2. Compensation system for the Executive Board effective October 1, 2023 (Compensation system 2023, Agenda item 7)

PREAMBEL

The current compensation system (hereinafter: “2021 compensation system”) for the Executive Board of Aurubis AG (hereinafter also: “Aurubis” or the “company”) was approved at the Annual General Meeting of Aurubis AG held on February 11, 2021 on the basis of 96.04 % of the votes cast. It has been in force since fiscal year 2020/21.

The company's strategy was comprehensively revised in fiscal year 2020/21 and a roadmap established for the coming decade. In the context of the changes made to the Aurubis AG strategy, the Personnel Committee also reviewed the 2021 compensation system, which was developed in accordance with the company's Vision 2025 drawn up in 2017. The core aspects were safeguarding an optimized strategic approach and a stronger incentive effect with a view to promoting the company's sustainable long-term development. Our shareholders' comments regarding the 2021 compensation system and the general expectations of institutional investors and share voting rights consultants as to the features of a compensation system for the Executive Board were also taken into consideration. This review was implemented with the assistance of an independent compensation consultant.

The Personnel Committee made specific changes to the 2021 compensation system based on the findings of this review. The Supervisory Board approved the revised 2023 compensation system (hereinafter also the “compensation system” or the “2023 compensation system”) as proposed by the Personnel Committee at its meeting on September 13, 2022. The revised compensation system is set out in detail below. It will be put to a vote at the Annual General Meeting of Aurubis AG on February 16, 2023 in accordance with § 120a (1) of the German Stock Corporation Act (AktG). Once the relevant resolution has been passed by the Annual General Meeting, it is intended to enter into force from October 1, 2023 for fiscal year 2023/24.

PRINCIPLES OF THE COMPENSATION SYSTEM FOR EXECUTIVE BOARD MEMBERS

Our core business is processing raw materials containing metals – concentrates and recycling materials. In the future, we anticipate a further increase in regional and global demand for the metals we produce. Primary and secondary raw materials will be required to satisfy this demand over the long term, which is why the smelting of concentrates will remain a particularly important aspect of our strategy. In light of global competition, we will secure and strengthen our core business. We are pursuing new growth projects on this basis. Recycling is a central driver of growth for us. Rising recycling rates, closed material cycles, and electric vehicles will increase the supply of complex recycling materials in the future, accompanied by the surging demand for low-emission supply chains. Our strategic projects address precisely this development in order to tap this potential for Aurubis.

The three central pillars of our strategy – securing and strengthening our core business, pursuing growth options, and expanding our industry leadership in the area of sustainability – provide a clear answer as to how we will achieve our long-term goal of sustainable, profitable growth.

In its entirety, the compensation system makes a significant contribution to fostering and implementing the company strategy by linking the payout to relevant, ambitious performance criteria. Financial growth at a Group level is a key target of the company strategy. The set of performance criteria incorporated into Aurubis' corporate management is an important driver for financial growth. All Aurubis Group companies are managed at Group level according to segments, using operating EBT (operating earnings before taxes) and operating ROCE (ratio of earnings before taxes and the financial result, plus the operating result from investments measured using the equity method, to capital employed) as the financial performance indicators. In this respect, the two performance indicators operating EBT and operating ROCE represent the financial development of the Aurubis Group and are therefore key performance criteria for the variable compensation.

To ensure that the interests of our shareholders are considered in the compensation system, a large part of the variable compensation is granted as share-based compensation and is therefore dependent on the development of the Aurubis share price. This incentivizes the Executive Board members to boost enterprise value for our shareholders and make the company more attractive on the capital market. Through the inclusion of the relative total shareholder return ("relative TSR"), this is achieved via direct comparison with the companies listed on the MDAX.

Aurubis lives up to its ecological and social responsibility by promoting sustainable corporate development within the scope of its company strategy. This is reflected by the explicit inclusion of environmental, social and governance (ESG) goals in the variable compensation.

The compensation system for the Executive Board complies with the stipulations of the German Stock Corporation Act (AktG) and takes the recommendations and suggestions of the German Corporate Governance Code in the version dated April 28, 2022 into consideration.

In establishing the total compensation of the individual Executive Board members, the Supervisory Board ensures that this is proportionate to the tasks and achievements of the Executive Board member, as well as to the company's position, and that it does not exceed the customary compensation without a special reason.

To assess if Executive Board compensation is customary, the companies of the MDAX and SDAX are used as a comparison group because these companies are comparable when it comes to size and complexity in particular. In the process, the Supervisory Board regularly considers how the Aurubis Group's economic situation has developed compared to the companies on the MDAX and SDAX.

To assess if the compensation is customary within the company, the Supervisory Board also takes the ratio of Executive Board compensation to the compensation received by the upper management level and the workforce into account, and how this develops over time. According to the Supervisory Board's definition, the upper management level comprises the senior vice presidents of Aurubis AG. The workforce comprises all employees of Aurubis AG (both those who are covered by collective wage agreements and those who are not). The external and internal suitability of Executive Board compensation is reviewed at regular intervals.

PROCEDURE FOR ESTABLISHING, IMPLEMENTING, AND REVIEWING THE COMPENSATION SYSTEM

The Supervisory Board as a whole is responsible for the structure of the compensation system for the Executive Board members and for establishing their individual compensation. The Personnel Committee supports the Supervisory Board in this process, monitors the compensation system to ensure that it is appropriate, and prepares the Supervisory Board's resolutions on this matter. The Personnel Committee recommends that the Supervisory Board make changes as needed. In the case of significant changes to the compensation system, but at least every four years, the compensation system is presented to the shareholders at the Annual General Meeting for approval.

If the shareholders at the Annual General Meeting do not approve the presented compensation system, the Supervisory Board will thoroughly review the compensation system, taking into account the system's competitiveness and alignment with the market, as well as the regulatory framework and investors' requirements, and present a compensation system that has been revised accordingly at the next Annual General Meeting.

In this context, the amendments to the compensation system will be described in detail and, at the same time, the extent to which the shareholders' remarks were considered will be addressed.

The general rules for handling conflicts of interest apply to all decisions made by the Supervisory Board and its committees regarding the compensation system. According to these rules, the members of the Supervisory Board are obligated to promptly disclose conflicts of interest to the Supervisory Board chairman. The Supervisory Board provides information about any conflicts of interest that arise during the fiscal year, and how they are handled, in its report to the shareholders at the Annual General Meeting.

The Supervisory Board can involve external consultants as needed, thereby making sure that such consultants are independent and that the consultants confirm this independence regularly. The compensation system is implemented within the scope of the Executive Board employment contract.

AN OVERVIEW OF THE COMPENSATION COMPONENTS

The compensation system at Aurubis is made up of fixed compensation components (basic compensation, pension plans, and fringe benefits) and variable compensation components (annual bonus and performance share plan). Moreover, the compensation system also includes arrangements for additional compensation-related legal transactions (e.g., contract durations and commitments when an Executive Board member steps down).

The new compensation system is intended to replace the currently applicable 2021 compensation system with effect from October 1, 2023 for all current and future Executive Board members. The Executive Board contracts of the current Executive Board members will be switched over to this system effective starting fiscal year 2023/24.

The following overview summarizes the components of the compensation system and highlights the key changes compared to the current 2021 compensation system for improved comparability:

Fundamentals of the compensation system

<table>
<tr><th></th><th></th><th>2021 compensation system</th><th>2023 compensation system</th></tr>
<tr><td rowspan="3">Fixed compensation</td><td>Basic compensation</td><td colspan="2">Fixed annual basic compensation that is paid out monthly in equal installments</td></tr>
<tr><td>Pension plans</td><td colspan="2">» Entitlement to the company pension plan in the form of a pension commitment, financed through a liability insurance policy
» Defined contribution company pension plan in the form of a capital commitment</td></tr>
<tr><td>Fringe benefits</td><td colspan="2">Fringe benefits in the form of benefits in kind, which primarily consist of insurance premiums and company car use and are assessed according to tax guidelines</td></tr>
<tr><td rowspan="3">Variable compensation</td><td>Annual variable compensation (20–25 %)</td><td>» Type: annual bonus
» Performance criteria:
› Operating EBT (60 %)
› Individual performance of the Executive Board member (40 %)
» Payout:
› 2/3 in cash after the fiscal year has concluded
› 1/3 transferred to deferred stock
» Caps: 125 % of the target amount
» A discretionary special bonus has not been agreed upon</td><td>» Type: annual bonus
» Performance criteria:
› Operating EBT (70 %)
› Individual performance of the Executive Board member (20 %)
› ESG targets (10 %)
» Payout:
› In full in cash upon expiry of the fiscal year
» Caps: 150 % of the target amount
» A discretionary special bonus has not been agreed upon</td></tr>
<tr><td rowspan="2">Multiannual variable compensation (30–35 %)</td><td>» Type: deferred stock
» Vesting period: (three years)
» Cap: 150 % of the starting value
» Payout: in cash at the end of the three-year vesting period</td><td>–</td></tr>
<tr><td>» Type: performance cash plan
» Performance period: 4 years
» Performance criterion:
› Operating ROCE (100 %)
» Cap: 125 % of the target amount
» Payout: in cash at the end of the four-year performance period</td><td>» Type: performance share plan
» Performance period: 4 years
» Performance criterion:
› Operating ROCE (50 %)
› Relative total shareholder return (TSR) vs. MDAX (50 %)
» Cap: 200 % of the target amount
» Payout: in cash at the end of the four-year performance period</td></tr>
<tr><td colspan="2">Maximum compensation in accordance with Section 87a of the German Stock Corporation Act (AktG)</td><td>» Chairman: € 2,600,000
» Regular member: € 1,800,000</td><td>» Chairman: € 3,300,000
» Regular member: € 2,300,000</td></tr>
<tr><td colspan="2">Malus & clawback</td><td colspan="2">Possibility of a partial or full reduction (malus) or reclamation (clawback) of the variable compensation (annual and multiannual variable compensation) in the case of a compliance offense or errors in the consolidated financial statements</td></tr>
<tr><td colspan="2">Premature termination of Executive Board contract</td><td colspan="2">In the event of a premature termination of an Executive Board contract without good cause, a severance payment will be made within the scope of the compensation system. Such payment is limited to two years' total annual compensation and does not provide compensation for any period longer than the remaining term of the employment contract</td></tr>
</table>

The key changes adopted as part of the new compensation system and the reasons for these changes are described and explained below:

- **Revision of the annual bonus: stronger weighting for financial performance criteria and ESG**
  On the one hand, as part of the annual bonus, the weighting of the performance criteria will be adjusted to achieve an incentive effect more strongly aligned with the company's strategy. The weighting of the financial performance criterion, operating EBT, will be increased from 60 % to 70 %, in order to sharpen the focus on safeguarding the profitability required for the company's long-term development. On the other hand, the weighting of the Executive Board's individual performance will be reduced from 40 % to 20 % to strengthen the importance of financial performance. Moreover, in the future performance criterion for the ESG goals will be explicitly reflected in the annual bonus with a weighting of 10 %. ESG goals were already included as an element of individual performance in the 2020/21 compensation system. In view of the overall responsibility of the Executive Board, the inclusion of ESG goals as an independent and collective performance criterion reflects the increasing relevance of ESG aspects for Aurubis AG's sustainable development and thus for the company's long-term corporate strategy as well.
  In addition, the target achievement curve for the operating EBT performance criterion will be adjusted to establish a more balanced risk/return profile. When adjusting the target achievement curve, the Supervisory Board ensured that the target remained ambitious, while avoiding unreasonable risks. The maximum target achievement in the future (150 %) will thus only be met with an operating EBT growth of 40 % or higher compared to the previous year (previously: cap of 125 % target achievement for 20 % growth). As part of the revised target achievement curve, the annual bonus cap will be increased from 125 % to 150 % of the target amount. The previous cap (125 %) was significantly below the customary market limit. The adjustment of the target achievement curve and the higher cap will significantly increase the overall incentive for overachieving the targets.

- **Revision of the multi-year variable compensation: increased focus on shares**
  The performance cash plan stipulated in the 2021 compensation system will be replaced with a fully share-based performance share plan, which will account for a large part of the variable compensation. As such, the majority of the variable compensation will be linked to Aurubis AG's absolute share price performance, thereby providing an effective incentive to increase the company's value.
  The deferred stock included in the 2021 compensation system — which entailed the transfer of one-third of the annual bonus to a virtual stock deferral plan with a three-year vesting period — will be abolished in order to considerably simplify the compensation system.
  The portion of target compensation previously allotted to share deferral, i.e., one-third of the target amount of the annual bonus, will be transferred to the performance share plan. Overall, this will significantly reinforce the pay-for-performance concept. In addition, the compensation structure will be even more strongly aligned with the company's sustainable, long-term development. At the same time, the majority of the variable compensation will be linked to the achievement of long-term targets and be predominantly share-based.

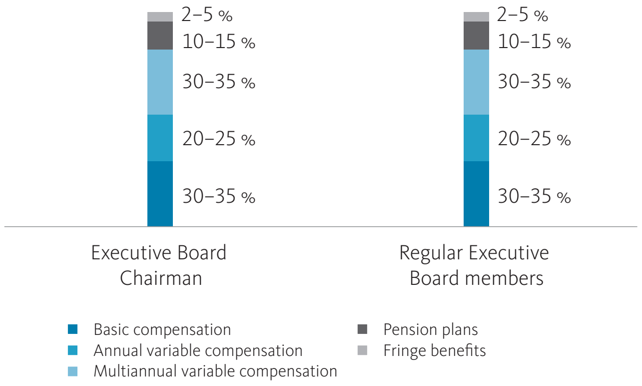
- **Revision of multiannual variable compensation: harmonization with shareholders' interests**
  The relative total shareholder return (relative TSR) performance criterion will be added alongside the operating ROCE performance criterion currently applied for multiannual variable compensation. The measurement of Aurubis AG's TSR performance compared to the MDAX will establish effective incentives for above-average capital market performance, thus making Aurubis an even more attractive investment for current and potential investors. The operating ROCE performance criterion will remain an important control element for the Aurubis Group and thus a central indicator of Aurubis' financial development, along with operating EBT. Analogous to the annual bonus, the maximum target achievement for each performance criterion is 150 %. The target achievement curve for the operating ROCE performance criterion was revised for the same reasons as for operating EBT without changing the ambitious level of the target.
  In order to establish an effective incentive via the link with the company's absolute share price performance, a correspondingly positive share price performance can now increase the payout amount under the performance share plan to up to 200 % of the target amount (cap).

- **Adjustment of maximum compensation**
  The maximum compensation in accordance with Section 87a of the German Stock Corporation Act (AktG) will be increased to ensure that the incentive effect intended by the changes to the annual bonus and performance share plan caps to significantly overachieve targets and increase the enterprise value is truly realized. In the future, this will amount to € 2,300,000 (previously € 1,800,000) for each regular Executive Board member and € 3,300,000 (previously: € 2,600,000) for the Executive Board chairman.
  The Supervisory Board took the maximum compensation levels at MDAX companies into consideration when discussing raising the maximum compensation. As a result, the maximum compensation Aurubis Executive Board members receive is still at the lower end of the market even after the increase.

TOTAL AND MAXIMUM COMPENSATION

Total compensation is made up of basic compensation, pension plans, fringe benefits as well as the annual (annual bonus) and multiannual (performance share plan) variable compensation. In addition, the Supervisory Board has the possibility, in individual cases, to grant new Executive Board members one-time payments when they take office, for example to compensate for losses from forfeited variable compensation from a former employer that arise due to the Executive Board member’s switch to Aurubis. The compensation components mentioned here cover the entire compensation of the Aurubis Executive Board members. No separate discretionary bonuses for extraordinary performance are granted. The relative makeup of the compensation components in the compensation system (under the assumption of 100 % target achievement for the variable compensation) is as follows:

Target compensation structure



For the sum of the compensation components mentioned above, maximum compensation was defined pursuant to Section 87a of the German Stock Corporation Act (AktG). This amounts to € 3,300,000 for the Executive Board chairman and € 2,300,000 for each regular Executive Board member. If total payments in a fiscal year exceed this established maximum compensation, the compensation component scheduled to be paid last (usually the performance share plan) is reduced.

A DETAILED OVERVIEW OF THE COMPENSATION COMPONENTS

FIXED COMPENSATION

The fixed compensation consists of basic compensation, fringe benefits, and pension plans.

Basic compensation

The basic compensation is paid out monthly in twelve equal installments.

Fringe benefits

The Executive Board members receive fringe benefits in the form of benefits in kind, which primarily consist of insurance premiums and company car use, which are assessed according to tax guidelines.

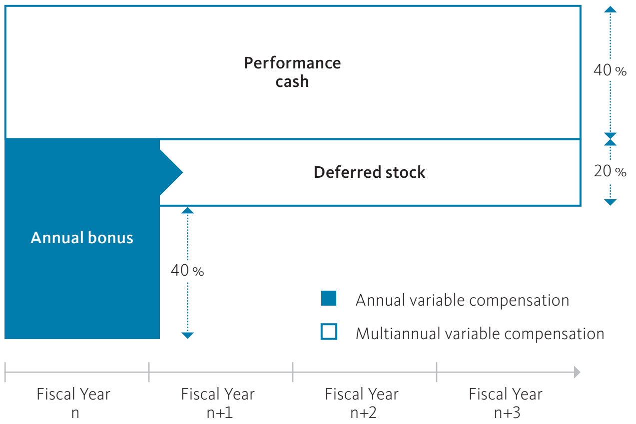
Pension plans

All Executive Board members receive an entitlement for the company pension plan in the form of a pension commitment. Furthermore, all members of the Executive Board also have a defined contribution company pension plan in the form of a capital commitment. The contributions are paid into liability insurance policies. The respective Executive Board member can use the accumulated capital after reaching the age of 62 at the earliest, however not before ceasing to be employed by the company.

VARIABLE COMPENSATION

The system for variable compensation includes both annual variable compensation (annual bonus) and multiannual variable compensation, which is forward-looking. As a performance share plan, the multiannual variable compensation is calculated over a four-year performance period and is fully share based. The ratio of multiannual to annual variable compensation is 60:40. The compensation structure is therefore oriented toward Aurubis' sustainable, long-term development.

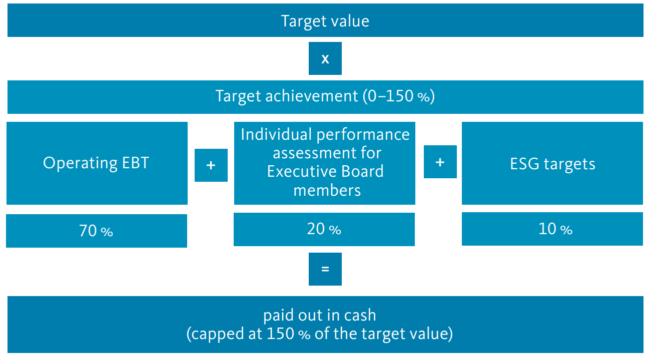
Variable compensation



Annual bonus

The annual bonus is calculated with a weighting of 70 % based on the target set for the fiscal year for the operating EBT component and a weighting of 20 % based on the assessment of each Executive Board member's individual performance for the respective fiscal year. Relevant and measurable ESG goals is also be included in the calculation, with a weighting of 10 %. The weighted target achievement for these three components is then multiplied by the target amount established in the Executive Board contract. This reflects both the financial and the non-financial and sustainable company development during the fiscal year. The annual bonus will be paid out in cash after the fiscal year has concluded. The maximum payout is capped at 150 % of the target amount.

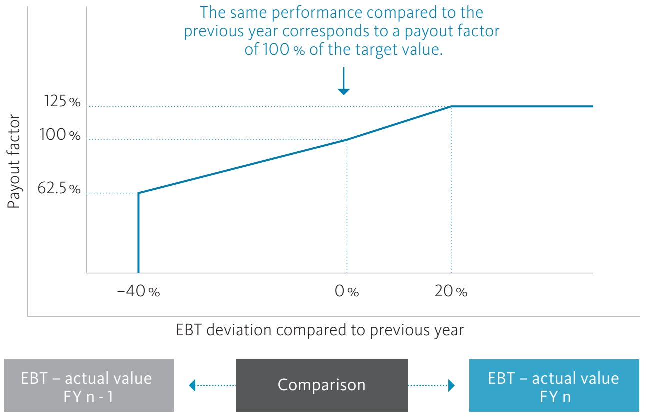
Annual bonus operating principle



Operating EBT component
Operating EBT is an essential KPI to measure the success of the business strategy and the long-term, successful development of the company. It shows a company's profitability and thus reflects Aurubis' operating success. Moreover, a positive EBT trend contributes to Aurubis' important goal of enhancing enterprise value, which is why the achievement of a stable, positive or improved EBT compared to the previous year was selected as the main performance criterion for the annual bonus.

The target achievement for the operating EBT is determined on the basis of an actual/actual comparison. The actual value of the operating EBT in the respective fiscal year is compared with the actual value of the operating EBT of the fiscal year preceding the current fiscal year ("previous year"). For an unchanged operating EBT compared to the previous year, the target achievement is 100 %. If the operating EBT is increased by 40 %, the maximum value of 150 % target achievement is reached. For an operating EBT of -40 % compared to the previous year, the minimum value of 50 % target achievement is reached. Target achievements between the established target achievement points (50 %; 100 %; 150 %) are interpolated in a linear manner. If the maximum value is reached, further increases to the operating EBT do not lead to an increase in the target achievement. If the minimum value is not reached, the target achievement is 0 %. If the operating EBT is negative for both the previous year and the respective fiscal year, the Supervisory Board is authorized to appropriately set the target achievement at its own discretion. If a positive operating EBT was achieved in the previous year and a negative EBT in the fiscal year at hand, the target achievement amounts to 0 %.

Calibrating the performance targets – EBT



The target achievement within the scope of the operating EBT component is transparently explained in the Compensation Report.

Individual performance of the Executive Board member
In addition, non-financial criteria also have a substantial influence on the success of the business strategy and the company's long-term development. This is why the Supervisory Board annually establishes additional concrete performance criteria for determining the annual bonus.

The targets to assess individual performance are stipulated by the Supervisory Board prior to the start of each fiscal year and are published after the fact in the Compensation Report for the fiscal year. When specifying the targets for the Executive Board members' individual performance, the Supervisory Board is guided by the following criteria, among others:

» Strategic company development
» Digitalization
» Employees
» Leadership and company culture
» Corporate social responsibility

It is at the Supervisory Board's discretion to stipulate additional criteria apart from the aspects listed here. The Supervisory Board determines the significance of individual targets of the Executive Board members separately versus targets for all Executive Board members collectively.

The Executive Board member's performance is assessed by the Supervisory Board based on criteria established beforehand: in addition to the targets being weighted, target values are established that indicate a 100 % target achievement. The Supervisory Board can set the target achievement between 0 % and a maximum of 150 % in a linear or graduated manner.

The performance targets and the target achievement within the scope of Executive Board members' individual performance assessment are transparently explained in the Compensation Report.

ESG targets
To achieve the strategic goal of expanding Aurubis' industry leadership in the area of sustainability and to firmly enshrine this in the Executive Board's compensation system, ESG goals will be explicitly taken into consideration in the annual bonus.

The Supervisory Board will define the criteria for evaluating the ESG component at the start of each fiscal year. The Supervisory Board will be guided by a list of criteria derived from the company's sustainability strategy. These criteria are full aligned with Aurubis' 2030 sustainability targets.

Criteria catalog for ESG targets

Criteria catalog for ESG targets				
Energy & climate	Training and education	Health & safety	Future-oriented employer	Governance and ethics
Environmental protection	Recycling solutions	Responsible supply chain	Social engagement	

After determining the criteria, the Supervisory Board will define concrete targets for each criterion and ensure that these targets are measurable. Target, minimum and maximum values will be specified for each target and used to calculate the target achievement once the fiscal year has concluded. The target achievement can range from 0 % to 150 %.

The ESG goals specified by the Supervisory Board, the target, minimum and maximum values and the target achievement will be transparently reported in the Compensation Report for the fiscal year in question.

Performance Share Plan

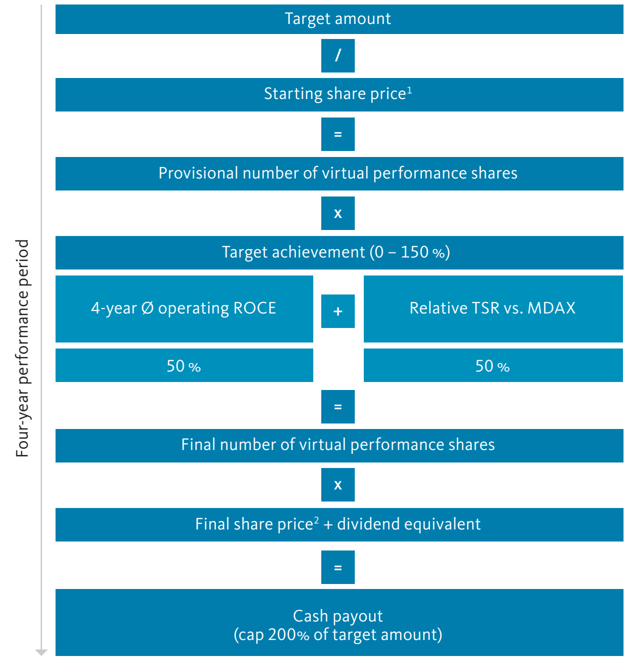
The performance share plan stipulates a four-year, forward-looking performance pursuant to the recommendations of the German Corporate Governance Code. A new performance share plan tranche will be allotted each year on October 1. Due to the link with Aurubis AG's absolute share price performance via virtual performance shares, the performance share plan is fully share based and establishes an incentive for achieving a sustainable, long-term increase in the company's enterprise value.

Each Executive Board member will be provisionally allotted a number of virtual performance shares at the start of a tranche of the performance share plan. This number will be calculated by dividing the target amount by the "starting share price" (arithmetic average of the Xetra closing price for Aurubis shares on the Frankfurt Stock Exchange over the last 60 trading days before the beginning of the performance period). The final number of performance shares will be determined once the four-year performance period has ended by multiplying the number of provisionally allotted performance shares by the calculated target achievement.

The key performance criteria for measuring the target achievement are the average operating return on capital employed (ROCE) of Aurubis AG over the four-year performance period and Aurubis AG's total shareholder return (TSR) compared to the MDAX. These two performance criteria will each be assigned a weighting of 50 %. The target achievement is dependent on the degree of target fulfillment and can range from 0 % to 150 % for each performance criterion.

The final payout amount will be calculated by multiplying the final number of performance shares by the "final share price" (arithmetic average of the Xetra closing price for Aurubis shares on the Frankfurt Stock Exchange over the last 60 trading days before the end of the performance period) plus the dividends paid for Aurubis AG shares during the performance period ("dividend equivalent"). The amount will be paid out in cash within four months of the end of the fiscal year in which the performance period ends and is capped at 200 % of the target amount.

Performance Share Plan operating principle



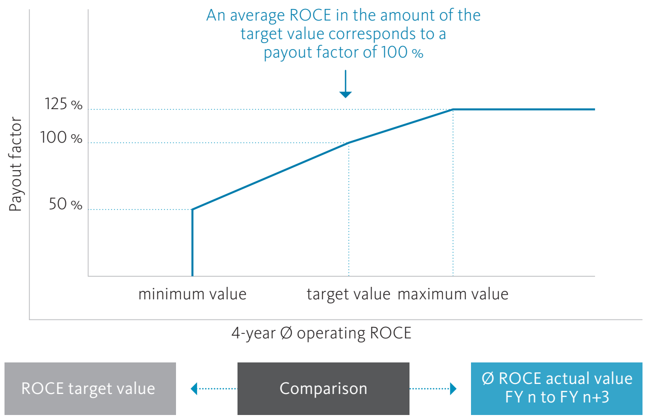
[1] Arithmetic average of the Xetra closing price for Aurubis shares on the Frankfurt Stock Exchange over the last 60 trading days before the beginning of the performance period.
[2] Arithmetic average of the Xetra closing price for Aurubis shares on the Frankfurt Stock Exchange over the last 60 trading days before the end of the performance period.

ROCE

With the ROCE as a performance criterion including an ambitious target range, the multiannual variable compensation is directly tied to the company's operating performance and aligned with the company's financial target of generating a significant premium on the capital costs. This target reflects the communicated goal of generating an annual ROCE that considerably exceeds the cost of capital.

In order to determine the target achievement, the average operating ROCE achieved after the end of the respective fiscal years during the performance period, is calculated at the end of the four-year performance period. For the granting of each tranche, the Supervisory Board determines an amount for 100 % target achievement ("target value") for the average operating ROCE as well as amounts for 50 % target achievement ("minimum value") and 150 % target achievement ("maximum value"). Target achievements between the established target achievement points (50 %, 100 %, 150 %) are interpolated in a linear manner. If the minimum value is not reached, the target achievement is 0 %. If the maximum value is reached, further increases in the average operating ROCE do not lead to a further increase in the target achievement.

Calibrating the performance targets – ROCE



The minimum, target and maximum values and the target achievement based on the average operating ROCE are published transparently in the Compensation Report.

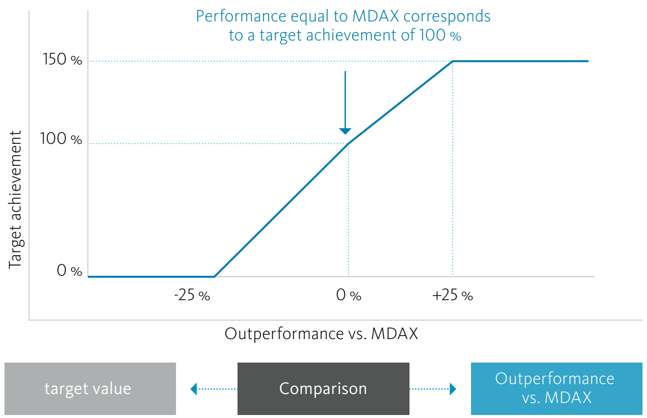
Relative TSR

The inclusion of Aurubis AG's TSR performance compared to the MDAX establishes effective incentives for above-average capital market performance, thus making Aurubis an attractive investment for current and potential investors. The MDAX has been selected as a benchmark in order to ensure a broad and stable basis for the comparison of Aurubis' capital market performance with companies of a similar size, and in order to simplify this comparison and make it open to public scrutiny.

In order to determine the target achievement for the relative TSR, the share price performance plus fictitious reinvested gross dividends issued by Aurubis AG and the MDAX benchmark will be calculated over the four-year performance period. The arithmetic average over the last 60 trading days prior to the beginning or end of the performance period will be used for smoothing purposes. The relative TSR will be determined on the basis of the difference between the TSR for the MDAX benchmark and the TSR of Aurubis AG over the performance period. The difference corresponds to Aurubis AG's outperformance of the MDAX benchmark in percentage points.

The target achievement will be 100 % if the relative TSR is 0 percentage points ("target value"), i.e., the TSR of Aurubis AG matches that of the MDAX benchmark. A relative TSR of minus 25 percentage points ("minimum value") or less will result in a 0 % target achievement. In case of a relative TSR of plus 25 percentage points or higher, the target achievement will be 150 % ("maximum value"). Target achievements between the established target achievement points (0 %, 100 %, 150 %) are interpolated in a linear manner.

Target achievement curve relative TSR



The target achievement for the relative TSR performance criterion will be transparently explained in the Compensation Report following the end of each tranche of the performance share plan.

MALUS & CLAWBACK

Moreover, the Executive Board contracts include a malus and clawback arrangement. If it is determined that the Executive Board member deliberately violated a significant duty of care in accordance with Section 93 of the German Stock Corporation Act (AktG), a significant contractual obligation, or other significant company principles of conduct, for example from the Code of Conduct or the compliance regulations, and this violation fulfills the conditions of a gross breach of duty that justifies revocation of the appointment to the Executive Board in accordance with Section 84 (3) of the German Stock Corporation Act (AktG), the Supervisory Board can reduce the variable compensation that has not been paid yet, in whole or in part, to zero ("malus") or reclaim the net variable compensation, in whole or in part, that has already been paid out ("clawback").

Furthermore, the Executive Board members must pay back variable compensation that has already been paid out if and to the extent that it is determined after the payment that the audited and confirmed consolidated financial statements on which the calculation of the payment amount was based were incorrect and thus have to be corrected in accordance with the relevant accounting regulations and, based on the corrected, audited consolidated financial statements and the relevant compensation system, a lower payment or no payment from the variable compensation would have been owed.

COMPLIANCE-RELATED LEGAL TRANSACTIONS

Contract terms

The term of the employment contract corresponds to the duration of the appointment and is prolonged for the duration of any subsequent appointment. The duration of the appointment and the contract term are generally three years for the initial appointment to the Executive Board. Nevertheless, the initial appointment and a subsequent appointment can have a maximum term of five years.

Premature termination

In the event of a premature termination of an Executive Board contract without good cause, a severance payment will be made within the scope of the compensation system. Such payment is limited to two years' total annual compensation and does not provide compensation for any period longer than the remaining term of the employment contract. The payout of variable compensation components that are still open and that are due in the period until the contract ends takes place as normal at the end of the originally established due dates – there is no premature payout. If the employment contract is ended for an important, justified reason, there are no payments.

There are no promises of payments in the case of the Executive Board member's premature termination of the employment contract resulting from a change of control.

Moreover, the employment contracts do not include any post-contractual non-compete clauses. As a result, the compensation system does not arrange for non-compete compensation.

Temporary deviation from the compensation system
The Supervisory Board can temporarily deviate from the Executive Board compensation system pursuant to Section 87a (2) of the German Stock Corporation Act (AktG) if this is necessary in the interests of the company's long-term well-being. This type of deviation is only permitted in exceptional cases. Exceptional cases in this context are extraordinary developments such as extremely far-reaching changes in the overall economic conditions (for instance due to a serious economic or financial crisis), natural disasters, terrorist attacks, political crises, epidemics/pandemics, disruptive market decisions from customers, or a company crisis. Generally unfavorable market developments are not, under any circumstances, considered exceptional cases that would justify a deviation from the compensation system. In the case of extraordinary developments, the Supervisory Board can deviate from the following parts of the compensation system by passing a resolution: target compensation structure, durations and payout times for variable compensation, and performance criteria for variable compensation, incl. their weighting.