

General Guidelines for Incentive Pay

for Brødrene A & O Johansen A/S

Pursuant to section 139(1) of the Danish Companies Act, the Board of Directors must determine general guidelines for incentive pay before entering into concrete agreements on such pay with members of the Company's Board of Directors or Executive Board. The guidelines are to be reviewed and approved at the Company's General Meeting, and this information must be included in the Company's Articles of Association.

1. General Principles

In the opinion of the Board of Directors, a combination of fixed and performance-based pay to members of the Executive Board helps to ensure that the Company can attract and retain key persons whilst partially incentive-based pay also encourages the members of the Executive Board to create value for the benefit of the shareholders.

The purpose of the general guidelines is to set the framework for the variable portion of the pay whilst taking into account the Company's goals, thus ensuring that the form of payment does not cause imprudent or unreasonable behaviour nor acceptance of risk.

2. Persons Affected

a. The Board of Directors

The members of the Board of Directors receive a fixed fee in cash which is approved by the Annual General Meeting. The members of the Board of Directors do not receive any incentive-based pay.

b. The Executive Board

The present general guidelines for incentive pay therefore only apply to executive officers who are registered with the Danish Commerce and Companies Agency (Erhvervs- og Selskabsstyrelsen) at any given time, as other staff categories outside the scope of these guidelines may have bonus or other incentive pay included in their respective terms of employment. According to the Articles of Association the registered Executive Board shall consist of not more than five members; currently it consists of two members.

The terms of employment and remuneration of the Executive Board are agreed between the individual executive officer and the Board of Directors, and the pay shall normally include all the elements mentioned in section 3 below.

3. Remuneration Elements

The total remuneration of the executive officer consists of the following components:

- a. fixed salary, including pension,
- b. usual accessory benefits such as car, telephone, newspaper, etc.,
- c. cash bonus, see section 4 below, and
- d. share options, see section 5 below.

4. Cash Bonus

The individual members of the Executive Board may receive a yearly bonus which may not exceed a maximum of 4 months' fixed salary, see section 3.a. The payment and size of the bonus will depend on the fulfilment of the goals that are agreed for one year at a time. The Board of Directors determines discretionary bonus terms once a year, normally in the month of December with effect from the coming financial year.

5. Share Options

The individual members of the Executive Board may be granted share options. The number of share options is equivalent to the salary of the executive officer divided by the market price. The number of share options cannot, regardless of the market price, exceed 7,000. The exercise price is determined on basis of the average closing market price on the ten trading days immediately following the publication of the preliminary announcement of financial statements in the year of granting. One year after the options are granted, one-third of the share options is exercisable, and two years after the options are granted, another third of the share options is exercisable. Three years after the granting of the shares, the remaining third of the share options is exercisable. The share options must be exercised within ten years from the grant date. Any additional conditions regarding the share options will be determined by the Company's Board of Directors.

6. Approval

These general guidelines will be presented at the Company's Annual General Meeting on 25 March 2010. After the Annual General Meeting has approved the general guidelines the following will be included as article 13(4) in the Company's Articles of Association, replacing the existing text:

"The Company has adopted guidelines for incentive pay for the Executive Board pursuant to section 139 of the Danish Companies Act. The guidelines have been approved by the Annual General Meeting and are accessible on the Company's website".

7. Disclosure

Pursuant to section 139(2) of the Danish Companies Act, the general guidelines for incentive pay in force at any time will be accessible at the Company's website ("www.ao.dk") stating when the General Meeting approved the guidelines.

Chairman:

Klaus Søgaard