISSOLUTION**

- 19.1 Unless otherwise provided for by Danish law, any resolution for the dissolution of the company shall be passed at a shareholders' meeting in accordance with Articles 9.2 and 9.3 above. Where a resolution to dissolve the company is passed, such dissolution shall be performed by liquidation. At said shareholders' meeting, the shareholders shall appoint one or more liquidators to conduct the liquidation proceedings unless otherwise provided for by Danish law.
- 19.2 When distributing the proceeds of the liquidation, the B share capital shall be covered in priority at its nominal value, following which the A share capital shall be covered in the same manner. The holders of A and B shares shall subsequently rank equally in proportion to their nominal holdings in respect of further distributions.
- 19.3 When the dissolution of the company has been completed and closed, a shareholders' meeting shall be convened at which the financial statements shall be presented for adoption.

The Articles of Association were adopted at the annual shareholders' meeting of Novozymes A/S held on February 22, 2017.

Chairperson of the meeting:

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Niels Kornerup

*These Articles of Association are an English translation of the official Danish Articles of Association of Novozymes A/S. Accordingly, in the event of any inconsistency between the Danish text version and the English translation, the Danish version prevails.*