

# Remuneration system for the members of the Supervisory Board of GRAMMER Aktiengesellschaft



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The remuneration of the members of the Supervisory Board is specified in Article 20 of the Articles of Association of GRAMMER AG. Accordingly, the members of the Supervisory Board receive fixed remuneration based on their function on the Supervisory Board. Committee members receive additional remuneration depending on the committee.

The expenses incurred by the members of the Supervisory Board in the performance of their duties are reimbursed by the Company. In addition, any value-added tax due on the remuneration paid to a member of the Supervisory Board or on the reimbursement of expenses incurred is also reimbursed by the Company.

The remuneration system for the Supervisory Board has been enhanced and differs from the previous arrangements with regard to the increase in fixed remuneration, the adjustment of the differentiation factors, the introduction of remuneration for committee activities and the adjustment of the meeting attendance fee. The enhanced remuneration for members of the Supervisory Board is to apply from January 1, 2022.

The remuneration of the Supervisory Board is as follows:

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### Fixed remuneration

- The members of the Supervisory Board receive fixed remuneration for each full financial year of membership of the Supervisory Board amounting to EUR 35,000 for the individual member.
- For the Chairman of the Supervisory Board, the fixed remuneration is 2.25 times and for the Deputy Chairman of the Supervisory Board 1.25 times this remuneration.

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### Committee remuneration

- In addition to the fixed remuneration, the members of the Audit Committee receive annual remuneration of EUR 10,000. The members of the other committees, with the exception of the Executive Committee and the Nominating Committee, receive additional annual remuneration of EUR 5,000.
- If a member holds the position of chairman of a committee, the remuneration for the activities on this committee is doubled.

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### Attendance fee

The members of the Supervisory Board also receive an attendance fee of EUR 1,000 each time they personally attend a meeting, telephone conference or video conference of the Supervisory Board or a committee with the exception of the Nominating Committee.

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### Payment

The fixed remuneration, the committee remuneration and the attendance fee are due for payment at the end of each financial year.

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Members of the Supervisory Board who are members of the Supervisory Board or a committee for only part of the financial year or who chair or deputy-chair the Supervisory Board or chair a committee receive the remuneration on a time-proportionate basis.

The Company is authorized to take out financial loss insurance (D&O, directors and officers liability insurance) at reasonable conditions in line with the prevailing market rate, the premiums for which shall be paid by the Company.

The Company also reimburses members of the Supervisory Board for any value-added tax due on the remuneration and the reimbursement of expenses.

The members of the Supervisory Board receive appropriate remuneration, the structure and amount of which reflect the requirements and responsibilities of the office as well as the time commitment involved. This enables highly qualified candidates to be recruited for the Supervisory Board. Neutrality and objectivity in the interests of the Company are ensured by granting solely fixed remuneration that is not tied to performance. In any case, this complies with the recommendation of the German Corporate Governance Code. Overall, the remuneration system for the Supervisory Board thus contributes to promoting the Company's business strategy and long-term development.

In accordance with section 113 (3) sentence 1 AktG, the remuneration of the members of the Supervisory Board is to be reviewed at least every four years and a resolution approving the remuneration passed at the Annual General Meeting; a confirming resolution is also possible under section 113 (3) sentence 2 half-sentence 1 AktG. If the Annual General Meeting does not approve the remuneration system, a revised remuneration system is to be submitted for approval by no later than the following Annual General Meeting. The review also regularly includes a comparison with other listed companies of a comparable size. If necessary, an external remuneration advisor who is independent of the Executive Board and Supervisory Board may provide support in this regard. The Supervisory Board and the Executive Board jointly submit proposals for revising or confirming the remuneration of the members of the Supervisory Board.

Potential conflicts of interest in the review of the remuneration system are averted through the statutory allocation of powers. This is because the sole decision-making authority on the remuneration for the Supervisory Board is held by the Annual General Meeting in accordance with section 113 AktG. In all other respects, the Supervisory Board's general rules on conflicts of interest apply and stipulate that the Supervisory Board provides information in its report to the Annual General Meeting on any conflicts of interest that have arisen and how they have been averted.

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