

Remuneration system for members of the Executive Board

The remuneration of the members of the Executive Board is made up of fixed and variable components. The variable part contains an annually recurring component linked to business performance and components with long-term incentive effect and risk character. The incentive plan, which is related to ambitious relevant comparison parameters, serves as the variable remuneration component with long-term incentive effect and risk character.

Incentive plan

The Company's Supervisory Board approved an incentive plan for the Executive Board and senior staff on 8 December 2004. This plan has two components. It orients itself on the one hand to the NA share performance and is successful if the NA share price in the reference period has risen by a previously stipulated percentage (part A). The incentive plan on the other hand is also oriented to the performance of NA shares compared with the CDAX (part B). The financing is not carried out by a capital increase, but as personnel expenses in the income statement (phantom stocks).

The prerequisite for participation in the incentive plan is the continued ownership of a certain number of NA shares. Five options each of plan part A and plan part B are allocated per one acquired share. The profit per option is limited to the NA share price at the beginning of the term.

Explanation:

The plan consists of two components:

Part A

The hurdle component takes the NA share performance into account over the reference period (usually three years) and is only successful if the price has risen by a set percentage since the beginning of the term (usually a hurdle rate of 10 %). The difference between the price when exercising the option plus the last dividend and the price at the beginning of the term multiplied by the number of options is paid out.

Simplified example 1:

| | |
|--|---------|
| NA share price at the end of the reference period: | € 14.40 |
| NA share price at the beginning of the reference period: | € 12.50 |
| Difference: | € 1.90 |
| Increase: | 15.2% |

Since the increase is more than 10 %, the options can be exercised.
Number of options x € 1.90 = gain.

Simplified example 2:

| | |
|--|---------|
| NA share price at the end of the reference period: | € 13.50 |
| NA share price at the beginning of the reference period: | € 12.50 |
| Difference: | € 1.00 |
| Increase: | 8 % |

Since the increase is less than 10 %, it is not possible to exercise the options.

Part B

The performance component takes into account the performance of NA shares in relation to the performance of the CDAX and is successful if NA shares have outperformed the CDAX within three years.

Simplified example:

| | |
|--|-------------------------|
| Share price after duration of 3 years: | € 14.40 |
| 15 % price increase: | Performance factor 1.15 |
| 6 % CDAX increase: | Performance factor 1.06 |

$$\rightarrow \text{Performance quotient: } \frac{1.15}{1.06} = 1.09$$

$$\rightarrow \text{Conversion price: } \frac{€ 14.40}{1.09} = € 13.21$$

$$\rightarrow \text{Value of one option: } € 14.40 - € 13.21 = € 1.19$$

$$\rightarrow \text{Gain} = € 1.19 \times \text{number of options}$$

Cap

The gain per option is limited to the NA share price at the beginning of the term.

Simplified example:

| | |
|--|--------------------------|
| NA share price after the end of the reference period: | € 30.00 |
| NA share price at the beginning of the reference period: | € 12.50 |
| Difference: | € 17.50 |
| but limited to | € 12.50 per option (cap) |

The share options and the new incentive plan are therefore related to ambitious relevant comparison parameters. A subsequent change in the targets or the comparison parameters is not possible on principle.

Compensation of the Supervisory Board

The compensation of the Supervisory Board is laid down in Section 12 of the Articles of Association of Norddeutsche Affinerie Aktiengesellschaft and was revised with effect from 1 April 2007.

1. Each member of the Supervisory Board receives, in addition to the reimbursement of expenses incurred while exercising his office, fixed compensation of € 10,000 per fiscal year. The Chairman of the Supervisory Board receives twice this amount, his Deputy one and a half times this amount. Supervisory Board members, who belong to a Supervisory Board committee, receive an additional € 2,500 per fiscal year per committee, however, not more than € 5,000 per fiscal year. Supervisory Board members, who are in the chair of a Supervisory Board committee, receive an additional € 5,000 per fiscal year per chairmanship, however not more than € 10,000 per fiscal year.
2. Apart from the fixed component in accordance with Section 1, the members of the Supervisory Board receive a performance-related bonus of € 200 per € 0.01 of dividend distributed to the shareholders in excess of € 0.20 per no-par-value share for the fiscal year. The Chairman of the Supervisory Board receives double, his Deputy 1.5 times this amount.
3. In addition, each member of the Supervisory Board receives an annual bonus linked to the company's long-term performance in the amount of € 500 for every € 1,000,000 of the company's earnings before taxes (EBT) in excess of € 70,000,000 per annum on average over the last three fiscal years (reference period). The Chairman receives double, his deputy 1.5 times this amount.
4. The compensation in accordance with paragraphs 1 to 3 is payable on the day after the Annual General Meeting, when the resolution is passed on the appropriation of the consolidated net income of the respective fiscal year.
5. Supervisory Board members receive an attendance fee in the amount of € 500 for each meeting of the Supervisory Board and of its committees that they attend.
6. Furthermore, members of the Supervisory Board receive the value added tax payable on their compensation and on the reimbursement of their expenses.
7. Supervisory Board members, who have only served on the Supervisory Board or one

of its Committees for part of a fiscal year, shall receive compensation pro rata temporis.

Up to 31 March 2007 the following ruling applies in accordance with § 12 of the old Articles of Association:

1. Each member of the Supervisory Board receives fixed remuneration of € 10,000 per fiscal year in addition to the reimbursement of the expenses incurred while exercising his office. The Chairman of the Supervisory Board receives double, his deputy 1.5 times this amount. Supervisory Board members, who belong to a Supervisory Board committee, receive an additional € 2,500 per fiscal year per committee, however, a total of € 5,000 per fiscal year. Supervisory Board members, who are in the chair of a Supervisory Board committee, receive an additional € 5,000 per fiscal year per chairmanship, however, at the most € 10,000 per fiscal year.
2. In addition to the fixed component, the members of the Supervisory Board receive a performance-related component of € 200 per cent by which the dividend paid per share to the shareholders exceeds 20 cents for the respective fiscal year.
3. The compensation in accordance with paragraphs 1 and 2 is payable on the day after the end of the respective fiscal year. It is due on the day after the Annual General Meeting, when the resolution is passed on the appropriation of the consolidated net income of the respective fiscal year.
4. Furthermore, members of the Supervisory Board receive the value added tax payable on their compensation and on the reimbursement of their expenses.
5. Supervisory Board members, who have only served on the Supervisory Board or one of its Committees for part of a fiscal year, receive compensation pro rata temporis.