

Remuneration Report and Other Disclosures

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 (the Code) applicable to fiscal year 2019. 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 Supervisory Board addressed the structure and appropriateness of Executive Board remuneration, as well as individual remuneration questions, on February 1, February 21, February 26, April 17, June 27, September 3, and December 3, 2019. On January 31, 2020, the Supervisory Board determined the remuneration of the Executive Board for fiscal year 2019. 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. The remuneration structure is geared toward sustainable enterprise development.

The remuneration of the Executive Board in 2019 continued to comprise essentially four components:

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

The predominant multi-year element of variable remuneration and its largely forward-looking basis of calculation consists of the Enterprise Value Component (see section c) below).

Remuneration of the Executive Board in 2019 in More Detail

a) Fixed Remuneration

The fixed annual remuneration is paid in 12 equal installments. It is generally reviewed for appropriateness from time to time.

b) Variable Bonus

The members of the Executive Board 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 and depending on the level of goal achievement in each case, 20% of the Variable Bonus for fiscal year 2019 is determined by sales growth (sales component), 30% by market share (market share component), 30% by the achievement of strategic business goals (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 skin care categories in the countries with the highest sales. The strategic component is based on certain initiatives for personalized skin care, digitalization, and sustainability, with each of these areas contributing 10%. The personal component consists partly of a common HR goal relating to succession planning and diversity, which contributes 10%. The remaining 10% attributable to the personal component is determined by personal goals for each Executive Board member based on their functional and/or regional responsibilities. 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. Bonus entitlements can also be transferred to the long-term Enterprise Value Component.

c) Enterprise Value Component

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% (= 8 x 4% p.a.) over an eight-year term of office (= 3 years following initial appointment + 5 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 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.). This does not apply to Covered Virtual Units, since the Executive Board member is also exposed to a risk of loss in this case. If an Executive Board member is active for a period shorter than his/her period of appointment, the

Supervisory Board should reduce his/her Enterprise Value Component 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. Private use of company cars and accident insurance are taxed as non-cash benefits. There are no 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.

Stefan F. Heidenreich, who resigned from the Executive Board by mutual agreement as of December 31, 2018, received fixed remuneration of €1,250 thousand (previous year: €1,250 thousand) for 2019 up to the end of his contract of service on December 31, 2019, and a Variable Bonus for 2019 of €1,250 thousand (previous year: €1,188 thousand). His long-term bonus based on enterprise value performance (LTP) was transferred to a pension commitment in the form of a defined-contribution scheme with full reinsurance.

Ralph Gusko, who resigned from the Executive Board by mutual agreement as of December 31, 2019, will receive, as per his contract, fixed remuneration of €500 thousand per year and a Variable Bonus of €400 thousand per year until the end of his contract of service on June 30, 2022. He will receive his long-term bonus (LTP) for the eight-and-a-half-year period until the end of his service in 2019. The provisions for his LTP did not increase in 2019; the amount awarded is covered by the provisions already recognized.

e) Overviews of Individual Executive Board Remuneration

TOTAL REMUNERATION OF THE EXECUTIVE BOARD FOR ACTIVITIES IN FISCAL YEAR 2019 (IN € THOUSAND)

	Fixed basic remuneration		Variable Bonus		Other remuneration ¹		Sum		Change in provisions for Enterprise Value Component		Total ²	
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Stefan De Loecker	500	1,000	1,385 ³	1,390	371	9	2,256	2,399	1,327	2,394	3,583 ⁴	4,793
Ralph Gusko (until December 31, 2019)	500	500	360	400	118	254	978	1,154	-826 ⁵	-	152	1,154
Thomas Ingelfinger	450	450	315	462	8	36	773	948	432	275	1,205	1,223
Zhengrong Liu	500	500	285	417	40	39	825	956	1,061	634	1,886	1,590
Ramon A. Mirt (from March 1, 2019)	-	417	-	348	-	1,113 ⁶	-	1,878	-	581	-	2,459 ⁷
Asim Naseer (from January 1, 2019)	-	500	-	402	-	377	-	1,279	-	529	-	1,808
Dessi Temperley	240	480	158	417	182	15	580	912	182	442	762	1,354
Vincent Warnery	500	500	375	450	33	14	908	964	1,232	1,873	2,140	2,837
Total⁸	4,180	4,347	4,201	4,286	773	1,857	9,154	10,490	2,093	6,728	11,247	17,218

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)

	2018				2019			
	Base Virtual Unit	Covered Virtual Unit	Matching Virtual Unit	Total amount set aside in 2018	Base Virtual Unit	Covered Virtual Unit ⁹	Matching Virtual Unit	Total amount set aside in 2019
Stefan De Loecker	12,000	1,250	2,250	661 ¹⁰	40,000	-	-	3,055
Ralph Gusko (until December 31, 2019)	10,000	1,900	1,900	4,784 ¹¹	10,000	1,900	1,900	4,500
Thomas Ingelfinger	5,500	1,270	1,270	2,205	5,500	1,330	1,330	2,480
Zhengrong Liu	10,000	1,950	1,500	3,205	10,000	2,075	1,500	3,839
Ramon A. Mirt (from March 1, 2019)	-	-	-	-	12,000	-	-	581
Asim Naseer (from January 1, 2019) ¹²	-	-	-	-	6,000	1,590	-	529
Dessi Temperley	6,000	438	438	182	6,000	513	513	624
Vincent Warnery	10,000	1,144	2,144	2,559 ¹³	10,000	1,219	2,219	4,432 ¹³
Total¹⁴	68,500	18,546	50,096	35,381	99,500	8,627	7,462	20,040

¹ 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.

² 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). The amount set aside for Vincent Warnery already includes an increase in the Enterprise Value Component, which will be awarded to him from February 1, 2020 with effect as of contract commencement (see also footnote 13).

³ This figure includes an amount of €1,000 thousand (target amount) awarded to Stefan De Loecker as a multi-year bonus in 2018.

⁴ €1,383 thousand of this amount was granted to Stefan De Loecker as remuneration for his activities at Group companies up until June 30, 2018.

⁵ The total amounts set aside up to and including 2017 for the Enterprise Value Components awarded to Ralph Gusko were greater than the amount payable to him on his departure. The provisions were thus reversed accordingly in 2018.

⁶ This figure includes an amount of €417 thousand (target amount) 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.

⁷ €2,089 thousand of this amount was granted to Ramon A. Mirt as remuneration for his activities at Group companies.

⁸ The totals for the previous year additionally include the payments made to members who left the Executive Board in 2018. For Stefan F. Heidenreich – fixed basic remuneration: €1,250 thousand, Variable Bonus: €1,188 thousand, other remuneration: €12 thousand, total: €2,450 thousand, change in provisions for Enterprise Value Component: €-1,262 thousand, total: €1,188 thousand. For Jesper Andersen – fixed basic remuneration: €240 thousand, Variable Bonus: €135 thousand, other remuneration: €9 thousand, total: €384 thousand, change in provisions for Enterprise Value Component: €-53 thousand, total: €331 thousand.

⁹ This figure includes both the Covered Virtual Units acquired by way of personal investment and the following Covered Virtual Units granted in 2019 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 Stefan De Loecker was paid a share of the Enterprise Value Component amounting to €2,986 thousand in 2018, as contractually agreed. This was taken into account in the total amount for which a provision was recognized in 2018.

¹¹ This figure includes the personal investments made in the form of retained bonus payments due under the Variable Bonus.

¹² 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.

¹³ 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 will be awarded to Vincent Warnery from February 1, 2020 with effect as of contract commencement.

¹⁴ The totals additionally include the payments made to members who left the Executive Board in 2018. For Stefan F. Heidenreich – Base Virtual Unit: €10,000 thousand, Covered Virtual Unit: €10,000 thousand, Matching Virtual Unit: €40,000 thousand, total amount set aside in 2018: €21,000 thousand. For Jesper Andersen – Base Virtual Unit: €5,000 thousand, Covered Virtual Unit: €594 thousand, Matching Virtual Unit: €594 thousand, total amount set aside in 2018: €785 thousand.

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The following tables show the benefits granted and allocations for each member of the Executive Board in fiscal year 2019 in accordance with the

recommendations of section 4.2.5 (3) and (4) of the German Corporate Governance Code in the version dated February 7, 2017.

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 ¹⁵	
	2018 Target amount	2019 Target amount	2019 (min. p.a.)	2019 (max. p.a.)	2018	2019
Fixed remuneration	500	1,000	1,000	1,000	500	1,000
Fringe benefits/ancillary benefits ¹⁶	371	9	9	9	371	9
Total	871	1,009	1,009	1,009	871	1,009
Variable Bonus	400	1,000	-	2,000	460	1,390
Multi-year variable remuneration						
Multi-year Bonus 2018 (term January 1, 2017 – December 31, 2018)	1,000	-	-	-	925	-
LTP – Base Virtual Unit ¹⁷	550	2,000	-	4,000	2,250	-
LTP – Covered Virtual Unit ^{17/18}	139	-	-	-	480	-
LTP – Matching Virtual Unit ¹⁷	39	-	-	-	256	-
Total fixed and variable remuneration	2,999	4,009	1,009	7,009	5,242	2,399
Service cost	-	-	-	-	-	-
Total remuneration¹⁹	2,999	4,009	1,009	7,009	5,242	2,399

Ralph Gusko

Member of the Executive Board (until December 31, 2019)

Date joined: July 1, 2011

	Benefits granted				Allocation ¹⁵	
	2018 Target amount	2019 Target amount	2019 (min. p.a.)	2019 (max. p.a.)	2018	2019
Fixed remuneration	500	500	500	500	500	500
Fringe benefits/ancillary benefits ¹⁶	118	254	254	254	118	254
Total	618	754	754	754	618	754
Variable Bonus	400	400	400	400	360	400
Multi-year variable remuneration						
LTP – Base Virtual Unit ¹⁷	500	-	-	-	-	1,600
LTP – Covered Virtual Unit ^{17/18}	245	-	-	-	284	550
LTP – Matching Virtual Unit ¹⁷	95	-	-	-	-	100
Total fixed and variable remuneration	1,858	1,154	1,154	1,154	1,262	3,404
Service cost	-	-	-	-	-	-
Total remuneration	1,858	1,154	1,154	1,154	1,262	3,404

¹⁵ 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.

¹⁶ The ancillary benefits include the costs of/non-cash benefits arising from non-cash remuneration components and other ancillary benefits (see footnote 1).

¹⁷ 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 Ralph Gusko from 2011 to after the 2020 and 2022 Annual General Meeting (50% each of the total amount set aside for the Enterprise Value Component).

¹⁸ 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%.

¹⁹ Of these total amounts, the following amounts were awarded/paid to Stefan De Loecker as remuneration for his activities at Group companies up until June 30, 2018: €1,219 thousand (target amount), €746 thousand (min. p.a.), €1,625 thousand (max. p.a.), €2,335 (allocation).

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

Member of the Executive Board

Date joined: July 1, 2014

	Benefits granted				Allocation ²⁰	
	2018 Target amount	2019 Target amount	2019 (min. p.a.)	2019 (max. p.a.)	2018	2019
Fixed remuneration	450	450	450	450	450	450
Fringe benefits/ancillary benefits ²¹	8	36	36	36	8	36
Total	458	486	486	486	458	486
Variable Bonus	350	350	-	700	315	462
Multi-year variable remuneration						
LTP – Base Virtual Unit ²²	275	275	-	550	-	-
LTP – Covered Virtual Unit ^{22/23}	124	127	-	193	-	-
LTP – Matching Virtual Unit ²²	64	67	-	133	-	-
Total fixed and variable remuneration	1,271	1,305	486	2,062	773	948
Service cost	-	-	-	-	-	-
Total remuneration	1,271	1,305	486	2,062	773	948

Zhengrong Liu

Member of the Executive Board/Labor Relations Director

Date joined: July 1, 2014

	Benefits granted				Allocation ²⁰	
	2018 Target amount	2019 Target amount	2019 (min. p.a.)	2019 (max. p.a.)	2018	2019
Fixed remuneration	500	500	500	500	500	500
Fringe benefits/ancillary benefits ²¹	40	39	39	39	40	39
Total	540	539	539	539	540	539
Variable Bonus	300	300	-	600	285	417
Multi-year variable remuneration						
LTP – Base Virtual Unit ²²	500	500	-	1,000	-	-
LTP – Covered Virtual Unit ^{22/23}	223	229	-	333	-	-
LTP – Matching Virtual Unit ²²	75	75	-	150	-	-
Total fixed and variable remuneration	1,638	1,643	539	2,622	825	956
Service cost	-	-	-	-	-	-
Total remuneration	1,638	1,643	539	2,622	825	956

²⁰ See footnote 15 on the reporting of remuneration components as allocation.²¹ The ancillary benefits include the costs of/non-cash benefits arising from non-cash remuneration components and other ancillary benefits (see footnote 1).²² The terms of the LTP are as follows: for Thomas Ingelfinger from 2014 to after the 2023 Annual General Meeting; for Zhengrong Liu from 2014 to after the 2024 Annual General Meeting.²³ See footnote 18 on the reporting of the Covered Virtual Units.

Remuneration Report

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

Ramon A. Mirt

Member of the Executive Board

Date joined: March 1, 2019

	Benefits granted				Allocation ²⁴	
	2018 Target amount	2019 Target amount	2019 (min. p.a.)	2019 (max. p.a.)	2018	2019
Fixed remuneration	-	417	417	417	-	417
Fringe benefits/ancillary benefits ²⁵	-	696	696	696	-	696
Total	-	1,113	1,113	1,113	-	1,113
Variable Bonus	-	250	-	500	-	348
Multi-year variable remuneration						
Multi-year Bonus 2019 (term January 1, 2019 – December 31, 2024)	-	417	-	833	-	-
LTP – Base Virtual Unit ²⁶	-	500	-	1,000	-	-
LTP – Covered Virtual Unit ^{26/27}	-	-	-	-	-	-
LTP – Matching Virtual Unit ²⁶	-	-	-	-	-	-
Total fixed and variable remuneration	-	2,280	1,113	3,446	-	1,461
Service cost	-	-	-	-	-	-
Total remuneration²⁸	-	2,280	1,113	3,446	-	1,461

Asim Naseer

Member of the Executive Board

Date joined: January 1, 2019

	Benefits granted				Allocation ²⁴	
	2018 Target amount	2019 Target amount	2019 (min. p.a.)	2019 (max. p.a.)	2018	2019
Fixed remuneration	-	500	500	500	-	500
Fringe benefits/ancillary benefits ²⁵	-	377	377	377	-	377
Total	-	877	877	877	-	877
Variable Bonus	-	300	-	600	-	402
Multi-year variable remuneration						
LTP – Base Virtual Unit ²⁶	-	300	-	600	-	-
LTP – Covered Virtual Unit ^{26/27}	-	170	-	249	-	-
LTP – Matching Virtual Unit ²⁶	-	-	-	-	-	-
Total fixed and variable remuneration	-	1,647	877	2,326	-	1,279
Service cost	-	-	-	-	-	-
Total remuneration	-	1,647	877	2,326	-	1,279

²⁴ See footnote 15 on the reporting of remuneration components as allocation.

²⁵ The ancillary benefits include the costs of/non-cash benefits arising from non-cash remuneration components and other ancillary benefits (see footnote 1).

²⁶ The terms of the LTP are as follows: for Ramon A. Mirt from 2018 to after the 2025 Annual General Meeting; for Asim Naseer from 2018 to after the 2023 Annual General Meeting.

²⁷ See footnote 18 on the reporting of the Covered Virtual Units.

²⁸ Of these total amounts, €1,910 thousand/target amount, €743 thousand/min. p.a. and €3,076 thousand/max. p.a. were granted and €1,091 thousand/allocation paid to Ramon A. Mirt as remuneration for his activities at Group companies.

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

Member of the Executive Board/CFO

Date joined: July 1, 2018

	Benefits granted				Allocation ²⁹	
	2018 Target amount	2019 Target amount	2019 (min. p.a.)	2019 (max. p.a.)	2018	2019
Fixed remuneration	240	480	480	480	240	480
Fringe benefits/ancillary benefits ³⁰	182	15	15	15	182	15
Total	422	495	495	495	422	495
Variable Bonus	150	300	-	600	158	417
Multi-year variable remuneration						
LTP – Base Virtual Unit ³¹	150	300	-	600	-	-
LTP – Covered Virtual Unit ^{31/32}	49	101	-	126	-	-
LTP – Matching Virtual Unit ³¹	11	26	-	51	-	-
Total fixed and variable remuneration	782	1,222	495	1,872	580	912
Service cost	-	-	-	-	-	-
Total remuneration	782	1,222	495	1,872	580	912

Vincent Warnery

Member of the Executive Board

Date joined: February 15, 2017

	Benefits granted				Allocation ²⁹	
	2018 Target amount	2019 Target amount	2019 (min. p.a.)	2019 (max. p.a.)	2018	2019
Fixed remuneration	500	500	500	500	500	500
Fringe benefits/ancillary benefits ³⁰	33	14	14	14	33	14
Total	533	514	514	514	533	514
Variable Bonus	300	300	-	600	375	450
Multi-year variable remuneration						
LTP – Base Virtual Unit ³¹	500	500	-	1,000	-	-
LTP – Covered Virtual Unit ^{31/32}	132	136	-	197	-	-
LTP – Matching Virtual Unit ³¹	107	111	-	222	-	-
Total fixed and variable remuneration	1,572	1,561	514	2,533	908	964
Service cost	-	-	-	-	-	-
Total remuneration	1,572	1,561	514	2,533	908	964

²⁹ See footnote 15 on the reporting of remuneration components as allocation.³⁰ The ancillary benefits include the costs of/non-cash benefits arising from non-cash remuneration components and other ancillary benefits (see footnote 1).³¹ The terms of the LTP are as follows: for Dessi Temperley from 2018 to after the 2022 Annual General Meeting; for Vincent Warnery from 2017 to after the 2023 Annual General Meeting.³² See footnote 18 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 totaled €4,523 thousand (previous year: €3,769 thousand). Provisions for pension commitments to former members of the Executive Board and their surviving dependents totaled €58,588 thousand (previous year: €36,822 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.

Based on a resolution by the Annual General Meeting on April 25, 2018, Supervisory Board remuneration was revised effective July 1, 2018, in § 15 of the Articles of Association, taking into account the recommendations of the German Corporate Governance Code. Among other changes, Supervisory Board members will no longer receive variable remuneration components in future. Their remuneration will consist solely of fixed remuneration components.

Remuneration for the period since July 1, 2018, is subject to the provisions of the Articles of Association in the version dated April 25, 2018. In addition to being reimbursed for cash expenses, Supervisory Board members receive fixed

remuneration of €85,000 and an attendance fee of €1,000 for Supervisory Board and committee meetings. 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. From July 1, 2018, 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 Supervisory Board 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 2019 (IN €)¹

	Fixed		Attendance fees		Committee fees		Total	
	2018 ²	2019	2018	2019	2018	2019	2018	2019
Hong Chow	85,000	85,000	9,000	6,000	13,753	20,000	107,753	111,000
Frank Ganschow (until April 17, 2019)	85,000	24,918	5,500	4,000	-	-	90,500	28,918
Reiner Hansert	85,000	85,000	15,000	18,000	30,082	40,000	130,082	143,000
Martin Hansson (Deputy Chairman)	87,678	127,500	14,000	21,000	-	-	101,678	148,500
Michael Herz	85,000	85,000	8,500	11,000	20,000	20,000	113,500	116,000
Thorsten Irtz (until April 17, 2019)	127,500	37,377	8,000	2,000	-	-	135,500	39,377
Jan Koltze (since April 17, 2019)	-	60,315	-	5,000	-	-	-	65,315
Matthias Locher (until April 17, 2019)	85,000	24,918	5,500	4,000	-	-	90,500	28,918
Dr. Dr. Christine Martel	85,000	85,000	9,500	16,000	70,247	100,000	164,747	201,000
Tomas Nieber (until April 17, 2019)	85,000	24,918	10,000	2,000	30,082	11,726	125,082	38,644
Olaf Papier (since April 17, 2019)	-	60,315	-	8,000	-	14,192	-	82,507
Frédéric Pflanz (since April 25, 2018 and previously until April 25, 2019)	40,171	60,315	3,000	5,000	-	-	43,171	65,315
Prof. Dr. Reinhard Pöllath (Chairman)	212,500	212,500	15,500	21,000	-	-	228,000	233,500
Prof. Manuela Rousseau (Deputy Chairwoman since April 17, 2019)	85,000	115,158	9,000	9,000	13,753	5,863	107,753	130,021
Regina Schillings (since April 17, 2019)	-	60,315	-	9,000	-	28,384	-	97,699
Poul Weihrauch (until April 17, 2019)	85,000	24,918	1,000	1,000	-	-	86,000	25,918
Kirstin Weiland (since April 17, 2019)	-	60,315	-	7,000	-	14,192	-	81,507
Total	1,232,849	1,233,782	113,500	149,000	177,917	254,357	1,524,266	1,637,139

¹ Presented exclusive of value added tax.

² Until June 30, 2018, the Supervisory Board members received a variable, dividend-based remuneration component geared towards sustainable enterprise performance. For presentation purposes, this variable remuneration is included in the fixed remuneration for 2018.

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.