

REMUNERATION POLICY FOR THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD OF BRØDRENE HARTMANN A/S

Introduction

The remuneration policy for the members of the Board of Directors and the Executive Board of Brødrene Hartmann A/S (the "Company") reflects the interests of the shareholders and the Company, taking into consideration any specific matters. Furthermore, the remuneration policy contributes to promoting long-term goals for safeguarding the Company's interests.

With respect to variable pay components, reference is made to the general guidelines for incentive pay which have been adopted by the Company's shareholders in general meeting and are available for download on www.hartmann-packaging.com.

Board fee

Efforts are made to ensure that the board fee matches the fee level in peer companies, while also taking into consideration board members' required competencies, efforts and the scope of the board work, including the number of meetings.

Board members elected by the employees receive the same fee as board members elected by the shareholders.

Fixed fee and remuneration for ad hoc work

The members of the Board of Directors receive fixed cash remuneration (fee), which is approved at the annual general meeting for the current financial year. In addition, remuneration may be paid in respect of *ad hoc* work.

The fee is disclosed in the annual report. For their extended board duties, the chairman receives a fee equal to the board fee multiplied by three and the vice chairman a fee equal to the board fee multiplied by two.

Newly-appointed board members will receive board fees as from the first day of the month following their election to the Board of Directors. Retiring board members will receive board fees until the end of the month in which they resigned from the Board of Directors.

Incentive programme, bonus pay, etc.

The Board of Directors is not covered by incentive programmes (share option programmes, bonus pay or similar schemes).

Reimbursement of expenses

Expenses in connection with board and committee meetings as well as travel and other expenses incurred in the Company's interest are reimbursed upon presentation of vouchers.

Pension scheme

The Board of Directors is not comprised by any defined benefit pension scheme or other pension scheme established by the Company.

Remuneration of the Executive Board

The Board of Directors believes that a combination of fixed and performance-based pay to the Executive Board helps ensure that the Company can attract and retain key employees, while at the same time giving the Executive Board an incentive to create shareholder value through partly incentive-based pay.

The Board of Directors determines the remuneration and employment terms of the Executive Board, including severance terms.

The members of the Executive Board receive a competitive remuneration package which may consist of the following components:

- Fixed pay;
- Pension;
- Bonus; and
- Personal benefits, such as company car, company-paid phone, broadband at home, newspaper and other benefits.

If, upon granting variable pay components, it is established that such pay components were paid on the basis of misstated data, the Company may in exceptional circumstances reclaim such pay components in full or in part.

Fixed pay

The fixed pay must match the market level, and the total remuneration paid to the Executive Board is disclosed in the annual report. If the members of the Executive Board receive a fee for directorships held in subsidiaries of the Company, their pay from the Company will be reduced by a corresponding amount.

Variable pay components

Variable pay components must at all times comply with the general guidelines for variable pay components adopted by the shareholders in general meeting.

Bonus

The members of the Executive Board participate in a bonus scheme which is based on the financial performance for the year and is payable once a year following the approval of the annual report for the relevant financial year, cf. the general guidelines for incentive pay.

The bonus may not exceed 50 per cent of the fixed pay.

The bonus scheme is based on target achievement of a number of parameters, including parameters relating to EBIT, ROIC and changes in working capital.

Personal benefits

Members of the Executive Board have access to a number of work-related benefits, including company car, free telephony, broadband at home and business-related newspapers and magazines. The extent of individual benefits is negotiated with each individual member of the Executive Board.

Notice of termination

The Company may terminate the employment relationship at 12 months' notice. Members of the Executive Board may terminate their employment relationships with the Company at six months' notice.

In the event of a change of ownership of a controlling interest in the Company, regardless of how such change is effected, and if the transferee meets one or more of the conditions set out in section 31(2) and (3) of the Danish Securities Trading Act, the notice of termination on the part of the Company is extended to 24 months effective from the date when the shares are sold. The extended notice will apply for a period of up to 18 months after the transfer.

Severance pay

No severance pay/compensation has been agreed with respect to voluntary or non-voluntary resignation.

Pension scheme

The members of the Executive Board are comprised by the Company's pension and insurance scheme. The members of the Executive Board are not comprised by a defined benefit pension scheme.