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Notice of annual general meeting of H+H International A/S

The Board of Directors of H+H International A/S hereby invites the company's shareholders to attend the annual general meeting of H+H International A/S, which will be held on

Thursday 10 April 2014 at 2.30 pm CET

at Adina Apartment Hotel, Amerika Plads 7, 2100 Copenhagen Ø, Denmark.

AGENDA INCLUDING COMPLETE PROPOSALS

1. Resolution proposed by the Board of Directors that the 2013 annual report and future interim and annual reports be prepared and presented in English

New legislation allows the annual general meeting to decide that the annual report shall be prepared and presented in English. The new rules are already applicable to the 2013 annual report. To avoid the extra costs and extra work involved in preparing reporting in both Danish and English, the Board of Directors therefore proposes that the company's 2013 annual report and all future interim and annual reports are prepared and presented in English. The company may choose – but is not obliged – to prepare a Danish translation, extract or summary of the annual and interim reports that are prepared in English.

Adoption of the proposal will mean that the following clause is inserted as a new Article 14.6 in the company's Articles of Association:

"The Company's annual and interim reports shall be prepared and presented in English."

2. Management's report on the company's activities in the past year

The Board of Directors proposes that the management's report on the company's activities be adopted.

3. Presentation and adoption of the audited 2013 annual report

In anticipation of the proposal to prepare and present the 2013 annual report and future interim and annual reports in English, the company has prepared the 2013 annual report in English; this was published on 14 March 2014.

The Board of Directors proposes that the 2013 annual report be adopted.

*For additional information please contact:
Michael T Andersen, CEO, or Niels Eldrup Meidahl, CFO, on telephone +45 35 27 02 00*

This is a translation of the company's announcement in Danish. In case of inconsistency between the Danish text and this English translation, the Danish text will take precedence.



4. Resolution on discharging the Executive Board and the Board of Directors from liability

The Board of Directors proposes that the general meeting grants the Executive Board and the Board of Directors discharge from liability in relation to the 2013 annual report.

5. Resolution proposed by the Board of Directors concerning covering of loss according to the adopted 2013 annual report

The Board of Directors proposes that the loss according to the adopted 2013 annual report be carried forward to the next financial year and that no dividend be distributed.

6. Resolution proposed by the Board of Directors concerning the Board of Directors' remuneration for 2014

The Board of Directors proposes that for the financial year 2014 each ordinary board member shall receive a standard fee of DKK 300,000, the Chairman shall receive 2 times the standard fee (i.e. DKK 600,000) and the Deputy Chairman, if any, shall receive 1.5 times the standard fee (i.e. DKK 450,000). The said fees include remuneration for the members' work in the board committees at any given time (e.g. audit committee, remuneration committee and nomination committee). The fees are unchanged compared to the financial year 2013.

Remuneration shall be paid quarterly in arrears. In the event that a board member is elected to or retires from the Board of Directors or the position as Chairman or Deputy Chairman at another time than at an annual general meeting (e.g. in connection with an extraordinary general meeting), the remuneration shall be determined proportionately to the time period that the person holds his or her function.

7. Election of members to the Board of Directors

All board members are elected or re-elected at the annual general meeting each year and consequently, their term expires at the annual general meeting following their election or re-election. Accordingly, the term for all present board members expires at this year's annual general meeting.

The Board of Directors' proposal for board candidates is listed below. A description of each candidate's qualifications and special skills is enclosed as **Annex A** to this notice of annual general meeting.

The Board of Directors proposes re-election of:

a. Kent Arentoft

President and CEO, Dalhoff Larsen & Horneman A/S (51 years).

b. Stewart A Baseley

Executive Chairman, Home Builders Federation, UK (55 years).

c. Asbjørn Berge

Professional board member (58 years).

d. Pierre-Yves Jullien

President and CEO, Hempel A/S (63 years).



e. Henriette Schütze

Executive director and CFO of Georg Jensen A/S until mid 2013 (45 years).

8. Appointment of auditor

The Board of Directors proposes re-appointment of Deloitte Statsautoriseret Revisionspartnerselskab.

9. Other resolutions proposed by the Board of Directors or shareholders

Resolutions proposed by the Board of Directors

a. Amendment of Remuneration guidelines for the Board of Directors and Executive Board, including general guidelines on incentive pay for the Executive Board

The Board proposes that the general meeting approves the updated *Remuneration guidelines for the Board of Directors and Executive Board, including general guidelines on incentive pay for the Executive Board* which have been drawn up and approved by the Board of Directors (see **Annex B** to this notice).

The amendments primarily concern updates and clarifications. However, it is proposed that the date of payment for incentive pay earned for a given financial year is brought forward from the date when the general meeting approves the annual report to the date of publication of the annual report. This amendment will enable incentive pay earned to be used to purchase shares under the company's annual matching share programme, which starts in the trading window that begins immediately after publication of the annual report.

b. Amendment of Article 11.4 of the Articles of Association – lifting of restrictions on proxies for the Board of Directors

Under previous legislation, proxies for the company's Board of Directors could only be given for 12 months at a time and only for a specific general meeting for which the agenda had been announced at the time the proxy was given. These statutory restrictions, which are reflected in Article 11.4, point 3, of the Articles of Association, were repealed by law on 1 January 2014, and the Board of Directors therefore proposes that Article 11.4, point 3, of the Articles of Association be repealed. Article 11.4 of the Articles of Association shall henceforth be worded as follows:

“Voting rights may be exercised by proxy on condition that the person concerned proves his/her right to participate in the general meeting by presenting an admission card and a written and dated proxy document. The proxy may participate together with an adviser.”

c. Amendment of Article 13.1 of the Articles of Association – abolition of the age limit of 70 years

The Board of Directors proposes that Article 13.1 of the Articles of Association be amended such that the fourth sentence concerning an age limit of 70 years for board members is deleted. The Board of Directors considers the age limit to be arbitrary and, instead, wants both the Board of Directors and the general meeting to be able to make a decision on candidates on the basis of an overall assessment in which age is just one of several parameters. Accordingly, it is proposed to amend Article 13.1 to the following:



"The Company is managed by a Board of Directors of between 4 and 8 members elected by the general meeting. Board members are elected for the period until the next annual general meeting and may be re-elected."

d. Authorisation of the Board of Directors to permit the company to purchase own shares

The Board of Directors proposes that the Board of Directors be authorised, until the next annual general meeting, to permit the company to purchase a maximum of 981,000 treasury shares (equivalent to 10% of the shares issued by the company), given that the nominal value of the company's total holding of treasury shares may at no time exceed 10% of the company's share capital. Purchase of treasury shares shall be made at a price that may not deviate by more than 10% from the market price quoted on NASDAQ OMX Copenhagen at the time of the purchase.

10. Any other business

MAJORITY

Items no. 9.b. and 9.c. of the agenda may only be adopted if shareholders representing at least 2/3 of both the votes cast and the share capital represented at the general meeting vote in favour of the proposal. The remaining items on the agenda may be adopted by a simple majority of votes.

SHAREHOLDER INFORMATION

The share capital of the company is DKK 490,500,000 divided into shares of DKK 5 or multiples thereof. Each share with a nominal value of DKK 5 entitles the holder to one vote, cf. articles 2.1, 2.2 and 11.1 of the Articles of Association. Pursuant to section 85 of the Danish Companies Act, the voting share capital must be calculated less the shares held by the company as treasury shares. At today's date, the company holds 20,489 treasury shares.

A shareholder is entitled to participate in and vote at the general meeting, if the shareholder's shareholding is registered in the company's register of shareholders on the record date or the shareholder has no later than on the record date notified and documented the shareholder's acquisition of shares with a view to registration in the register of shareholders. See article 11.2 of the Articles of Association. The record date is **Thursday 3 April 2014**.

Furthermore, the shareholder must have obtained an admission card or submitted absentee votes (i.e. by proxy or postal votes) in due time (see the deadlines listed below). In this respect, please note that you may *either* assign a proxy *or* vote by post, but not both.

The following information is available for the shareholders to view and print on the company's website at www.HplusH.com/annual-general-meeting up until and including the day of the annual general meeting:

- The notice and the agenda including the complete proposals for the items on the agenda and Annex A (*Description of the candidates for the Board of Directors as proposed by the Board of Directors*) and Annex B (*Remuneration guidelines for the Board of Directors and the Executive Board, including general guidelines for incentive pay to the Executive Board*)
- The documents to be presented at the annual general meeting, including the audited annual report for 2013



- Form for request of admission cards to the general meeting
- Proxy form and form for voting by post
- The total number of shares and voting rights in the company at the date of the notice convening the general meeting

The notice convening the general meeting will be e-mailed to all shareholders having registered an e-mail address in the register of shareholders as of today's date as well as sent by mail to the registered shareholders having made a written request to the company to receive notices of general meeting by mail.

ADMISSION CARDS

Shareholders wishing to attend the general meeting must order an admission card in due time for the order to be received by Computershare A/S no later than on **Friday 4 April 2014** by:

- visiting the H+H Shareholder Portal at www.HplusH.com/shareholder-portal and registering electronically (remember to have your NemID or your VP account number available), or
- printing the registration form available on the company's website at www.HplusH.com/annual-general-meeting and returning it – duly completed and signed – to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark, by mail, by e-mail at info@computershare.dk, or by fax on +45 45 46 09 98.

Ordered admission cards will be sent out one week before the annual general meeting to each shareholder's address as entered in the company's register of shareholders on the record date or may be collected in person on 10 April 2014 from 2.00 pm CET at the entrance door at the general meeting venue.

A shareholder may attend together with an advisor, provided an admission card was ordered in due time for the advisor.

PROXY

A shareholder may attend the general meeting by proxy by:

- assigning a proxy to a named third party by requesting an admission card for the third party in question,
- assigning a proxy to the Board of Directors to cast votes in accordance with the Board of Directors' recommendations, or
- assigning a proxy to the Board of Directors to cast votes in accordance with the shareholder's instruction on how to vote in respect of each resolution proposed.

Proxy to a named third party other than the Board of Directors shall be made in a written, dated and signed form and be produced by the proxy at the general meeting together with an admission card. A proxy may attend together with an adviser, provided an admission card was ordered in due time for the adviser.

A proxy form can be found at the H+H Shareholder Portal at www.HplusH.com/shareholder-portal and may be completed and submitted electronically via the H+H Shareholder Portal (remember to have your NemID or VP account number available) no later than on **Friday 4 April 2014**.



Alternatively, the proxy form can be printed from the company's website at www.HplusH.com/annual-general-meeting and returned – duly completed and signed – to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark, by mail, by e-mail at info@computershare.dk, or by fax on +45 45 46 09 98 in due time for it to reach Computershare A/S no later than on **Friday 4 April 2014**.

VOTING BY POST

A shareholder may exercise the shareholder's voting rights by voting by post.

A form for submitting postal votes can be found at the H+H Shareholder Portal at www.HplusH.com/shareholder-portal. The form may be filled out and submitted electronically (remember to have your NemID or VP account number available) via the H+H Shareholder Portal no later than on **Wednesday 9 April 2014 at 12.00 noon CET**.

Alternatively, the form for submitting postal votes can be printed from the company's website at www.HplusH.com/annual-general-meeting and returned – duly completed and signed – to Computershare A/S, Kongevejen 418, 2840 Holte, Denmark, by mail, by e-mail at info@computershare.dk, or by fax on +45 45 46 09 98 in due time for it to reach Computershare A/S no later than on **Wednesday 9 April 2014, at 12.00 noon CET**.

WRITTEN QUESTIONS FROM SHAREHOLDERS

Prior to the general meeting, shareholders may submit written questions to the company regarding the agenda items or documents etc. to be presented at the general meeting. Questions must be e-mailed with clear identification of the shareholder to the company at shareholder@HplusH.com no later than on **Wednesday 9 April 2014**.

Copenhagen, 18 March 2014

H+H International A/S
The Board of Directors



Annex A

Description of the candidates for the Board of Directors as proposed by the Board of Directors

Pursuant to H+H International A/S' Articles of Association, the Board of Directors shall consist of four to eight members to be elected by the general meeting for a term that expires at the annual general meeting in 2015. The Board of Directors finds that 5 members in the Board of Directors is currently appropriate to fulfil the needs of the company when considering the members' collective extensive competences and experiences as well as to ensure constructive debates and effective decision-making processes allowing all members to participate and play an active role.

The Board of Directors' proposal of candidates for the Board of Directors is based upon the Board's competence and diversity profile published on the company's website, www.HplusH.com. The competences defined as being relevant in the profile are, amongst others, competences within strategy development, efficiency improvements and turnaround programmes, risk management, commercial understanding within the building industry and housing development, international operational development, production, logistics and sales and marketing in business-to-business sectors as well as experience with board of director work and knowledge of stock exchange legislation and practices. As can be seen in the descriptions of the various candidates proposed by the Board of Directors, each candidate possesses expertise and experience that match several of the required collective board competences, as well as complementing the competences already represented by the other candidates.

Furthermore, the Board of Directors' proposal of candidates for the Board is based upon the results of the self-evaluation process that the Board carried out during the winter of 2013/2014. The self-evaluation showed that the board members, both individually and collectively, have good insight in and understanding of the company's business, the sector and the current relevant risks and opportunities of the company as well as possess the commercial and financial skills required to allow for the Board of Directors to perform its tasks in the best possible manner. The evaluation also showed that all members are independent of special interests.

Finally, the Board of Directors' proposal of candidates for the Board is based on its gender distribution target, in accordance with which each gender must be represented by at least one shareholder-elected board member when the Board of Directors consists of five shareholder-elected board members.

The Board of Directors proposes re-election of:

a. Kent Arentoft

- Male. Born 1962. President and CEO, Dalhoff Larsen & Horneman A/S.
- Chairman. Joined the Board of Directors in 2013. Will be elected Chairman of the Board of Directors in case the Board's proposal for board candidates is approved at the general meeting. Member of the Nomination Committee (chairman) and the Remuneration Committee (chairman).
- Broad organisation and management experience in international companies in the building materials and contracting sector, in particular within strategy development and M&A transactions.
- Independent as defined by the Committee on Corporate Governance.
- Member of the boards of Xilco Holding (CH) AG (Switzerland) and one subsidiary.



b. Stewart A Baseley

- Male. Born 1958. Executive Chairman, Home Builders Federation (UK).
- Joined the Board of Directors in 2010. Member of the Remuneration Committee.
- Experience with the international house-building industry and the developer industry, particularly in the UK, as well as international management experience.
- Independent as defined by the Committee on Corporate Governance.
- Member of the boards of Banner Homes Group PLC (UK), four subsidiaries of Home Builders Federation (UK), HBF Insurance PCC Limited (Guernsey), the National House-Building Council (UK), Akomex Sp. z o.o. (Poland), MEDI-system Sp. z o.o. (Poland) and ProService Agent Transferowy Sp. z o.o. (Poland).
- Senior Advisor on Central and Eastern Europe for Highlander Partners L.P. (USA).
- Chairman of Habitat for Humanity Great Britain (UK).
- Patron of Children with Special Needs Foundation (UK).

c. Asbjørn Berge

- Male. Born 1955. Professional board member.
- Joined the Board of Directors in 2010. Member of the Audit Committee (chairman), Nomination Committee and Remuneration Committee.
- Experience with management of production companies within the building materials sector and the building industry, and long-standing experience in board work.
- Independent as defined by the Committee on Corporate Governance.
- Chairman of the boards of Board Governance A/S, Carnad A/S, Freja Transport & Logistics A/S, KA. Interiør Holding A/S and one subsidiary and Trend Lines A/S.
- Deputy chairman of Palsgaard Træ A/S and member of the boards of five subsidiaries.
- Member of the boards and director of Berge Invest ApS and Industri Invest Herning A/S.
- Member of the boards of Bizzorp Holding ApS and two subsidiaries, C.C. Contractor A/S, Da'core A/S, Dansk Vækstkapital, Ejendomsselskabet Berlin og Hamborg A/S, Godt Smil Holding ApS, Junckers Industrier A/S, Lilleheden A/S and two subsidiaries, Pipers Teglværker A/S and one subsidiary, Plus A/S and Træfonden.

d. Pierre-Yves Jullien

- Male. Born 1950. President and CEO, Hempel A/S.
- Joined the Board of Directors in 2010. Member of the Audit Committee.
- Experience in management of a major global production company, including turnarounds and efficiency improvement as well as B-t-B sales.
- Independent as defined by the Committee on Corporate Governance.
- Managing director, chairman or member of the boards of 12 companies in the Hempel Group.
- Member of the board of Saudi Arabian Packaging Industry W.L.L. (Saudi Arabia).

e. Henriette Schütze

- Female. Born 1968. Executive director and CFO of Georg Jensen A/S until mid 2013.
- Joined the Board of Directors in 2013. Member of the Audit Committee (chairman).
- Extensive finance management experience from international listed and non-listed companies as well as broad management experience including turnarounds, change management and productivity/efficiency improvements.
- Independent as defined by the Committee on Corporate Governance.
- Member of the board of IMD Alumni Club Denmark.



Annex B

Remuneration guidelines for the Board of Directors and the Executive Board, including general guidelines for incentive pay to the Executive Board

SCOPE OF THE GUIDELINES

These guidelines concern remuneration of the Board of Directors and the Executive Board registered at any time with the Danish Commerce and Companies Agency, including incentive pay (variable remuneration) to the Executive Board.

The guidelines have been drawn up pursuant to the requirements stipulated in section 139 of the Danish Companies Act as well as the applicable corporate governance recommendations, cf. "Recommendations on Corporate Governance" of May 2013 issued by the Committee on Corporate Governance.

All remuneration agreements (whether they are new agreements or amendments to or prolongation of existing agreements) entered into after adoption of the guidelines by the general meeting shall adhere to these guidelines. Remuneration agreements entered into prior to adoption of these guidelines shall continue on the terms already agreed.

The Board of Directors may change or wind up an incentive pay scheme introduced in accordance with these guidelines. Any changes shall, however, comply with these guidelines.

OBJECTIVE OF THE GUIDELINES

The purpose of these guidelines is to create a framework that enables the implementation of remuneration packages that support both the short- and the long-term goals of the company and that ensures that the remuneration level is aligned with the shareholders' interest in increased value creation.

The interplay between the annual fixed salary and the incentive pay schemes making up the remuneration package offered shall be so that the various remuneration components collectively motivate management decisions that pursue increased value creation, but does so without leading to behaviour that pertains too high risks or involves illegal or unethical behaviour.

The Board of Directors has set up a Remuneration Committee that together with the Chairman of the Board of Directors assesses the Board of Directors' and the Executive Board's remuneration on an ongoing basis and reports to the Board of Directors on their findings.

The individual remuneration to members of the Board of Directors and members of the Executive Board shall be stated in the company's annual report.

BOARD OF DIRECTORS

The Board of Directors shall receive remuneration only in the form of a fixed cash fee. The fixed fee for a given financial year is approved by the annual general meeting in the financial year concerned.

The members of the Board of Directors shall not receive any type of incentive pay and they shall not be part of any pension scheme.



The annual standard fee for board members proposed by the Board to the annual general meeting shall be set at a level that is competitive and on a par with comparable companies, and so that the fee reflects the demands on and responsibilities of the members in view of the complexity of the business of the H+H Group as well as the time usually required for preparation for and attendance at board meetings, committee meetings etc. In light of the additional tasks and responsibilities of the Chairman and the Deputy Chairman, if any, the Chairman shall receive a standard fee that is 2 times and the Deputy Chairman, if any, an annual fixed fee that is 1.5 times the standard fee.

Travel and accommodation expenses, etc., in connection with board meetings and expenses are paid on submission of receipts.

EXECUTIVE BOARD

Remuneration components

The elements of the Executive Board's total remuneration are combined on the basis of market practice and the H+H Group's specific requirements at any given time. The Executive Board's remuneration shall consist of a combination of:

- A fixed annual salary (including pension contributions, if any); and
- Performance-based short-term incentive pay scheme(s) – i.e. cash incentives; and/or
- Performance-based long-term incentive pay scheme(s) – i.e. share-based incentives

In addition to the fixed salary and the incentive pay, the members of the Executive Board shall also receive work-related benefits in kind in accordance with normal market practices, including e.g. a company car, free telephone, broadband at home, news subscriptions, certain insurances (accident, health and directors & officers liability) etc.

The total remuneration to the executive board members is subject to annual assessment by the Chairman of the Board of Directors together with the Remuneration Committee. Factors that will be considered when assessing and determining the level and nature of the remuneration are e.g. the results achieved by the Executive Board, the H+H Group's size, the complexity of the business, remuneration market practices as well as the market remuneration level. The overall aim shall be to have a remuneration package that is sufficiently competitive to enable the company to attract and retain executive board members with the relevant qualifications as required at any given time to best take advantage of the H+H Group's opportunities and potential as well as counter the H+H Group's challenges.

Guidelines for fixed annual salary

The fixed salary shall be based on market levels and shall take into account the extent of possible performance-based incentive pay.

The executive board members do not receive any remuneration for directorships held in H+H subsidiaries.

General guidelines for performance-based incentive pay

The performance criteria to be fulfilled, in whole or in part, in order to earn incentive pay can be related to certain company-related key performance indicators (KPIs – i.e. EBITDA, EBIT, PBT, EPS, ROE, ROIC, increases in share price etc.) and/or certain individual key performance criteria, whether financial or non-financial in nature (e.g. execution of specific strategic projects (turnaround plans, acquisition plans, achievements within research & development etc.)).



The Board of Directors is of the opinion that the best performance from the Executive Board in the form of value creation for the company's shareholders is achieved when a certain part of the executive board members' total remuneration is dependent on achievement of relevant performance criteria defined by the Board of Directors from time to time in consideration of the company's strategy as well as opportunities and challenges.

The total incentive pay (short-term incentive pay and long-term incentive pay) that an executive board member potentially can achieve pursuant to the annual pool of the incentive pay programmes may, when valued at the time of the initiation of the vesting period for the annual pool, not exceed 80% of the executive board member's fixed annual salary in the specific financial year. The value in relation to share-based incentive pay shall be calculated in accordance with the International Financial Reporting Standards (IFRS), including the Black-Scholes model for the value calculation for share options.

Payment of incentive pay earned by the end of a financial year may not take place until after the independent auditors' report has been received and the annual report for the financial year in question has been approved by the Executive Board and the Board of Directors.

The specific incentive pay contracts entered into with each executive board member shall include wording to the effect that the company, in exceptional cases, shall be able to reclaim in full or in part the incentive pay paid on the basis of data, which proved to be manifestly misstated.

Short-term incentive pay schemes (cash-based)

Executive board members may participate in short-term incentive pay schemes in the form of annual cash bonuses.

The annual cash bonuses' yearly performance criteria shall be set by the Board of Directors and the criteria shall support fulfilment of the company's short-term goals. Relevant performance criteria may be company-related results such as e.g. Earnings Before Interest and Tax (EBIT), Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), Profit Before Tax (PBT), net working capital, and/or the performance criteria may be measurable personal results of a financial or non-financial nature.

Long-term incentive pay schemes (share-based)

Executive board members may participate in long-term incentive pay schemes in the form of share-based programmes such as matching shares or share options.

The design of the share-based incentive schemes shall reflect their general purpose, i.e. to support fulfilment of the company's long-term growth and earnings in order to ensure that shareholders' interests are met as best possible. To support the overriding purpose of pursuit of long-term growth and earnings, share-based incentive schemes shall always have a vesting period of more than one year, and exercise of any gain may not take place until at least 3 years from the initiation of the vesting period. Furthermore, the performance criteria shall be company-related key performance indicators rather than personal results of a financial or non-financial nature.

If a *matching share programme* is established, the executive board member shall invest in H+H shares at market value. These H+H shares, invested in by the executive board member, may subsequently and on certain conditions be matched for free with H+H shares after a set vesting period. The vesting period shall be around 3 years, and the number of matching H+H shares vesting shall depend on the degree of fulfilment within the vesting period of the set performance criteria. However, the maximum number of matching H+H shares possibly vesting may not exceed 3



H+H shares per H+H share invested in and still held by the executive board member by the end of the vesting period. The programme may set an annual minimum investment requirement for each executive board member's participation in the programme. The maximum annual investment allowable under the programme shall be an amount equal to 10 % of the executive board member's annual fixed salary at the time of investment.

If a *share option programme* is established, each share option shall give the board member a right to buy from the company one H+H share. The number of share options that will be granted shall depend upon fulfilment of performance criteria defined by the Board of Directors. The executive board member shall pay a price in order to receive the share option. The exercise price of a share option shall be above the market value of the H+H shares at the date of grant. However, the exercise price and/or the number of granted share options shall be adjusted in case of dividend paid by H+H and in case of corporate actions that dilute the value of the share options. The share options shall not be exercisable until around 3 years after the date of grant, and the share options shall expire if not exercised no later than around 5 years from the date of grant.

Share-based incentive schemes may be established on tax terms whereby the executive board member's profit from participation in the scheme will be taxed as share profit, and having as a consequence that the company cannot receive a tax deduction for the costs of the share-based incentive scheme.

Share-based incentive schemes may at the discretion of the Board of Directors include provisions allowing for accelerated and amended vesting criteria in certain extraordinary circumstances such as takeover, mergers, acquisitions, divestments or the like.

At the discretion of the Board of Directors, and taking account of the company's liquidity and other investment requirements, the company intends to cover the H+H shares likely to have to be provided by the company to the executive board members pursuant to share-based incentive schemes on an ongoing basis through the company's purchase of H+H shares during the vesting period.

The share-based schemes that the Board of Directors approves pursuant to these guidelines shall be described in more detail in a company announcement at establishment of each programme as well as in connection with grants under the scheme, and shall be reported on each year in the company's annual report.

Termination of employment

In the event of the company's termination of the employment relationship, an executive board member may receive payment during the notice period in an amount equal to up to 12 months' fixed salary and incentive pay in addition to termination payment, if any, in an amount equal up to 12 months' fixed salary. However, in case the company's termination of the employment relationship takes place in connection with or within a period of 2 years from a takeover or a delisting of the company, an executive board member may receive payment during the notice period in an amount equal to up to 12 months' fixed salary and incentive pay in addition to termination payment, if any, in an amount equal to up to 24 months' fixed salary.

Adopted by the annual general meeting on 10 April 2014

Anders Ørjan Jensen
Chairman of the meeting