

IV. Remuneration system for Supervisory Board members (item 9 of the agenda)

A. Wording of the Articles of Association

The remuneration of Supervisory Board members is governed by Article 13 of the Company's Articles of Association, which will read as follows after the amendments proposed under item 9 b) of the agenda for this Annual General Meeting take effect:

- “(1) Each member of the Supervisory Board shall receive fixed remuneration of EUR 40,000.00 per year. The Chairman of the Supervisory Board shall receive fixed remuneration of EUR 175,000.00 per year. His deputy shall receive one-and-a-half times the remuneration referred to in Sentence 1.*
- (2) Supervisory Board members shall receive additional remuneration for their activities on committees in accordance with the following provisions:*
- a) For activities on the Audit Committee, members shall also receive the following additional remuneration for each financial year*
 - (i) the Chairman of the Audit Committee shall receive further fixed remuneration of EUR 75,000.00; and*
 - (ii) the other members of the Audit Committee shall receive further fixed remuneration of EUR 10,000.00.*
 - b) The members of the Nomination/Personnel Committee shall not receive any further fixed remuneration. They shall each receive a fee of EUR 500.00 for attending a meeting of the Nomination and Personnel Committee.*
 - c) For activities on other committees, the members shall also receive the following remuneration for each financial year*
 - (i) the Chairman of the respective committee shall receive further fixed remuneration of EUR 7,500.00; and*
 - (ii) the other members of the respective committee shall receive further fixed remuneration of EUR 5,000.00.*
 - d) The Chairman of the Supervisory Board shall not receive any further fixed remuneration for his activities on committees in accordance with a) to c) above of this paragraph (2). He shall receive an attendance fee of EUR 500.00 for each committee meeting he attends.*
- (3) The Company shall take out appropriate D&O insurance for the Supervisory Board members and pay the premiums for such insurance.*
- (4) If the conditions for payment of the remuneration are satisfied on only a time-proportionate basis, the remuneration in question shall be duly paid on a time-proportionate basis.*
- (5) The Supervisory Board members shall be reimbursed for all expense which they incur in the performance of their duties as Supervisory Board members as well as any value added tax payable on their remuneration.”*

B. Contribution of remuneration to furthering the Company's business strategy and long-term development

Overall, the system complies with the requirements of the German Corporate Governance Code in the version published in Bundesanzeiger on 27 June 2022.

In accordance with the recommendation in G.18 Sentence 1 of the German Corporate Governance Code, the remuneration of the Supervisory Board members consists exclusively of fixed remuneration components plus any attendance fees, reimbursement of expenses and insurance cover, but no variable remuneration elements. The fixed remuneration strengthens the independence of the Supervisory Board members and thus makes an indirect contribution to the Company's long-term development (see Section 87a (1) Sentence 2 No. 2 of the German Stock Corporation Act).

At the same time, the remuneration system provides an incentive for Supervisory Board members to proactively support the Company's business strategy (see Section 87a (1) Sentence 2 No. 2 of the German Stock Corporation Act) by appropriately taking into account, in accordance with G.17 of the German Corporate Governance Code, the greater time commitment of the Chairman of the Supervisory Board, who is involved particularly closely in discussing strategic issues (D.6 of the German Corporate Governance Code), and of the Deputy Chairman of the Supervisory Board as well as the chairperson or members of committees.

1. Remuneration components

The two remuneration components, the basic remuneration and the additional remuneration for committee activities, are summarised as follows (see also wording of the Articles of Association, figures in EUR):

Remuneration component	Chairman	Deputy Chairman	Full member
Basic remuneration	175,000.00	60,000.00	40,000.00
Remuneration component	Chairman of a committee	Full member	
Activities on the Audit Committee (does not apply to the Chairman of the Supervisory Board)	75,000.00	10,000.00	
Activities on the Nomination/Personnel Committee (does not apply to the Chairman of the Supervisory Board)		-	
Activities on other committees (does not apply to the Chairman of the Supervisory Board)	7,500.00	5,000.00	
Attendance fee (applies only to members of the nomination/personnel committee and the Chairman of the Supervisory Board)		500.00	

In addition, appropriate directors and officers liability insurance (D&O insurance) must be taken out and the premiums paid. In addition, expenses incurred by the Supervisory Board members in the performance of their duties are reimbursed. Moreover, the Company reimburses any value added tax payable on the remuneration and the reimbursement of expenses.

2. No variable remuneration, no remuneration-related legal transactions

As the remuneration system does not include any variable remuneration components, disclosures pursuant to Section 87a (1) Sentence 2 Nos. 4, 6, 7 of the German Stock Corporation Act are dispensed with.

The remuneration of the Supervisory Board members is determined directly in the Articles of Association. For this reason, there are no contractual remuneration-based legal transactions within the meaning of Section 87a (1) Sentence 2 No. 8 of the German Stock Corporation Act.

3. Vesting periods

Vesting periods, which may be appropriate particularly in the case of variable remuneration components, are not provided for in the remuneration system due to the lack of any variable remuneration components.

4. Inclusion of employees' remuneration and employment conditions

The Articles of Association do not provide for any legally binding link as such a link does not reflect the specific functions of the Supervisory Board and would unreasonably curtail the shareholders' freedom to determine the remuneration of the Supervisory Board.

5. Determination, implementation and review of the remuneration system

The remuneration system and the specific remuneration of the Supervisory Board members are determined by the shareholders who pass a resolution approving the remuneration of the Supervisory Board members at least every four years in accordance with Section 113 (3) of the German Stock Corporation Act. A confirmatory resolution requiring a simple majority of votes is admissible. If a confirmatory resolution is not passed, a revised remuneration system must be presented for approval at the following Annual General Meeting at the latest. A material change to the remuneration system set out in the Articles of Association and the remuneration of the Supervisory Board members requires a resolution to amend the Articles of Association that is passed with a majority of the votes cast. The Supervisory Board, and particularly the Personnel Committee responsible for determining remuneration, continuously review the remuneration of the Supervisory Board members set by the Annual General Meeting to determine its compatibility with any new legal requirements, the recommendations of the German Corporate Governance Code, the expectations of the capital market and its market appropriateness. If the Supervisory Board identifies any need for change in this regard, it draws up a revised remuneration system, which it submits to the shareholders for approval in accordance with Section 124 (3) 1 of the German Stock Corporation Act. Any conflicts of interest in the modification of the remuneration system are ruled out by the fact that the shareholders have the ultimate and sole powers of approval. Similarly, the shareholders have the possibility, provided that the applicable statutory conditions are met, to place the remuneration system and the remuneration of the Supervisory Board members, including any proposed changes, on the agenda of any meeting of the shareholders pursuant to Section 122 of the German Stock Corporation Act or to submit corresponding (counter) motions pursuant to Section 126 of the German Stock Corporation Act.