

Solar A/S' remuneration policy for the Supervisory Board and the Executive Board

Solar A/S' remuneration policy for the Supervisory Board and the Executive Board registered with the Danish Commerce and Companies Agency includes fixed as well as incentive-based remuneration.

The objective is to secure convergence of interests between the company's shareholders and the company's decision makers, defined as the Supervisory Board and the Executive Board. Moreover, the objective is to secure market-conform remuneration of the Supervisory Board and the Executive Board in order to retain these and to attract qualified candidates when relevant.

At its annual general meeting held on 8 April 2011, Solar A/S adopted the overall guidelines for incentive-based remuneration of the Supervisory Board and the Executive Board, cf. section 139 of the Danish Companies Act. The guidelines have been published at www.solar.eu. The guidelines are within the scope of this remuneration policy. This remuneration policy and any amendments hereof must be approved by the Supervisory Board of the company and subsequently be adopted at the general meeting of the company.

Below you will find an exhaustive description of the remuneration components that form part of the remuneration of the company's management, the reasons for choosing these and a description of the criteria ensuring the balance between the individual remuneration components.

Members of the Supervisory Board

The remuneration for the Supervisory Board should be on a par with the remuneration in other large Danish enterprises with international activities. The total remuneration of the Supervisory Board can be seen at the company's website and reflects market-conform remuneration.

The Supervisory Board makes a proposal for the remuneration of the Supervisory Board. The remuneration for the Supervisory Board during the coming financial year is adopted at the annual general meeting as a separate item on the agenda. The proposal for the Supervisory Board's remuneration for the coming financial year is included in the notice of the annual general meeting.

Each member of the Supervisory Board receives a fixed annual fee. The chairman and the vice chairman of the Supervisory Board also receive an annual allowance for their extended supervisory board tasks equal to 200% and 50% respectively. The work on the Supervisory Board audit

committee entitles the chairman of the audit committee to additional remuneration. The chairman of the committee receives an allowance for this equal to 50% of the annual remuneration.

Costs of e.g. travelling and accommodation in connection with supervisory board meetings are refunded according to vouchers submitted. Supervisory Board members not employed in the Solar Group receive compensation for lost earnings pursuant to rules laid down by the Supervisory Board.

Supervisory Board members are not offered any share options, warrants, shares at favourable prices or other incentive programmes, as the company wishes to comply with the Corporate Governance recommendations.

Members of the Executive Board

The remuneration for the Executive Board should be on a par with the remuneration in other large Danish enterprises with international activities. The total remuneration of the Executive Board can be seen at the company's website and reflects market-conform remuneration.

The Supervisory Board determines the remuneration of the Executive Board. The Executive Board consists of the Group CEO and the Group CFO.

The remuneration is made up of a fixed basic salary, a non-share-based incentive programme (bonus following the financial year of the company) and a share-based incentive programme (share options).

In the opinion of the Supervisory Board, a combination of a fixed salary and a two-tier performance related part helps to ensure that Solar can attract and retain competent managers while ensuring a further incentive for value creation for the shareholders, in the short as well as in the long term.

The mutual balance between the remuneration types appears from below and is a result of the opinion of the Supervisory Board that a combination of all three remuneration types may be appropriate in terms of incentive:

In addition to the fixed remuneration

- a variable bonus scheme leads to optimisation of the Executive Board's incentive in the short term, and
- a share-based incentive programme leads to optimisation of the Executive Board's incentive in the long term.

The Supervisory Board has also determined that there must be an equitable ceiling on the non-share-based incentive remuneration compared to the Executive Board member's fixed salary.

The share-based part of the remuneration scheme is long-term, as it is revolving, cf. below.

The Executive Board does not receive any fee for supervisory board memberships in the subsidiaries of Solar A/S.

Fixed basic salary

The total fixed basic salary including pension for an Executive Board member constitutes between 50% and 100% of the total remuneration, depending on the extent of the variable salary payment. In addition there are personal work-related benefits.

Non-share-based incentive programme

The non-share-based incentive programme for the Executive Board is a variable salary of a one-year term at a time.

The performance targets of the variable salary consist of the Solar Group's EBITA less the group's total net interest expense and less a calculated return on equity. The performance criteria can thus be measured objectively and ensure value creation and fulfilment of the short-term objectives of Solar A/S.

The variable salary may maximum be 100% of the fixed basic salary.

Share-based incentive programme

In the overall guidelines for incentive remuneration adopted at the annual general meeting of Solar A/S held on 8 April 2011, the following share-based incentive programme was approved. Granting of options forms an integral part of the Executive Board's remuneration, which is not dependent on the Executive Board's performance. The purpose of granting the options is thus to ensure value creation and fulfilment of the long-term objectives of Solar A/S.

The granting of options takes place after the publication of the annual report and constitutes 33% of the individual Executive Board member's fixed remuneration.

The exercise price of the share instrument may not be lower than the market price of the company's shares at the issue date. No consideration is paid for the share instrument.

The present scheme cannot be exercised before three years after the granting and must be exercised no later than four years after the granting.

Pension

The pension contribution for the registered Executive Board is included in the fixed basic salary. No pension is calculated or paid on the variable remuneration components on the part of the company. The Executive Board member has the option to participate in Solar A/S' company pension scheme. The scheme is designed as a defined contribution scheme. The Executive Board member may choose to place the bonus on a private pension scheme set up by himself.

The company has no uncovered pension obligations to the Executive Board which have not been lifted out into private schemes.

Employee benefits / personal benefits

The Executive Board has a number of work-related benefits at its disposal, including company car, free telephone services, pc, broadband connection at home, and business relevant journals. The extent / level of the individual benefits is negotiated with the individual Executive Board member.

The Executive Board is moreover covered by the insurance programmes of Solar A/S.

The surviving relatives of the Executive Board members defined as cohabiting spouse / cohabitant at the same officially registered address, alternatively children under the age of 18, will moreover receive 12 months' salary in the event of the death of an Executive Board member during his employment with Solar.

Termination

Solar A/S may terminate the employment at 12 months' notice. An Executive Board member may terminate his employment with Solar A/S at six months' notice. If an Executive Board member terminates his employment and this is not a result of material breach on the part of Solar A/S, non-exercised share options must be exercised no later than 10 days after publication of the first annual report after the end of the employment. This is regulated in each individual contract.

In special cases, the company may demand repayment of the variable part of the remuneration, in full or in part.

Severance pay

The CEO's contract of service includes severance pay which in the event of termination on the part of Solar A/S or expiry of the contract results in payment of an amount equal to 12 months of remuneration, but in return the CEO must be available to a reasonable extent providing information during the notice period or until retirement in the event of expiry of contract. The severance pay is

paid at the end of the notice period or at retirement in the event of expiry of contract.

Publication

A provision specifying that this remuneration policy has been adopted at the general meeting will be inserted into the company's articles of association.

After adoption at the general meeting of Solar, the guidelines will be published at Solar's website www.solar.eu.

This policy was submitted to and approved by the annual general meeting on 8 April 2011.