

Remuneration Report

The remuneration report explains the structure and amount of the remuneration paid to the members of the Executive Board and the Supervisory Board. It takes into account the legal requirements and the recommendations of the German Corporate Governance Code in the version dated February 7, 2017 and the version dated December 16, 2019 (the Code) applicable to fiscal year 2020. It is a component of the annual and consolidated financial statements as well as the combined management report for Beiersdorf AG and the Group.

1. Remuneration of the Executive Board

The current remuneration system for Executive Board members was last approved by the Annual General Meeting on April 20, 2017. The Supervisory Board enhanced the remuneration system again in 2020, assisted by its Presiding Committee and Personnel Committee as well as independent compensation consultants from outside the Group. This was partly in light of the provisions of the *Gesetz zur Umsetzung der zweiten Aktionärs-rechterichtlinie* (German Act on the Implementation of the Shareholders' Rights Directive, *ARUG II*) and the recommendations and suggestions of the new Code in the version dated December 16, 2019. The enhanced remuneration system is to be presented to the Annual General Meeting for voting on April 1, 2021. Remuneration under this new system will be reported on beginning from the 2021 Annual Report in line with § 162 (as amended) of the *Aktengesetz* (German Stock Corporation Act, *AktG*).

The Supervisory Board addressed the structure and appropriateness of Executive Board remuneration, as well as individual remuneration questions, on January 31, February 25, April 29, September 1, October 23, and December 1, 2020. On January 29, 2021, the Supervisory Board determined the remuneration of the Executive Board for fiscal year 2020. Remuneration decisions were prepared by the Presiding Committee.

Overview

The remuneration system for the Executive Board takes into account the tasks and performance of the individual members of the Executive Board and the Executive Board as a whole, the company's economic and financial situation, its performance and outlook, as well as its relevant peer group under stock corporation law and the Code. It collectively makes a major contribution to advancing and implementing the company's strategy by creating incentives for sustainable, value-oriented enterprise performance and taking into account the interests of shareholders, consumers, employees, business partners, and other stakeholders in an appropriate manner. Among other things, the design of the remuneration system incentivizes Executive Board members to pursue and achieve the five priorities of the C.A.R.E.+ strategy, thereby ensuring competitive growth and a sustainable long-term increase in enterprise value. This is achieved particularly through the setting of strategically relevant performance criteria for the short term variable remuneration, relating to themes such as digitalization, strengthening emerging markets, diversity, and sustainability.

The remuneration of the Executive Board in 2020 continued to comprise essentially four components:

- a fixed basic remuneration component,
- customary ancillary benefits,
- a short-term Variable Bonus with annual targets, and
- a long-term bonus based on enterprise value performance (Enterprise Value Component/LTP).

Fixed basic remuneration (including regular ancillary benefits) makes up around 33% of target total remuneration, the Variable Bonus around 22%, and the LTP around 45%. The ratio of the short-term Variable Bonus to the long-term LTP is around 1:2 (this does not include any additional ancillary benefits and bonuses that may be awarded to Executive Board members with areas of responsibility for a region or a business unit). The predominant multi-year element of variable remuneration consists of the LTP (see section c) below). The proportion of remuneration that relates to the achievement of long-term targets therefore exceeds that relating to short-term targets.

Remuneration of the Executive Board in 2020 in More Detail

a) Fixed remuneration and ancillary benefits

The fixed annual remuneration is paid in 12 equal installments. It is generally reviewed for appropriateness from time to time. Each Executive Board member receives customary non-cash remuneration components and other ancillary benefits. These include, in particular, the provision of a company car, insurance in line with standard market terms (including accident insurance along with any taxes assumed on these items), and the reimbursement of relocation expenses incurred in connection with the member's professional duties as well as school fees. Executive Board members living and working outside Germany also receive additional ancillary benefits and allowances in connection with their posting, including an allowance to cover the cost of accommodation in their place of residence.

b) Variable Bonus

The members of the Executive Board generally receive a Variable Bonus that is based on the performance of the Consumer Business Segment. This is paid in full after the Annual General Meeting of the year following that in which it is granted. As specified by the Supervisory Board, 20% of the Variable Bonus is determined by sales growth (sales component), 30% by market share (market share component), 30% by the goals of the C.A.R.E.+ strategy (strategic component), and 20% by the achievement of personal goals by Executive Board members (personal component). The size of the sales component is calculated based on sales growth in the Consumer Business Segment. The Supervisory Board adjusts the calculation for influences resulting from currency effects and M&A. The market share component is determined by the increase in market share in the Consumer categories, with focus on skin care, in the countries with the highest sales. The strategic component is based on certain initiatives to promote and strengthen diversity (international and gender diversity), digitalization and sustainability with each of them accounting for 10%. The personal component is determined by personal goals for each Executive Board member based on their functional and/ or regional responsibilities. Depending on the responsibility of the Executive

Board member concerned, the performance criteria for the personal goals include succession planning, the development of general expenses, and the growth of market share in individual regions and business areas.

Following due assessment of the circumstances, the Supervisory Board lays down percentages for target achievement for each of the components, with intermediate figures being interpolated on a straight-line basis. The individual components lapse if goal achievement is less than 70%. No further increases are made for any of the components if the goals are exceeded by more than 200% (cap). The Supervisory Board may increase or decrease the Variable Bonus by up to 20% in order to take extraordinary developments into account. In 2020, the Supervisory Board set a separate target achievement for the common components of the Variable Bonus in order to take account of the impact of the ongoing COVID-19 pandemic and the need for appropriate incentivization of the Executive Board (see the 2020 Declaration of Compliance, which can be found in the "Corporate Governance Statement" section of this Annual Report). Bonus entitlements can also be transferred to the long-term Enterprise Value Component.

c) Enterprise Value Component (LTP)

Executive Board members share in the increase in enterprise value for the Consumer Business Segment in the form of a multi-year bonus. This is based on a mathematical formula drawn from the annual financial statements at the beginning and end of their term of office. Each Executive Board member is allocated a notional share of the enterprise value (Enterprise Value Component or Base Virtual Units) at the start of their period of appointment or reappointment. The Executive Board member will be paid their share of the percentage increase in the Enterprise Value Component during their term of office once their period of appointment or reappointment has ended and following, where applicable, an additional vesting period ("bonus period"), if the Annual General Meeting approves the Executive Board member's actions.

The increase in enterprise value corresponds to the percentage share of the Executive Board member's (notionally allocated) Enterprise Value Component that will be paid to them. For the Executive Board members appointed before 2017, the enterprise value is calculated as a multiple of sales and EBIT as reported in the consolidated financial statements. The increase in value is the increase in enterprise value from the beginning to the end of the bonus period. In each case, this is calculated as an average over three years. For Executive Board members appointed from 2017 onwards, enterprise value is calculated solely from the increase in sales from the beginning to the end of the bonus period, unless EBIT deviates by more than 10% from plan.

Example: If the enterprise value from sales and EBIT increases by 32% over an eight-year term of office (= three years following initial appointment + five years following reappointment) and the notional share of the enterprise value is €10,000 thousand, the formula results in a bonus of €3,200 thousand.

As with the Variable Bonus, sales are adjusted for special factors. EBIT is adjusted for, among other things, any deviations from the plan for marketing expenses as well as expenses for research and development compared with the start of the bonus period. In individual cases, the Supervisory Board

is also entitled to make adjustments following due assessment of the circumstances, for instance by adjusting for special factors and inflation or by increasing or decreasing the Enterprise Value Component for objective reasons by up to 20%.

In addition, the Executive Board members can share in the enterprise's performance by making a personal investment and acquiring Covered Virtual Units. This personal investment is made by retaining bonus payments due under the Variable Bonus, by the Executive Board member providing collateral (e.g. by pledging a suitable asset), or by way of allocation. The Covered Virtual Units participate in positive and negative percentage changes in the value of the Enterprise Value Component. They vest immediately. If they are retained or allocated, they are paid out in full or in part, or not paid out, after being adjusted on the basis of the enterprise value performance. For Covered Virtual Units, the Executive Board member may receive a further Enterprise Value Component in the same amount (Matching Virtual Units), corresponding to the Base Virtual Units.

As a rule, the Enterprise Value Component is limited to a maximum amount for each member of the Executive Board (200% cap, corresponding to around 10% p.a.). In the current remuneration system, this does not apply to Covered Virtual Units, since the Executive Board member is also exposed to a risk of loss in this case; in line with the new statutory provisions on the setting of maximum remuneration, the future remuneration system will limit Covered Virtual Units to a corresponding maximum amount. If an Executive Board member is active for a period shorter than his/her period of appointment, the Enterprise Value Component is reduced pro rata. The Enterprise Value Component is forfeited in the event that an Executive Board member's contract is terminated prematurely at the request of the Executive Board member or by the company for good cause.

d) Other

The remuneration of the Executive Board does not involve any stock option program or comparable securities-based incentives. Equally, the members of the Executive Board do not receive any additional remuneration for their membership of supervisory bodies of Group companies and investees. The Supervisory Board decides on a case-by-case basis whether remuneration for supervisory board mandates outside the Group should be taken into account. There are no additional pension commitments for Executive Board activities.

In the event that an Executive Board member's term of office is terminated prematurely for reasons for which the Executive Board member concerned is not responsible, the contracts of service limit the severance payment to two annual salary payments (severance pay cap). In the event of premature termination of the Executive Board member's term of office other than for good cause for which the Executive Board member is responsible, the Variable Bonus (depending on entitlement) and Enterprise Value Component are awarded on a pro rata basis. No commitments exist in relation to the premature termination of membership of the Executive Board, especially as a result of a change of control. Members of the Executive Board did not receive any loans or advances from the company, nor were any contingent liabilities entered into in their favor.

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e) Overviews of Individual Executive Board Remuneration

TOTAL REMUNERATION OF THE EXECUTIVE BOARD FOR ACTIVITIES IN FISCAL YEAR 2020 (IN € THOUSAND)

	Fixed basic remuneration		Variable Bonus		Other remuneration ²		Sum		Change in provisions for Enterprise Value Component		Total ⁴	
	2019	2020 ¹	2019	2020	2019	2020	2019	2020	2019	2020 ³	2019	2020
Stefan De Loecker	1,000	850	1,390	1,265	9	9	2,399	2,124	2,394	-	4,793	2,124
Thomas Ingelfinger	450	383	462	385	36	8	948	776	275	-	1,223	776
Zhengrong Liu	500	425	417	340	39	38	956	803	634	-	1,590	803
Ramon A. Mirt	417	425	348	350	1,113 ⁵	951 ⁵	1,878	1,726	581	-	2,459	1,726 ⁶
Asim Naseer	500	425	402	323	377	116	1,279	864	529	-	1,808	864
Dessi Temperley	480	408	417	330	15	15	912	753	442	-	1,354	753
Vincent Warnery	500	425	450	396	14	114 ⁷	964	935	1,873	-	2,837	935
Total⁸	4,347	3,341	4,286	3,389	1,857	1,251	10,490	7,981	6,728	-	17,218	7,981

The following table shows the Virtual Units allocated to the Executive Board members and the amounts set aside in the years since they were granted in each case.

VIRTUAL UNITS AND PROVISIONS (IN € THOUSAND)

	2019				2020			
	Base Virtual Unit	Covered Virtual Unit	Matching Virtual Unit	Total amount set aside in 2019	Base Virtual Unit	Covered Virtual Unit	Matching Virtual Unit	Total amount set aside in 2020 ³
Stefan De Loecker	40,000	-	-	3,055	40,000	-	-	3,055
Thomas Ingelfinger	5,500	1,330	1,330	2,480	5,500	1,390	1,390	2,480
Zhengrong Liu	10,000	2,075	1,500	3,839	10,000	2,200	1,500	3,839
Ramon A. Mirt	12,000	-	-	581	12,000	-	-	581
Asim Naseer ¹⁰	6,000	1,590	-	529	6,000	1,680	-	529
Dessi Temperley	6,000	513	513	624	8,000	588	588	624
Vincent Warnery	10,000	1,219	2,219	4,432 ¹¹	10,000	2,294	4,294	4,432 ¹¹
Total¹²	99,500	8,627	7,462	20,040	91,500	8,152	7,772	15,540

¹ As part of the Solidarity Pact, the members of the Executive Board each waived 20% of their fixed basic remuneration for the months from April to December 2020 in response to the impact of the COVID-19 pandemic.

² Other remuneration includes the costs of/non-cash benefits arising from non-cash remuneration components and other ancillary benefits, such as the provision of a company car and insurance in line with standard market terms, including any taxes assumed on these items, and relocation expenses, if any.

³ The amounts set aside for Enterprise Value Components did not increase in 2020 due to the development of the enterprise value during the COVID-19 pandemic.

⁴ Payment of the amounts set aside for Enterprise Value Components included in the total remuneration is linked to a number of preconditions, and in particular to a corresponding sustainable increase in the company's enterprise value and to approval of the Executive Board member's actions (see section c) above).

⁵ This figure includes an amount of €500 thousand (target amount p.a.; previous year: €417 thousand) awarded to Ramon A. Mirt as a multi-year bonus in 2019. Target achievement is calculated based on the average annual growth rate in accordance with corporate planning in his regions and also based on the increase in market share throughout his term of office as a member of the Executive Board.

⁶ €1,399 thousand of this amount was granted to Ramon A. Mirt as remuneration for his activities at Group companies.

⁷ This includes an amount of €100 thousand (target amount) awarded to Vincent Warnery as a multi-year bonus in 2020. Target achievement is calculated, amongst others, based on the average annual growth rate in accordance with corporate planning in his region and also based on the increase in market share throughout a period of 5 years as of January 1, 2020.

⁸ The totals for the previous year additionally include the payments made to Ralph Gusko, who left the Executive Board in 2019: fixed basic remuneration: €500 thousand, Variable Bonus: €400 thousand, other remuneration: €254 thousand, total: €1,154 thousand.

⁹ This figure includes both the Covered Virtual Units acquired by way of personal investment and the following Covered Virtual Units granted in 2020 by way of allocation: Thomas Ingelfinger €60 thousand; Asim Naseer €90 thousand; Zhengrong Liu €125 thousand; Dessi Temperley €75 thousand; Vincent Warnery €75 thousand.

¹⁰ The figures for the Virtual Units for Asim Naseer are based on the target amounts of the long-term Enterprise Value Components awarded to him. The notional share of the enterprise value was thus calculated mathematically.

¹¹ This already includes an increase in the Covered Virtual Units to €2,000 thousand and an increase in the Matching Virtual Units to €4,000 thousand, which was awarded to Vincent Warnery from February 1, 2020 with effect as of contract commencement.

¹² The totals for the previous year additionally include the payments made to Ralph Gusko, who left the Executive Board in 2019: Base Virtual Unit: €10,000 thousand, Covered Virtual Unit: €1,900 thousand, Matching Virtual Unit: €1,900 thousand, total amount set aside in 2019: €4,500 thousand.

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The following tables show the benefits granted and allocations for each member of the Executive Board in fiscal year 2020.

BENEFITS GRANTED AND ALLOCATIONS FOR EXECUTIVE BOARD MEMBERS (IN € THOUSAND)

Stefan De Loecker

Chairman of the Executive Board (since January 1, 2019)

Date joined: July 1, 2014

	Benefits granted				Allocation ¹³	
	2019	2020	2020	2020	2019	2020
	Target amount	Target amount	(min. p.a.)	(max. p.a.)		
Fixed remuneration	1,000	1,000	1,000	1,000	1,000	850 ¹⁴
Ancillary benefits	9	9	9	9	9	9
Total fixed remuneration	1,009	1,009	1,009	1,009	1,009	859
Variable Bonus ¹⁵	1,000	1,000	-	2,000	1,390	1,265
LTP - Base Virtual Unit ¹⁶	2,000	2,000	-	4,000	-	-
LTP - Covered Virtual Unit ^{16/17}	-	-	-	-	-	-
LTP - Matching Virtual Unit ¹⁶	-	-	-	-	-	-
Total variable remuneration	3,000	3,000	-	6,000	1,390	1,265
Total remuneration	4,009	4,009	1,009	7,009	2,399	2,124

THOMAS INGELFINGER

Member of the Executive Board

Date joined: July 1, 2014

	Benefits granted				Allocation ¹³	
	2019	2020	2020	2020	2019	2020
	Target amount	Target amount	(min. p.a.)	(max. p.a.)		
Fixed remuneration	450	450	450	450	450	383 ¹⁴
Ancillary benefits	36	8	8	8	36	8
Total fixed remuneration	486	458	458	458	486	391
Variable Bonus ¹⁵	350	350	-	700	462	385
Multi-year variable remuneration						
LTP - Base Virtual Unit ¹⁶	275	275	-	550	-	-
LTP - Covered Virtual Unit ^{16/17}	127	130	-	199	-	-
LTP - Matching Virtual Unit ¹⁶	67	70	-	139	-	-
Total variable remuneration	819	825	-	1,588	462	385
Total remuneration	1,305	1,283	458	2,046	948	776

¹³ The allocations include fixed basic remuneration and other remuneration as well as the Variable Bonus paid once actions have been approved by the following year's Annual General Meeting. Multi-year bonuses and LTP are reported as allocations in the fiscal year in which the relevant term or bonus period expires; actual payment takes place only once actions have been approved by the following year's Annual General Meeting.

¹⁴ As part of the Solidarity Pact, the members of the Executive Board each waived 20% of their fixed basic remuneration for the months from April to December 2020 in response to the impact of the COVID-19 pandemic.

¹⁵ In spring 2020, the Supervisory Board set a separate target achievement for the common components of the Variable Bonus (see the Declaration of Compliance of December 2020, which can be found in the "Corporate Governance Statement" section of this Annual Report).

¹⁶ The terms of the LTP are as follows: for Stefan De Loecker from 2014 and from 2019 to after the 2024 Annual General Meeting; for Thomas Ingelfinger from 2014 to after the 2023 Annual General Meeting.

¹⁷ Covered Virtual Units are not capped because the Executive Board member is also exposed to a risk of loss. For presentation reasons, however, the minimum values are shown as €0 and the maximum values are capped at 200%.

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BENEFITS GRANTED AND ALLOCATIONS FOR EXECUTIVE BOARD MEMBERS (IN € THOUSAND, CONTINUED)

Zhengrong Liu

Member of the Executive Board/Labor Relations Director
Date joined: July 1, 2014

	Benefits granted				Allocation ¹⁸	
	2019 Target amount	2020 Target amount	2020 (min. p.a.)	2020 (max. p.a.)	2019	2020
Fixed remuneration	500	500	500	500	500	425 ¹⁹
Ancillary benefits	39	38	38	38	39	38
Total fixed remuneration	539	538	538	538	539	463
Variable Bonus ²⁰	300	300	-	600	417	340
Multi-year variable remuneration						
LTP - Base Virtual Unit ²¹	500	500	-	1,000	-	-
LTP - Covered Virtual Unit ^{21/22}	229	235	-	345	-	-
LTP - Matching Virtual Unit ²¹	75	75	-	150	-	-
Total variable remuneration	1,104	1,110	-	2,095	417	340
Total remuneration	1,643	1,648	538	2,633	956	803

Ramon A. Mirt

Member of the Executive Board
Date joined: March 1, 2019

	Benefits granted				Allocation ¹⁸	
	2019 Target amount	2020 Target amount	2020 (min. p.a.)	2020 (max. p.a.)	2019	2020
Fixed remuneration	417	500	500	500	417	425 ¹⁹
Ancillary benefits	696	451	451	451	696	451
Total fixed remuneration	1,113	951	951	951	1,113	876
Variable Bonus ²⁰	250	300	-	600	348	350
Multi-year variable remuneration						
Multi-year Bonus 2019 (term January 1, 2019- December 31, 2024)	417	500	-	1,000	-	-
LTP - Base Virtual Unit ²¹	500	600	-	1,200	-	-
LTP - Covered Virtual Unit ^{21/22}	-	-	-	-	-	-
LTP - Matching Virtual Unit ²¹	-	-	-	-	-	-
Total variable remuneration	1,167	1,400	-	2,800	348	350
Total remuneration²³	2,280	2,351	951	3,751	1,461	1,226

¹⁸ See footnote 13 on the reporting of remuneration components as allocation.

¹⁹ As part of the Solidarity Pact, the members of the Executive Board each waived 20% of their fixed basic remuneration for the months from April to December 2020 in response to the impact of the COVID-19 pandemic.

²⁰ In spring 2020, the Supervisory Board set a separate target achievement for the common components of the Variable Bonus (see the Declaration of Compliance of December 2020, which can be found in the "Corporate Governance Statement" section of this Annual Report).

²¹ The terms of the LTP are as follows: for Zhengrong Liu from 2014 to after the 2024 Annual General Meeting; for Ramon A. Mirt from 2018 to after the 2025 Annual General Meeting.

²² See footnote 17 on the reporting of the Covered Virtual Units.

²³ Of these total amounts, €1,875 thousand/target amount, €550 thousand/min. p.a. and €3,200 thousand/max. p.a. were granted and €866 thousand/allocation paid to Ramon A. Mirt as remuneration for his activities at Group companies.

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BENEFITS GRANTED AND ALLOCATIONS FOR EXECUTIVE BOARD MEMBERS (IN € THOUSAND, CONTINUED)

Asim Naseer

Member of the Executive Board
Date joined: January 1, 2019

	Benefits granted				Allocation ²⁴	
	2019 Target amount	2020 Target amount	2020 (min. p.a.)	2020 (max. p.a.)	2019	2020
Fixed remuneration	500	500	500	500	500	425 ²⁵
Ancillary benefits	377	116	116	116	377	116
Total fixed remuneration	877	616	616	616	877	541
Variable Bonus ²⁶	300	300	-	600	402	323
Multi-year variable remuneration						
LTP - Base Virtual Unit ²⁷	300	300	-	600	-	-
LTP - Covered Virtual Unit ^{27/28}	170	174	-	258	-	-
LTP - Matching Virtual Unit ²⁷	-	-	-	-	-	-
Total variable remuneration	770	774	-	1,458	402	323
Total remuneration	1,647	1,390	616	2,074	1,279	864

Dessi Temperley

Member of the Executive Board/CFO
Date joined: July 1, 2018

	Benefits granted				Allocation ²⁴	
	2019 Target amount	2020 Target amount	2020 (min. p.a.)	2020 (max. p.a.)	2019	2020
Fixed remuneration	480	480	480	480	480	408 ²⁵
Ancillary benefits	15	15	15	15	15	15
Total fixed remuneration	495	495	495	495	495	423
Variable Bonus ²⁶	300	300	-	600	417	330
Multi-year variable remuneration						
LTP - Base Virtual Unit ²⁷	300	350	-	700	-	-
LTP - Covered Virtual Unit ^{27/28}	101	104	-	134	-	-
LTP - Matching Virtual Unit ²⁷	26	29	-	59	-	-
Total variable remuneration	727	783	-	1,493	417	330
Total remuneration	1,222	1,278	495	1,988	912	753

²⁴ See footnote 13 on the reporting of remuneration components as allocation.

²⁵ As part of the Solidarity Pact, the members of the Executive Board each waived 20% of their fixed basic remuneration for the months from April to December 2020 in response to the impact of the COVID-19 pandemic.

²⁶ In spring 2020, the Supervisory Board set a separate target achievement for the common components of the Variable Bonus (see the Declaration of Compliance of December 2020, which can be found in the "Corporate Governance Statement" section of this Annual Report).

²⁷ The terms of the LTP are as follows: for Asim Naseer from 2018 to after the 2023 Annual General Meeting; for Dessi Temperley from 2018 to after the 2022 Annual General Meeting.

²⁸ See footnote 17 on the reporting of the Covered Virtual Units.

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BENEFITS GRANTED AND ALLOCATIONS FOR EXECUTIVE BOARD MEMBERS (IN € THOUSAND, CONTINUED)

Vincent Warnery

Member of the Executive Board

Date joined: February 15, 2017

	Benefits granted				Allocation ²⁹	
	2019 Target amount	2020 Target amount	2020 (min. p.a.)	2020 (max. p.a.)	2019	2020
Fixed remuneration	500	500	500	500	500	425 ³⁰
Ancillary benefits	14	14	14	14	14	14
Total fixed remuneration	514	514	514	514	514	439
Variable Bonus ³¹	300	300	-	600	450	396
Mehrfährige variable Vergütung						
Multi-year-Bonus 2020 (term January 1, 2020 – December 31, 2025)	-	100	-	200	-	-
LTP – Base Virtual Unit ³²	500	500	-	1,000	-	-
LTP – Covered Virtual Unit ^{32/33}	136	190	-	304	-	-
LTP – Matching Virtual Unit ³²	111	215	-	429	-	-
Total variable remuneration	1,047	1,305	-	2,533	450	396
Total remuneration	1,561	1,819	514	3,047	964	835

²⁹ See footnote 13 on the reporting of remuneration components as allocation.

³⁰ As part of the Solidarity Pact, the members of the Executive Board each waived 20% of their fixed basic remuneration for the months from April to December 2020 in response to the impact of the COVID-19 pandemic.

³¹ In spring 2020, the Supervisory Board set a separate target achievement for the common components of the Variable Bonus (see the Declaration of Compliance of December 2020, which can be found in the "Corporate Governance Statement" section of this Annual Report).

³² The term of the LTP for Vincent Warnery is from 2017 to after the 2023 Annual General Meeting.

³³ See footnote 17 on the reporting of the Covered Virtual Units.

f) Former Members of the Executive Board and Their Surviving Dependents

Payments to former members of the Executive Board and their surviving dependents in 2020 totaled €3,800 thousand (previous year: €4,523 thousand). This included the following:

- As per his contract, Ralph Gusko, who resigned from the Executive Board by mutual agreement as of December 31, 2019, received fixed remuneration of €500 thousand, other remuneration of €194, and a Variable Bonus of €400 thousand. His long-term bonus of €4,500 thousand based on enterprise value performance (LTP) was transferred to a pension commitment in the form of a defined-contribution scheme with full reinsurance.
- Jesper Andersen, whose term of office ended on June 30, 2018, received his long-term bonus of €685 thousand based on enterprise value performance (LTP) after the 2020 Annual General Meeting, as per his contract.

Provisions for pension commitments to former members of the Executive Board and their surviving dependents totaled €62,072 thousand (previous year: €58,588 thousand).

2. Remuneration of the Supervisory Board

The remuneration of the Supervisory Board (§ 15 of the Articles of Association) takes into account the responsibilities and scope of tasks of the individual members of the Supervisory Board as well as the company's economic situation and is in line with the applicable principles, recommendations, and suggestions of the German Corporate Governance Code.

Supervisory Board members receive fixed remuneration of €85,000, an attendance fee of €1,000 for Supervisory Board and committee meetings, and reimbursement of their cash expenses. The Chairman of the Supervisory Board receives two-and-a-half times the fixed remuneration and his deputy

within the meaning of § 12 (1) sentence 1 of the Articles of Association receives one-and-a-half times the fixed remuneration.

Members of committees – with the exception of the Nomination Committee and the committee set up in accordance with § 27 (3) *Mitbestimmungsgesetz* (German Codetermination Act, *MitbestG*) – receive additional compensation of €20,000 for each full fiscal year for their work on these committees. This amount is doubled for members of the Audit Committee. The chairman of a Supervisory Board committee receives two-and-a-half times the standard remuneration for a committee member. If a member of the Supervisory Board simultaneously holds several offices for which increased remuneration is granted, he or she shall only receive the remuneration for the highest-paying office.

TOTAL REMUNERATION OF THE SUPERVISORY BOARD FOR ACTIVITIES IN FISCAL YEAR 2020 (IN €)¹

	Fixed		Attendance fees		Committee fees		Total	
	2019	2020 ²	2019	2020	2019	2020 ²	2019	2020
Hong Chow	85,000	72,250	6,000	12,000	20,000	17,000	111,000	101,250
Reiner Hansert	85,000	78,625	18,000	18,000	40,000	37,000	143,000	133,625
Martin Hansson (Deputy Chairman)	127,500	108,375	21,000	20,000	-	-	148,500	128,375
Michael Herz (until April 29, 2020)	85,000	26,522	11,000	5,000	20,000	6,240	116,000	37,762
Wolfgang Herz (since April 29, 2020)	-	45,890	-	7,000	-	10,798	-	63,688
Jan Koltze	60,315	72,250	5,000	7,000	-	-	65,315	79,250
Dr. Dr. Christine Martel	85,000	72,250	16,000	15,000	100,000	85,000	201,000	172,250
Olaf Papier	60,315	72,250	8,000	11,000	14,192	17,000	82,507	100,250
Frédéric Pflanz	60,315	72,250	5,000	8,000	-	3,600	65,315	83,850
Prof. Dr. Reinhard Pöllath (Chairman)	212,500	180,625	21,000	21,000	-	-	233,500	201,625
Prof. Manuela Rousseau (Deputy Chairwoman)	115,158	117,938	9,000	10,000	5,863	-	130,021	127,938
Regina Schillings	60,315	72,250	9,000	15,000	28,384	34,000	97,699	121,250
Kirstin Weiland	60,315	72,250	7,000	11,000	14,192	17,000	81,507	100,250
Total	1,233,782³	1,063,725	149,000³	160,000	254,357³	227,638	1,637,139³	1,451,363

¹ Presented exclusive of value added tax.

² As part of the Solidarity Pact, the members of the Supervisory Board each waived up to 20% of their fixed remuneration and committee fees that are pro-rate attributable to the months April to December 2020 in response to the impact of the COVID-19 pandemic.

³ These totals additionally include the following payments made to members who left the Supervisory Board in 2019, for their activities in fiscal year 2019: Frank Ganschow - fixed: €24,918, attendance fees: €4,000, total: €28,918; Thorsten Irtz - fixed: €37,377, attendance fees: €2,000, total: €39,377; Matthias Locher - fixed: €24,918, attendance fees: €4,000, total: €28,918; Tomas Nieber - fixed: €24,918, attendance fees: €2,000, committee fees: €11,726, total: €38,644; Poul Weihrach - fixed: €24,918, attendance fees: €1,000, total: €25,918.

Members of the Supervisory Board did not receive any loans or advances from the company, nor were any contingent liabilities entered into in their favor. In addition, members of the Supervisory Board did not receive any compensation or benefits for services provided on a personal basis, such as advisory or agency services.