



# GENERAL GUIDELINES FOR INCENTIVE REMUNERATION OF THE EXECUTIVE BOARD AND OTHER EXECUTIVES IN NUNAMINERALS A/S.

## PRELIMINARY CONSIDERATIONS

In order to promote the interests of the company and its shareholders, the company may provide incentive payments to members of the company's Executive Board and other executives in the form of bonuses and share-based pay.

These guidelines, which have been adopted by the company's Supervisory Board, lay down the general principles of the incentive pay. The company's Supervisory Board will be remunerated by a fixed cash fee to be approved by the general meeting and will consequently not receive any incentive remuneration.

## OBJECTIVES

The company's incentive scheme for the members of the Executive Board and other executives is generally to serve as inspiration and motivation for the beneficiaries and to help to retain these in order to support the company's continued value creation for the shareholders. The programme also serves the objective of enabling the company to offer an internationally competitive salary package.

Moreover, incentive pay granted in the form of cash bonuses helps support the company's concrete short-term objectives, as the earning of bonuses will be subject to specific objectives being met.

The share-based incentive scheme is intended to support both the company's short-term and long-term objectives, as vesting under the scheme will be subject to these objectives being met. In addition, the share-based incentive scheme is to ensure that the beneficiaries share the shareholders' interest in value creation for the shareholders.

## THE CONTENTS OF THE INCENTIVE SCHEME

### **Bonus**

The maximum cash bonus which a member of the Executive Board or an executive can be granted in any financial year corresponds to four months' basic pay (the employee's regular monthly salary during the year in question inclusive of pension contributions, but exclusive of bonus, share-based pay and employee benefits). Bonuses will be granted and can be renewed regularly with due regard to the above objectives and the need to retain and motivate the individual recipient.

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The Supervisory Board lays down the detailed rules specifying how bonuses will be earned. Hence, bonuses will be earned subject to the extent of fulfilment of certain objectives established by the Supervisory Board and based on the company's financial ratios, the development of the company's projects or measurable personal results of a financial or non-financial nature.

Based on the established earning criteria, bonuses can be earned as one or more part payments to be paid out within a period of three years after the year in which they were granted.

### **Share-based pay**

Share-based pay may consist of warrants or options (jointly referred to as "options").

A member of the Executive Board or an executive may over a period of three financial years be granted options to acquire a total of 15,000 shares in the company at a nominal value of DKK 100. Options will typically be granted under programmes that will be applicable for several years. The number of options will be determined with due regard to the above-mentioned objectives and the need to retain and motivate the individual recipient.

The Supervisory Board lays down the detailed rules for the options, including the conditions for vesting and exercising the options. The vesting criteria can be based on specific objectives of the same nature as those regulating the bonuses and/or be subject to the recipient's continued employment with the company. Vesting can take place on a current basis within a maximum period of five years after the year in which the options were granted.

The Supervisory Board may specify that the options can be exercised from the time of vesting and until six years after the year in which they were granted. The options must be exercised within the open trading windows or as specifically provided in case of termination of employment, major divestitures, take-over bids, mergers, etc. Moreover, in such specific cases provisions regarding lapse of and early vesting and exercising of the incentive-based pay may be laid down for bonuses as well as share-based pay.

The price at which the options can be exercised must be based on the market price for the company's shares at the time when the options are granted plus/less 10%, or alternatively the average market price for the company's shares within a specific period during the year in which they were granted plus/less 10%.

When granting share options, the company must hedge the obligation to allot shares, basically at the date when the shares are allotted. The company can deduct any expenses in connection with the issue of options according to the provisions of the tax legislation in force from time to time.

## **OTHER TERMS AND CONDITIONS**

These guidelines apply to existing as well as new bonus and option schemes. However, the abovementioned limits for granting and exercising options and establishing the price at which the options can be exercised do not apply to options awarded or vested pursuant to agreements based on the company's previous guidelines. Moreover, such options will not be included when calculating whether these limits have been reached.

## **PUBLICATION**

These guidelines were adopted by the Supervisory Board on 3 March 2009 and will be presented for approval at the company's general meeting on 28 April 2009. The guidelines will be published on the company's website ([www.nunaminerals.com](http://www.nunaminerals.com)), and a notice to the effect that the general meeting has approved the guidelines for incentive pay will be entered in the company's Articles of Association.