Remuneration policy of the Management Board of Funcom N.V.

The first remuneration policy for the Management Board was approved by the Supervisory Board in the March 21, 2007 meeting, and was approved by the Annual General Meeting for approval 14. June 2007. This amended remuneration policy was approved by the Supervisory Board on 13. March 2008, and approved by the Annual General Meeting on 21. May 2008.

Remuneration committee

The Remuneration Committee consists of:
Chairman: Alain Tascan
Member: Fredrik Malmberg

Introduction

The Supervisory Board determines the remuneration policy for the Management Board of Funcom N.V., based on the recommendations of the Remuneration Committee. The remuneration policy shall be presented for approval by the General Meeting of Shareholders.

Within the approved remuneration policy, the Supervisory Board determines the remuneration of the individual members of the Management Board, again based on the recommendations of the Remuneration Committee.

Remuneration principles

The remuneration policy should make it possible to attract and recruit the right people for the Management Board, who possess both the necessary leadership qualities and the required background and experience in relevant areas of the Company's business. The policy should encourage and motivate the Management Board to focus on a strong market position of the Company, financial results and shareholder value creation as well as providing the members of the Management Board with incentives to achieve long-term growth objectives.

The total remuneration packages should aim to be competitive and in line with current international market practice for Management Board members of comparable companies, taking into account both size and business complexity.

The Supervisory Board will regularly assess the remuneration package to assure itself that the package meets the defined remuneration principles in terms of both structure and level.

Remuneration package of the Management Board

The total remuneration of the Management Board consists of the following elements:

- a A fixed element: annual salary and vacation allowance.
- b A variable element: options and bonus.
- c Pension and other benefits

a Annual salary and vacation allowance

The annual salary is in principle in line with current market practice, as described above. A yearly evaluation will be performed by the Remuneration Committee, with accordingly adjustments of the annual salary level. Potential adjustments will be based on an assessment of objective performance criteria, as well as more subjective performance criteria set by the Supervisory Board. Conformity with current market practice will also be a guideline.

b Variable remuneration: Option and bonus plan

To increase long-term loyalty to the Company and share economic benefits, Funcom N.V. has a share and option plan for the members of the Management Board. There will be a yearly evaluation of the number of options to be granted to key employees, and the individual allocation to the members of the Management Board will be based on each individual's performance in relative and absolute terms, as well as Funcom's share price development in the relevant period. The allocation of options will be conducted annually prior to the Company's Annual General Meeting. The external auditor will contribute to verifying whether these criteria have been met. Allocation of options to the Management Board requires approval by the Annual General Meeting.

The Members of the Management Board are also eligible for extraordinary bonuses based on performance.

The Management Board may also participate in any employee bonus program of the Company.

c Pension rights and other secondary conditions of employment

The members of the Management Board receive pension rights according to applicable law in the countries they are employed in. There is no provision for early retirement. The pension premiums will be paid by the company. The Company grants no loans to members of the Management Board.