



Fonden Constructive Foundation

Bartholins Allé 16
8000 Aarhus C
CVR No. 38360809

Annual report 2023

The Annual Meeting adopted the annual report
on 22.05.2024

DocuSigned by:

Per Westergård

E7991D0FF79040D...

Per Westergaard Jensen
Chairman of the Meeting

Contents

| | |
|---|----|
| Entity details | 2 |
| Statement by Management | 3 |
| Independent auditor's report | 4 |
| Management commentary | 7 |
| Income statement for 2023 | 11 |
| Balance sheet at 31.12.2023 | 12 |
| Statement of changes in equity for 2023 | 14 |
| Notes | 15 |
| Accounting policies | 17 |

Entity details

Entity

Fonden Constructive Foundation
Bartholins Allé 16
8000 Aarhus C

Business Registration No.: 38360809
Registered office: Aarhus
Financial year: 01.01.2023 - 31.12.2023

Statutory reports on the entity's website

Statutory report on foundation governance:
<https://constructiveinstitute.org/app/uploads/2024/05/God-fondsledelse-CI-2024.pdf>

Board of Directors

Per Westergaard Jensen
Ulrik Haagerup
Jean Philip De Tender
Anne Karin Lagercrantz
Alexandra Silvia Borchardt
Dawn Elizabeth Garcia
Maja Horst

Executive Board

Ulrik Haagerup

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Fonden Constructive Foundation for the financial year 01.01.2023 - 31.12.2023.


The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Foundation's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

Aarhus, 22.05.2024

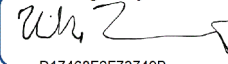
Executive Board

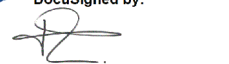
DocuSigned by:

D17468F2F73749B...
Ulf Haagerup

Board of Directors

DocuSigned by:


E7991D0FF79040D...
Per Westergaard Jensen

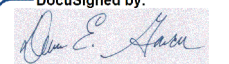
DocuSigned by:

D17468F2F73749B...
Ulf Haagerup

DocuSigned by:

78992C7F42704EB...
Jean-François de Tender

DocuSigned by:

FABBA57BF6264DC...
Anne-Rikke Egercrantz

DocuSigned by:

9634372A674A4D6...
Alexandra Silvia Borchardt

DocuSigned by:

4DBAE8B4C47649C...
Dawn Elizabeth Garcia

DocuSigned by:

C5378D96D3774B8...
Maya Horst

Independent auditor's report

To the shareholders of Fonden Constructive Foundation

Opinion

We have audited the financial statements of Fonden Constructive Foundation for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Foundation's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Foundation in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Foundation's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

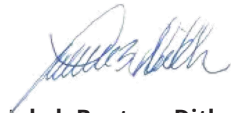
Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 22.05.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556



Jakob Boutrup Ditlevsen

State Authorised Public Accountant

Identification No (MNE) mne27725

Management commentary

Primary activities

Purpose

The Constructive Foundation is a commercial foundation that works on a nonprofit basis to change the global news culture and re-establish news journalism as a credible source of information in democratic societies as well as helping media organizations and journalists apply constructive journalism in their daily work, by:

- Developing and providing access to a comprehensive knowledge base and establishing a code of conduct for journalistic integrity.
- Partnering with academic institutions for the creation of new knowledge and research.
- Curating exemplary journalistic practices and case studies.
- Endorsing initiatives that promote and validate the principles of constructive journalism.
- Training and nurturing ambassadors and role models in constructive journalism through an international fellowship program.

Main Activities

The principal endeavor of Constructive Foundation remains the oversight of the Constructive Institute (CI), located at Aarhus University yet operationally independent. The Institute champions the cause of constructive journalism and aids media entities in its application. We sustain robust partnerships with various foundations, corporations, and organizations aligned with our vision to innovate journalism.

Financial Standings 2023

The year 2023 saw sustained financial support, enabling the continued success of the Constructive Institute (CI) and our fellowship program. Major contributions include:

- TrygFonden: Donation to continued support to three fellows (3.000.000 DKK)
- Novo Nordisk Fonden: Donation to continued support to three fellows (3.000.000 DKK)
- Realdania: Donation ended (1.860.000 DKK)
- TrygFonden: Donation to continued support for local journalism (1.000.000 DKK)
- Industriens Fond: Donation to continued support one fellow (1.000.000 DKK)
- William Demant Fonden: Donation to continued support one fellow (667.000 DKK)
- Salling Fondene: Donation to consolidate and expand the activities in the Constructive News Lab (1.354.000 DKK)

Description of material changes in activities and finances

Fonden Constructive Foundation has maintained its vibrancy and furthered the development of projects aligning with its mission to reform global news culture and advocate for constructive journalism. The demand for workshops, seminars, and short-term training programs remains high. We continued to welcome international journalists and editors to the Constructive Institute for professional development, a trend that promises to grow. Our commitment to educational materials, workshops, and knowledge creation has been supported by grants from entities like Institut for Danish Institute for Parties and Democracy (DIPD), Helsingin Sanomat, Aarhus Stiftstidendes Fond, European Broadcasting Union, Tuborgfondet, Salling Fondene and others.

The Foundation operates three main activities through Constructive Institute:

1. Generating new knowledge: Through research initiatives, data collection, and the dissemination of best practices, CI has advanced in optimizing search functionalities for identifying constructive journalism and developing educational resources in collaboration with educational and research institutions
2. Inspiration: Our efforts to inspire include hosting conferences, seminars, keynote sessions, and workshops, alongside showcasing best practices and fostering the adoption of constructive journalism tools and methodologies
3. Role Models: The International Fellowship Program remained flourishing in 2023, hosting approximately 11-13 resident fellows, supported by TrygFonden, Realdania, Novo Nordisk Fonden, William Demant Fonden, Industriens Fond, and a Finnish fellow supported by Helsingin Sanomat Foundation. Every semester Constructive Institute hosts a number of shorter term fellows from partner newsrooms like Mediehusene Midtjylland, TV2 Nord and Bornholms Tidende

The Foundation's turnover per 31.12.2023 is DKK 14,873,907 vs DKK 15,307,877 last year. The income statement shows a profit of DKK 142,844 against a profit of DKK 385,979 last year. The foundation's equity is DKK 2,415,280 per 31.12.2023.

The Foundation's financial turnover as of December 31, 2023, resembles that of the previous year, maintaining a robust project portfolio and thriving fellowship program. This continuity positions us well for future growth and the furthering of our mission. Our equity remains at a satisfactory level, ensuring financial stability and liquidity

The Foundation's management regards the progress as fulfilling and acknowledges that the objectives of enhancing activity levels and broadening the fellowship program have been successfully achieved.

The distribution of profits aligns in accordance with the foundation's purpose and goals. An allocation of DKK 1,411,515 is dedicated to research and development, DKK 1,222,000 aids in organizing conferences, seminars, and workshops, while DKK 9,911,718 supports the foundation's aim of fostering role models through the Constructive Institute Fellowship Program. Retained earnings of DKK 142,844 for 2023 will be used to consolidate the Foundation through an increase in the equity. Management deems these outcomes as fulfilling, underscoring the foundation's achievement in amassing a substantial project portfolio and enlarging the fellowship initiative. This foundation not only continues to thrive but does so with a positive and satisfactory equity, considering its liquidity position.

Statutory report on foundation governance

The Foundation's report on foundation management can be found at our homepage.
<https://constructiveinstitute.org/app/uploads/2024/05/God-fondsledelse-CI-2024.pdf>

The Board

Per Westergaard Jensen

- Male, born July 5, 1952
- Member of the Board since March 1, 2017 (Chairman during the period)
- Independent member
- Former editor and CEO of a number of national, regional and local media companies
- Membership of other boards: Chairman of the board of Funen Media, Deputy Chairman of Jysk Fynske Medier, member of the Den Fynske Bladfond
- Special competencies: Strategy, top management experience, media insight

Dawn Elizabeth Garcia

- Female, born June 5, 1959
- Member of the Board since July 8, 2022
- Independent member
- Director of John S. Knight Journalism Fellowships at Stanford University
- Former reporter at San Francisco Chronicle and Editor for San Jose Mercury News
- Special competencies: Extensive Fellowship experience, senior level management experience, insights in the university sector and background as journalist

Maja Horst

- Female, born February 25, 1969
- Member of the Board since 30.08.2023
- Designated by the Aarhus University
- Dean, Faculty of Arts
- Member of other boards: Moesgaard Museum
- Special competencies: Research-, education- and innovation policy, Research communication.

Jean Philip De Tender

- Male, born February 6, 1965
- Member of the Board of Directors since March 1, 2017
- Designated by the European Broadcasting Union (EBU)
- Director Media at the EBU, the European Broadcasting Union, in Geneva, Switzerland
- Special competencies: International top management experience in the media sector in several countries, digital media, storytelling, radio and television.

Ulrik Haagerup

- Male, born March 18, 1963
- Member of the Board since March 1, 2017
- Director Constructive Institute, former news director DR and editor-in-chief.
- Independent member
- Membership of other boards: Landbrugsmedierne A/S
- Special competencies: Broad knowledge of journalism and editorial management and strategy.

Anne Karin Lagercrantz

- Female, born December 5, 1973
- Member of the Board since May 15, 2020
- Independent member
- Head (Divisionchef) of SVT News & Sport
- Special competencies: Politics, journalism and editorial management, strategy

Alexandra Borchardt

- Female, born March 19, 1966
- Member of the Board since December 13, 2020
- Independent member
- Independent media consultant and journalist, Professor for Media Transformation, University of the Arts (Berlin)
- Member: Committee for Editorial Independence, Economica (Czech Republic); Member: Council of Europe Expert Committee on Digital Technologies and Freedom of Expression (DIG-MSI, 2020/21)
- Lecturer in Digital Transformation, Journalism and Media, Leadership and Strategy

Statutory report on distribution policy

<https://constructiveinstitute.org/app/uploads/2024/05/God-fondsledelse-CI-2024.pdf>

Income statement for 2023

| | Notes | 2023 DKK | 2022 DKK |
|--|-------|-------------------|-------------------|
| Revenue | | 14,873,907 | 15,307,877 |
| Other external expenses | | (1,006,635) | (450,000) |
| Gross profit/loss | | 13,867,272 | 14,857,877 |
| Staff costs | 1 | (1,195,794) | (250,000) |
| Depreciation, amortisation and impairment losses | | 0 | (77,752) |
| Operating profit/loss | | 12,671,478 | 14,530,125 |
| Other financial expenses | | 14,599 | (40,025) |
| Profit/loss before tax | | 12,686,077 | 14,490,100 |
| Tax on profit/loss for the year | 2 | 2,000 | 162,823 |
| Profit/loss for the year | | 12,688,077 | 14,652,923 |
| Proposed distribution of profit and loss: | | | |
| Provision for distributions | | 12,545,233 | 14,266,944 |
| Retained earnings | | 142,844 | 385,979 |
| Proposed distribution of profit and loss | | 12,688,077 | 14,652,923 |

Balance sheet at 31.12.2023

Assets

| | Notes | 2023 DKK | 2022 DKK |
|--|-------|-------------------|------------------|
| Acquired intangible assets | | 0 | 0 |
| Intangible assets | 3 | 0 | 0 |
| Other fixtures and fittings, tools and equipment | | 0 | 0 |
| Leasehold improvements | | 0 | 0 |
| Property, plant and equipment | 4 | 0 | 0 |
| Deferred tax | | 14,000 | 12,000 |
| Financial assets | | 14,000 | 12,000 |
| Fixed assets | | 14,000 | 12,000 |
| Other receivables | | 2,937,244 | 75,000 |
| Prepayments | | 1,760,170 | 2,485,655 |
| Receivables | | 4,697,414 | 2,560,655 |
| Cash | | 6,260,268 | 6,390,095 |
| Current assets | | 10,957,682 | 8,950,750 |
| Assets | | 10,971,682 | 8,962,750 |

Equity and liabilities

| | Notes | 2023 DKK | 2022 DKK |
|--|--------------|---------------------------|---------------------------|
| Contributed capital | | 300,000 | 300,000 |
| Retained earnings | | 2,115,280 | 1,972,436 |
| Equity | | 2,415,280 | 2,272,436 |
| Trade payables | | 29,259 | 0 |
| Other payables | | 745,473 | 673,980 |
| Deferred income | | 7,781,670 | 6,016,334 |
| Current liabilities other than provisions | | 8,556,402 | 6,690,314 |
| Liabilities other than provisions | | 8,556,402 | 6,690,314 |
| Equity and liabilities | | 10,971,682 | 8,962,750 |

Transactions with related parties

5

Statement of changes in equity for 2023

| | Contributed capital DKK | Provision for distributions DKK | Retained earnings DKK | Total DKK |
|---------------------------|--|--|--------------------------------------|----------------------|
| Equity beginning of year | 300,000 | 0 | 1,972,436 | 2,272,436 |
| Ordinary distributions | 0 | (12,545,233) | 0 | (12,545,233) |
| Profit/loss for the year | 0 | 12,545,233 | 142,844 | 12,688,077 |
| Equity end of year | 300,000 | 0 | 2,115,280 | 2,415,280 |

Notes

1 Staff costs

| | 2023 | 2022 |
|---------------------------------------|------------------|----------------|
| | DKK | DKK |
| Wages and salaries | 1,195,794 | 250,000 |
| | 1,195,794 | 250,000 |
| Average number of full-time employees | 15 | 15 |

2 Tax on profit/loss for the year

| | 2023 | 2022 |
|------------------------|----------------|------------------|
| | DKK | DKK |
| Current tax | (2,000) | 0 |
| Change in deferred tax | 0 | (162,823) |
| | (2,000) | (162,823) |

3 Intangible assets

| | Acquired intangible assets DKK |
|---|---|
| Cost beginning of year | 280,864 |
| Cost end of year | 280,864 |
| Amortisation and impairment losses beginning of year | (280,864) |
| Amortisation and impairment losses end of year | (280,864) |
| Carrying amount end of year | 0 |

4 Property, plant and equipment

| | Other fixtures and fittings, tools and equipment DKK | Leasehold improvements DKK |
|---|---|---|
| Cost beginning of year | 151,169 | 29,909 |
| Cost end of year | 151,169 | 29,909 |
| Depreciation and impairment losses beginning of year | (151,169) | (29,909) |
| Depreciation and impairment losses end of year | (151,169) | (29,909) |
| Carrying amount end of year | 0 | 0 |

5 Transactions with related parties

| | Management DKK |
|--------|---------------------------|
| Salary | 1,820,000 |

The Foundation's related parties consists of the Board of Directors and the CEO.
Transactions with related parties only consists of salary.

The Foundation Constructive Foundation's management consists of Board of Directors with seven members, including a Chairman of the Board, Vice Chairman of the Board and the CEO. According to the Danish Financial Statements act § 98b section 3 number 1 the Foundation has disclosed fee for the Board of Directors together with fee to the CEO.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Foundation, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Foundation has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Foundation, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Revenue

Revenue comprises donations/grants and is recognised in the income statement when the income can be reliably calculated. Revenue also consists of income for lectures and courses.

Other external expenses

Other external expenses include expenses relating to the Foundations ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. Other external expenses also comprises write-downs of receivables recognised as current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other financial expenses

Other financial expenses comprise interest expenses and transactions in foreign currencies.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets being: 5 years.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

| | Useful life |
|--|--------------------|
| Other fixtures and fittings, tools and equipment | 5 years |
| Leasehold improvements | 5 years |

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.