

This is a translation into English of the original Danish text. In case of discrepancies between the two texts, the Danish text shall prevail.

ADOPTED AT THE ANNUAL GENERAL MEETING ON 18 APRIL 2018

REMUNERATION POLICY FOR THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD IN BRØDRENE HARTMANN A/S, INCLUDING GENERAL GUIDELINES FOR INCENTIVE PAY UNDER SECTION 139 OF THE DANISH COMPANIES ACT

1 Introduction and objective

This remuneration policy includes the general guidelines for remuneration to the Board of Directors and the Executive Board in Brødrene Hartmann A/S (the "Company") and incentive programmes for the Executive Board. The "Executive Board" means the members of the executive board registered with the Danish Business Authority.

Under section 139 of the Danish Companies Act the board of directors of a listed company must, before it enters into a specific agreement on incentive pay with a member of the company's board of directors or executive board, lay down general guidelines for the company's incentive pay to the board of directors and the executive board. The guidelines must be considered and adopted by the company's general meeting.

The overall objective of this remuneration policy is to motivate, retain and attract management members with professional and personal skills and qualifications required to operate the business of the Company. By giving the Company the possibility to offer incentive pay to the Executive Board the policy also ensures a continues positive development of the Company and through this also a good value for the Company's shareholders and employees as well as an increased alignment between the interests of the Executive Board and of the shareholders, respectively, in maximization of the value creation.

2 General principles for the remuneration to the Board of Directors

The members of the Board of Directors receive a fixed annual fee determined on the basis of the scope and nature of the work, the requirement as to the members of the Board of Directors' qualifications and compared to the fees in comparable listed companies.

The Chairman and Vice Chairman and the members of the audit committee receive an additional amount for their additional work.

Estimated remuneration for ad hoc work can also be paid.

The Board of Directors is not covered by a pension scheme. The Board of Directors does not receive any incentive pay.

Any expenses relating to meetings in the Board of Directors and committee meetings as well as travel expenses etc paid in the interest of the Company will be reimbursed according to vouchers submitted.

The fees to the Chairman, Vice Chairman, the members of the Board of Directors and the audit committee are disclosed in the annual report and will be presented for adoption at the Annual General meeting when the Board of Directors will also present the proposed fee in the current financial year.

3 General principles for remuneration to the Executive Board

In order to attract and retain managerial skills the elements of the remuneration to the Executive Board have been determined in consideration of its tasks and value creation as well as the terms and conditions of other Danish businesses. The remuneration to the Executive Board may include a fixed salary, pension, an annual cash bonus, long-term cash-based incentive schemes as well as other usual fringe benefits. Each remuneration element is ranked on the basis of the wish to ensure the Company's continued positive development in both the short and the long term.

3.1 Fixed salary

The fixed salary pays the Executive Board for the day-to-day work and ensures a well-balanced general remuneration package. If the Executive Board receives a fee for sitting on the board of directors of the Company's subsidiaries, the salary from the Company will be reduced by an equivalent amount.

3.2 Pension

The members of the Executive Board are covered by the Company's pension and insurance scheme. The Executive Board is not covered by a payment-based pension scheme.

3.3 Fringe benefits

The members of the Executive Board are entitled to the usual fringe benefits, including a car, broadband connection at home, mobile telephone etc.

3.4 Terms of termination

The Company may terminate the employment relationship by giving 12 months' notice. Members of the Executive Board may terminate the employment relationship with the Company by giving 6 months' notice.

If any change of control takes place in the Company and the assignee fulfils one or several of the issues laid down in section 44(2) and (3) of the Danish Capital Markets Act, the Company's notice of termination will be extended to maximum 24 months with effect from the date when the shares are sold. The extended notice applies for up to 18 months after the transfer.

Information about any agreed severance pay/compensation in connection with a voluntary or non-voluntary resignation will be disclosed in the notes of the annual report.

3.5 Incentive pay

The Board of Directors believes that the Company depends on high-level managerial resources. The Board of Directors also believes that incentive pay to the Executive Board can be a useful tool to ensure the Company's long-term value creation for the shareholders. Incentive pay will be designed for the purpose of attracting, retaining and motivating the members of the Executive Board.

Whether a member of the Executive Board is covered by an incentive programme, and which agreement(s) that is/are specifically concluded, will depend on whether the Board of Directors finds it expedient out of regard for creating overlapping interests between the Executive Board and the shareholders and for taking into account both short-term and long-term objectives. In addition, the Executive Board's performance so far and its expected performance, the regard for motivation and loyalty as well as the Company's situation and development can also be factors.

The incentive programmes will be based on fulfilling one or several parameters such as turnover, profit from operating activities, return on invested capital, changes in working capital et cetera.

Specific agreements on incentive programmes with members of the Executive Board will be subject to the following guidelines.

3.5.1 Short-term cash bonus plans

Short-term cash bonus plans can consist of an annual bonus that the individual member of the Executive Board can receive if specific targets for the Company and any personal targets for the year in question have been fulfilled.

The short-term cash bonus may be equal to maximum 50% of each participating member of the Executive Board's fixed salary.

The targets for the Executive Board are determined by the chairmanship of the Board of Directors following preceding discussions with the Executive Board and the Board of Directors.

3.5.2 Long-term cash bonus plans

Long-term cash bonus plans can be initiated in respect of specific targets determined over a period of minimum three future financial years. A long-term cash bonus can also consist of a bonus calculated as a share of a specific net profit.

The long-term cash bonus may be equal to maximum 50% of each participating member of the Executive Board's average fixed salary multiplied by the duration of the scheme (number of years).

The targets for the Executive Board are determined by the chairmanship of the Board of Directors following preceding discussions with the Executive Board and the Board of Directors.

3.5.3 Other cash bonus plans

In addition to the short-term and long-term bonus plans, other bonus plans can be established in specific situations which can result in cash bonuses of up to 50% of a member of the Executive Board's fixed salary. Such plans can be established with the result that they enter into force after the occurrence of a special event as a one-off payment for example in connection with specific retention needs or in other situations where the Board of Directors finds it relevant.

3.5.4 Share-based schemes

The Company does not use share-based remuneration or share-based incentive schemes.

3.5.5 Repayment of variable salary components

In the event of any gross breach or if a short-term or long-term bonus has been paid based on accounts that turn out to contain serious errors, the Company may demand repayment in whole or in part of the excess bonus.

4 Remuneration Report

Each year in connection with the presentation of the annual report the Company must ensure that a Remuneration Report is prepared. The report must include information on the total remuneration granted to each member of the Board of Directors and the Executive Board by the Company and other companies in the group and affiliates (if any) for the last three years, including information on the most important contents of retention and retirement/resignation schemes. The linkage between the remuneration and the Company strategy and relevant goals shall be explained in the report.

Information on the total remuneration granted to each member of the Board of Directors and the Executive Board will also appear from the Company's annual report.

5 Publication and commencement

The Company's Articles of Association contain a provision that the general meeting has adopted guidelines for incentive pay to the Executive Board, see section 139 of the Danish Companies Act.

Following the adoption by the Company's annual general meeting on 18 April 2018 the remuneration policy including the incentive guidelines will immediately be made public on the Company's website (www.hartmann-packaging.com). The remuneration policy including the incentive guidelines must be presented for the general meeting's approval at least every fourth year as well as upon amendments thereto. After approval by the general meeting the remuneration policy including the incentive guidelines will immediately be made public on the Company's website with information about the date of adoption.