

CARLSBERG FOUNDATION

THE DANISH MODEL FOR INDUSTRIAL FOUNDATIONS: BUSINESS AND PHILANTHROPY HAND IN HAND

Professor Flemming Besenbacher
Chairman of the Carlsberg Foundation and Carlsberg A/S

European Research Network On Philanthropy, July 13-14 2017

CARLSBERG FOUNDATION

CARLSBERG FOUNDED ON A PASSION FOR BEER, SCIENCE AND ART

J.C. Jacobsen founds
the Carlsberg Brewery

1847



J.C. Jacobsen dies and the
Carlsberg Foundation takes over
the ownership of Carlsberg

1887

Carlsberg + TUBORG

2016

1876

J.C. Jacobsen founds
the Carlsberg Foundation
to support fundamental
research



1970

Merger of Carlsberg
and Tuborg. Carlsberg
becomes a stock
listed company



CARLSBERG FOUNDATION

THE CARLSBERG GROUP TODAY



10 billion litres of beer
brewed in 2016



42,000
employees



150 markets
reached by 140 brands

CARLSBERG FOUNDATION

CARLSBERG FOUNDATION 1876-2017



One of the world's oldest industrial foundations

Main controlling shareholder of Carlsberg Group

Two responsibilities:

1. Value Creation:

Successful growth and creation of value for shareholders, employees and society

2. Philanthropy - giving back to society:

Supports excellent basic research in the fields of natural science, social science and humanities

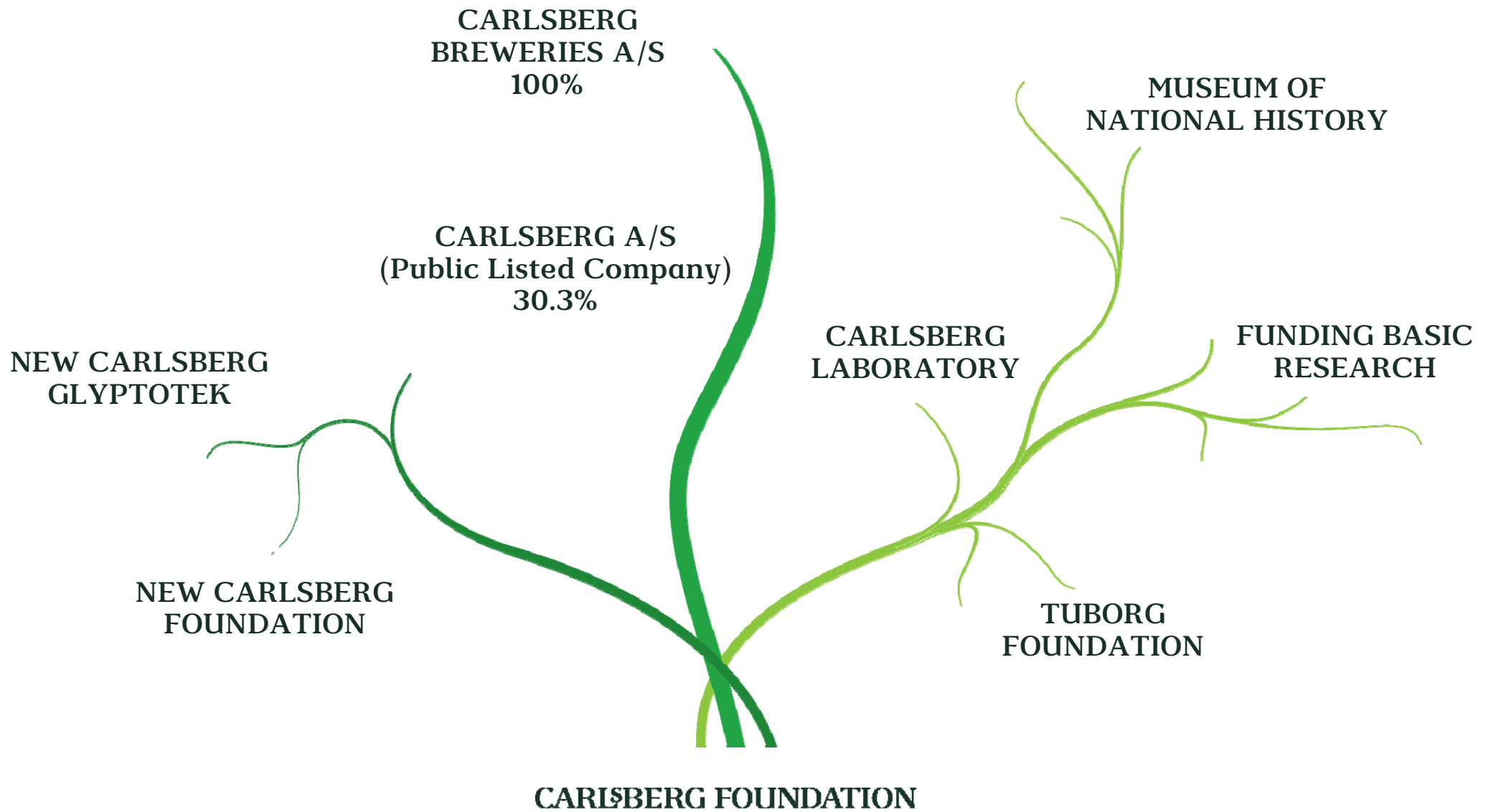
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CORE VALUES FOR CARLSBERG AND THE CARLSBERG FOUNDATION



J.C. Jacobsen 1811-1887

- Pursue perfection (quality)
- Semper Ardens (always passionate)
- Science and innovation
- Corporate Social Responsibility
- Scientific Social Responsibility



CARLSBERG FOUNDATION

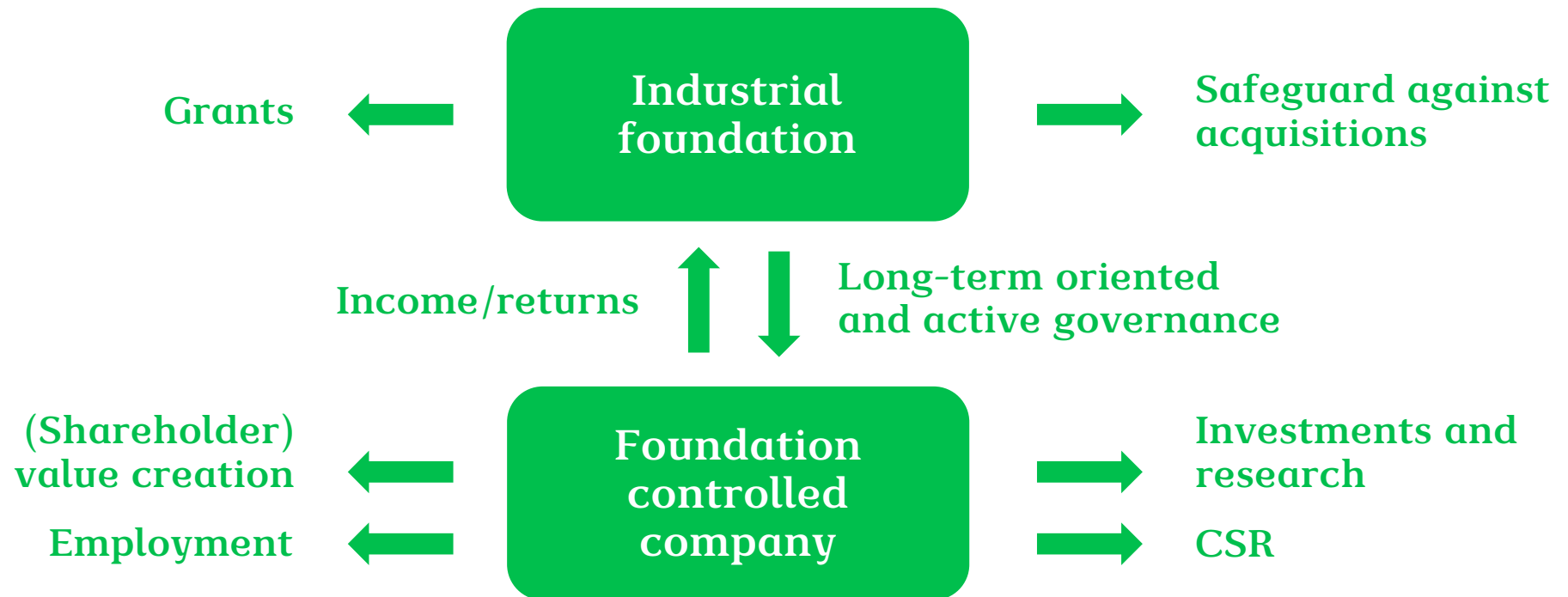
INDUSTRIAL FOUNDATIONS CONTRIBUTE POSITIVELY TO DANISH SOCIETY

CARLSBERG FOUNDATION

EXAMPLES OF DANISH FOUNDATION CONTROLLED COMPANIES



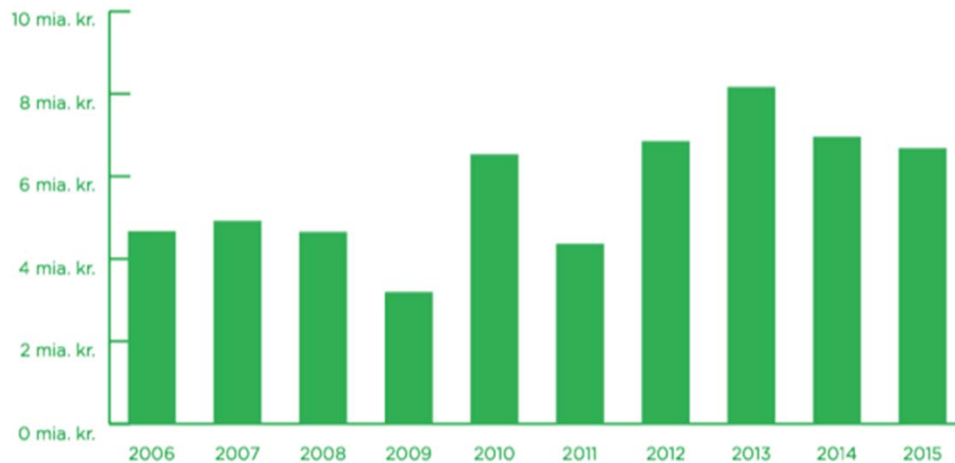
HOW INDUSTRIAL FOUNDATIONS CREATE VALUE



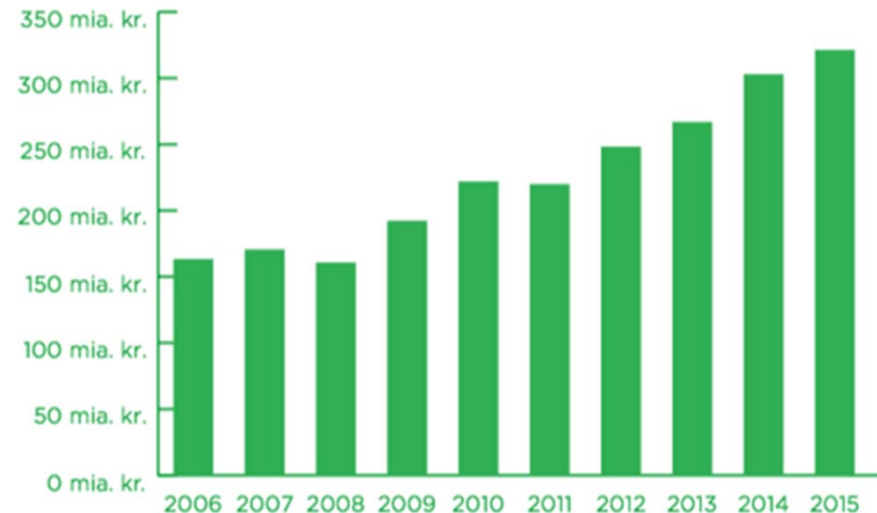
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PHILANTHROPIC VALUE

- Capital assets and grants have doubled during the past 10 years
- The largest 25 industrial foundations contribute ~90% of the grant total
- 16,7 billion DKK in donations in 2016 – record



Grants by private foundations 2006-2015



The capital assets of private foundations 2006-2015

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INDUSTRIAL
FOUNDATIONS AND
THEIR COMPANIES ARE

CRITICAL TO THE
DANISH WELFARE STATE

IMPACT OF FOUNDATION CONTROLLED COMPANIES ON DANISH BUSINESS

- 8% of employment
- 14% of turnover
- 18 % of shareholder value creation
- 25% of export
- 50% of market value
- 60% of research undertakings

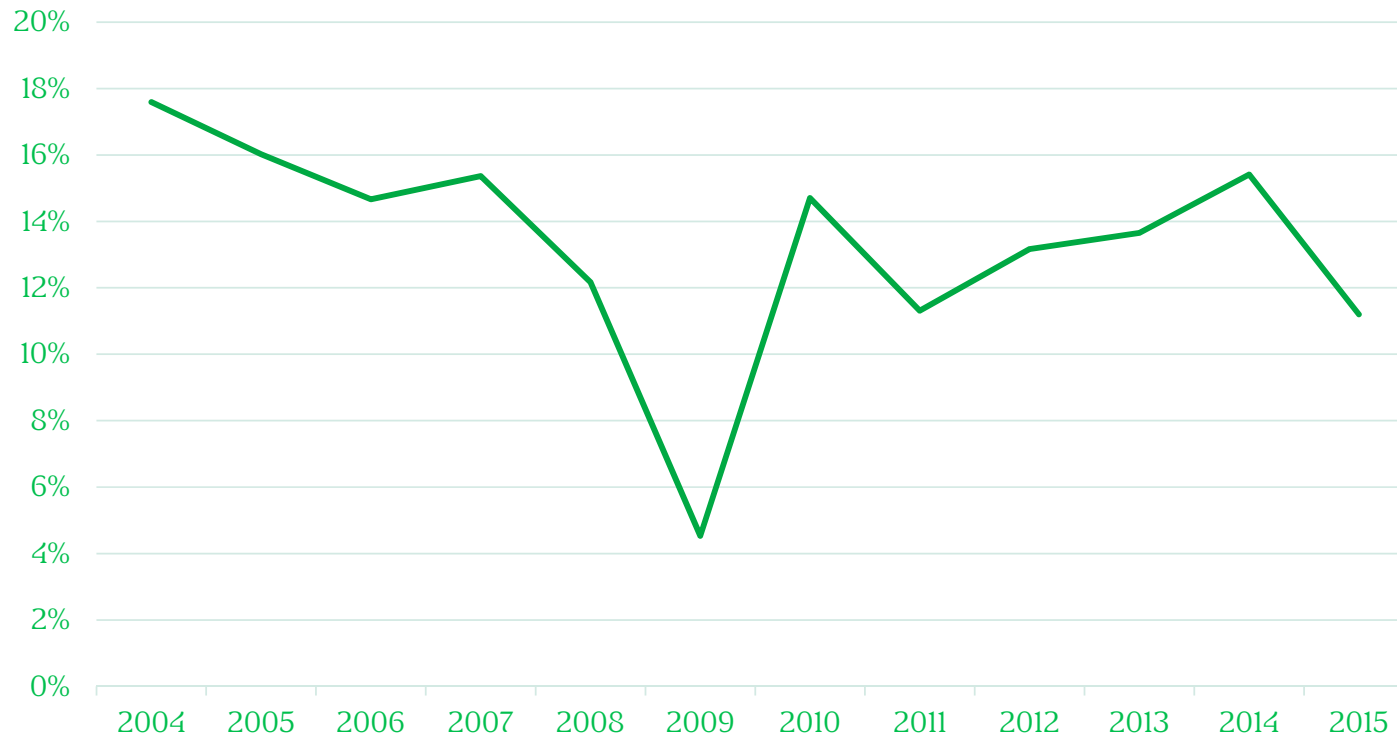
INDUSTRIAL FOUNDATIONS - A COMPARISON TO OTHER OWNERSHIP MODELS

- **Good returns - 5.5% vs 3.8%**
 - Overperformance in the big foundation owned companies, but underperformance in the smaller ones
- **Less risk and higher stability**
 - Less risk on yields, less gearing
- **More long-term oriented**
 - Survival, investments, research, and management conditions
- **Better reputation / stronger brand**

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RETURN ON NET CAPITAL

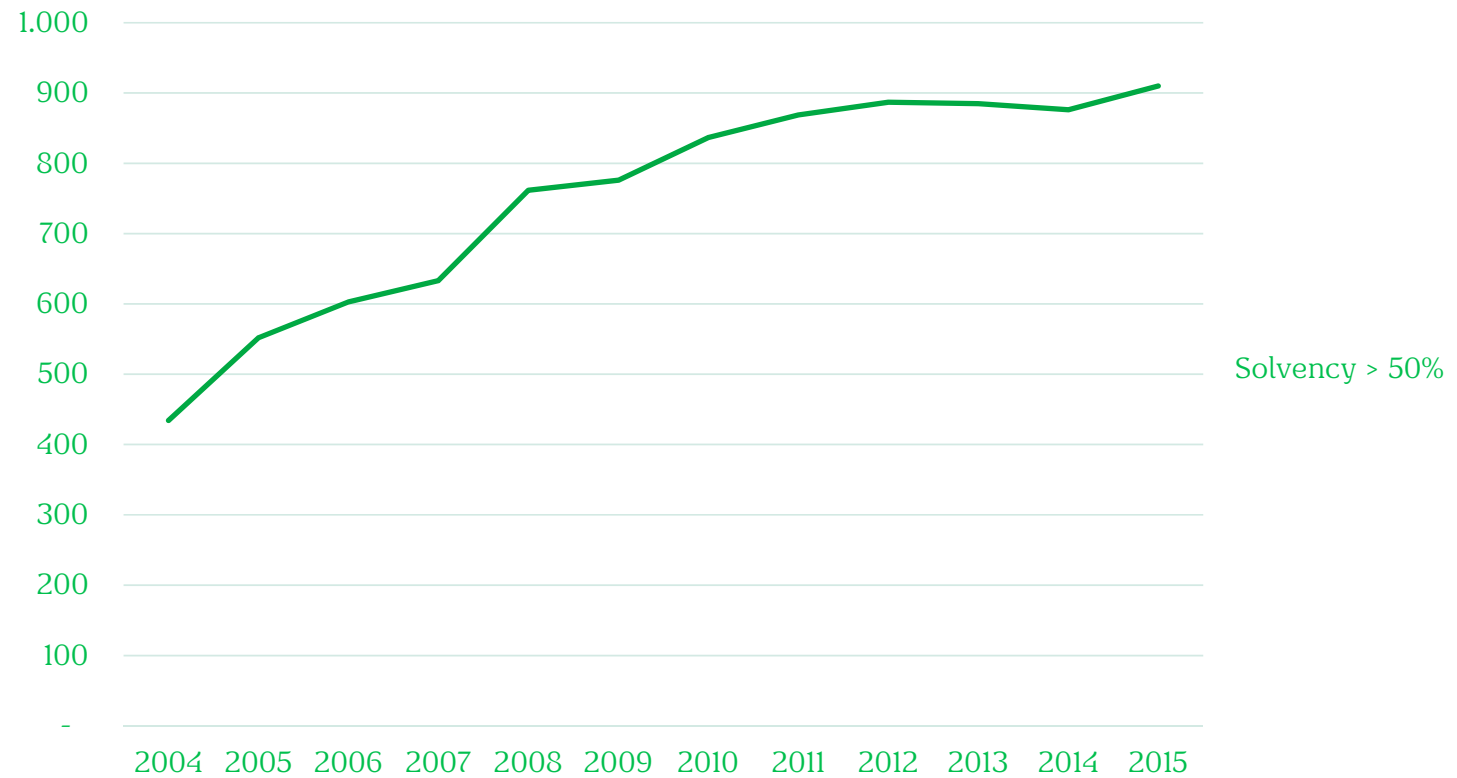
100+ largest foundation controlled companies



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ASSETS IN BILLION DKK

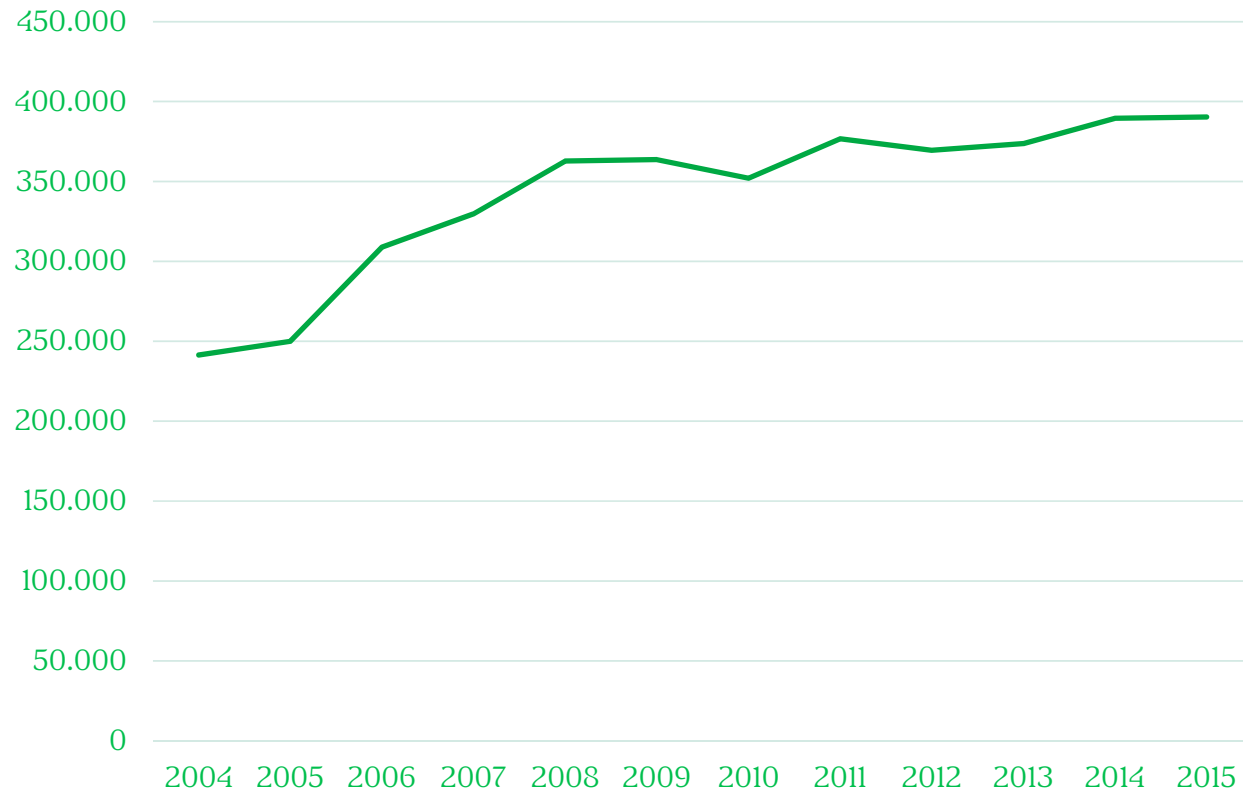
100+ largest foundation controlled companies



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EMPLOYMENT

100+ largest foundation controlled companies



CARLSBERG FOUNDATION

SOME COMPANIES
SEARCH FOR
THEIR GENERAL
PURPOSE...

CARLSBERG FOUNDATION

THE DNA OF OUR FOUNDER

Our founder JC Jacobsen was a pioneer.
He pursued perfection in the art of brewing and gave back to society

He focused on today...

- Improved brewing quality
- Invested in brewery research in Carlsberg Laboratory
- Ensured access to water and energy for the brewery

... and tomorrow

- Established Carlsberg Foundation to:
 - Govern the brewery
 - Invest future profits in science
- Shared knowledge with society



CARLSBERG FOUNDATION

THE DNA OF OUR FOUNDER

We maintain his mentality by continuing to pursue perfection every day and help create a better tomorrow. Brewing for a better today and tomorrow.

A better today:

- Excellent brews
- Appealing brands
- Excited consumers and passionate employees
- Semper Ardens, always improving

A better tomorrow:

- More sustainable brewing
- Use science to address global challenges
- Accelerate innovations for Carlsberg Group and for society



CARLSBERG FOUNDATION

CARLSBERG RESEARCH LABORATORY

The principal task of the Carlsberg Research Laboratory shall be to develop as complete a scientific basis as possible for the malting, brewing and fermentation operations



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CARLSBERG LABORATORY SCIENTIFIC ACHIEVEMENTS

Quantifying nitrogen in
organic compounds



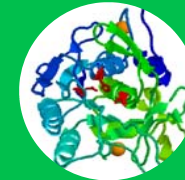
Emil Chr. Hansen
1879-1909

Protein chemistry,
dynamics, enzymes



S.P.L. Sørensen
1900-1939

Subtilisin, an alkaline
protease, enzymes



Øjvind Winge
1919-1957

Birgitte Skadhauge
1997-



Johan Kjeldahl
1876-1900

Purifying yeast
*Saccharomyces
carlsbergensis*



PH concept,
purifying albumin

K. Linderstrøm-Lang
1919-1959



Manipulate single yeast
cells on a genetic level

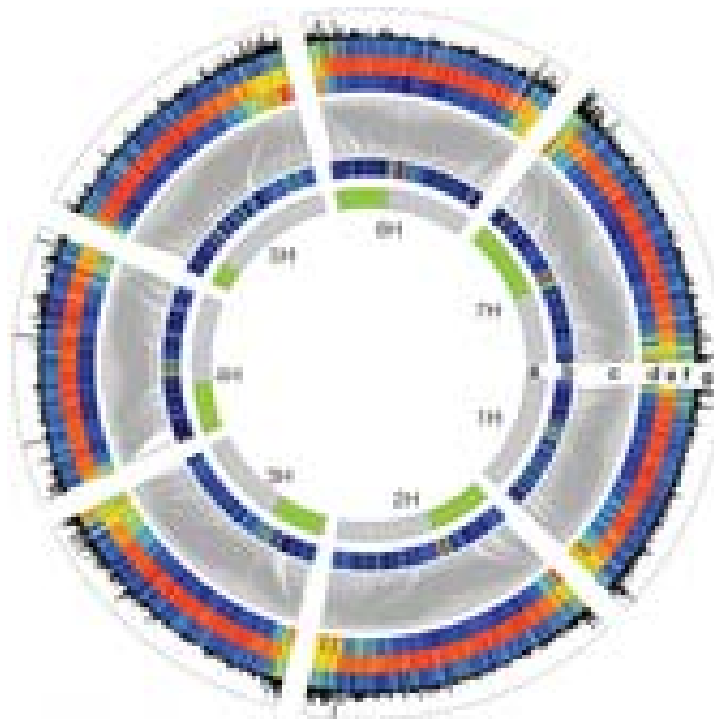
Martin Ottesen
1959-1987



Null-Lox and climate
resistant barley

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TODAY, CARLSBERG IS LEADING IN SEQUENCING GENOMES OF KEY-BREWING INGREDIENTS



Nature articles:

- 1994: Yeast Genome
- 2017: Barley Genome
- **Ongoing:** Hop Genome

CARLSBERG FOUNDATION

NEW CARLSBERG GLYPTOTEK



- Carl Jacobsen donated his private collection to society
- Internationally unique and world famous museum for Mediterranean ancient art e.g. sculptures from the Roman, Greek and Egypt empires as well as Danish and French pictorial art from the 19th century

CARLSBERG FOUNDATION

TOGETHER TOWARDS ZERO

Carlsberg
Group



ZERO
CARBON
FOOTPRINT



ZERO
WATER
WASTE



ZERO
IRRESPONSIBLE
DRINKING



ZERO
ACCIDENTS
CULTURE

GLOBAL CHALLENGES REQUIRE ACTION AND LEADERSHIP FROM BUSINESS

Together Towards ZERO is a response to increasing **consumer demand** for **sustainable products** in a time of global challenges such as **climate change**, **water scarcity** and **public health issues**

CARLSBERG FOUNDATION

RAISING THE BAR FOR A BETTER TOMORROW

We will invest in a community of young scientists to help to foster further scientific developments within CO₂, water and sustainable brewing



[Carlsberggroup.com/sustainability](https://carlsberggroup.com/sustainability)
Together #towardszero

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INDUSTRIAL FOUNDATIONS: PROFIT, PEOPLE, PLANET

The foundation owned companies create value x 3:

- **Profit:** shareholders
- **People:** employee/society, culture, purpose
- **Planet:** environment, circular economy etc.

Future successful companies are based on a sustainable business model



Global Agenda

**World Economic Forum
Annual Meeting 2017**
Responsive and
Responsible Leadership

Davos-Klosters, Switzerland 17-20 January

