



## Annual general meeting on 24 March 2021

### **System of remuneration for the members of the Supervisory Board of DIC Asset AG**

The system of remuneration takes into account the responsibility and scope of activities of the members of the Supervisory Board. By supervising the Management Board's management activities, the Supervisory Board contributes to the promotion of the company's business strategy and its long-term development.

In addition to a fixed annual remuneration, the members of the Supervisory Board receive an annual variable remuneration based on the dividend distributed to shareholders for the respective fiscal year. The variable remuneration attainable for a fiscal year is limited in the amount. In addition, the members of the Supervisory Board will be reimbursed for their expenses and for any value-added tax payable on the remuneration.

The respective amount of remuneration considers the specific function and responsibility of the members of the Supervisory Board. In particular, the higher workload of the chairman and the deputy chairman of the Supervisory Board as well as the chairmen and members of committees are adequately taken into account.

For a member of the Supervisory Board who is not a member of a committee, the share of fixed remuneration is no less than 50% and the share of variable remuneration will not exceed 50% of the total remuneration. For a member of the Supervisory Board who is a member of a committee, the share of fixed remuneration is no less than 54.5% and the share of variable remuneration will not exceed 45.5% of the total remuneration. For a member of the Supervisory Board who is a member of more than one committee or who chairs a committee, the share of fixed remuneration is no less than 58.3% and the share of variable remuneration will not exceed 41.7% of the total remuneration.

If the deputy chairman of the Supervisory Board is not a member of a committee, the share of fixed remuneration is no less than 50% and the share of variable remuneration will not exceed 50% of his total remuneration. If the deputy chairman of the Supervisory Board is a member of a committee, the share of fixed remuneration is no less than 53.1% and the share of variable remuneration will not exceed 46.9% of his total remuneration. If the deputy

chairman of the Supervisory Board is a member of multiple committees, the share of fixed remuneration is no less than 55.9% and the share of variable remuneration will not exceed 44.1% of his total remuneration.

If the chairman of the Supervisory Board is not a member of a committee, the share of fixed remuneration is no less than 50% and the share of variable remuneration will not exceed 50% of his total remuneration. If the chairman of the Supervisory Board is a member of a committee, the share of fixed remuneration is no less than 52.4% and the share of variable remuneration will not exceed 47.6% of his total remuneration. If the chairman of the Supervisory Board is a member of multiple committees, the share of fixed remuneration is no less than 54.5% and the share of variable remuneration will not exceed 45.5% of his total remuneration.

The sole criterion for granting and for the amount of the variable remuneration is the amount of the dividend distributed to shareholders for the respective fiscal year. For each percent of dividend distributed in excess of a percentage of 10% calculated based on the amount of the share capital, the members of the Supervisory Board receive a capped fixed amount. The dividend payment is a key performance indicator for shareholders. Basing the remuneration of the Supervisory Board on this performance indicator contributes to promoting the company's success. A separate determination of the variable remuneration is not provided for.

The remuneration is payable after expiry of the respective fiscal year. Members of the Supervisory Board who are members of the Supervisory Board or of a committee for only part of the fiscal year, or who are chairman or deputy chairman of the Supervisory Board or chairman of the audit committee, receive remuneration reduced pro rata temporis.

Due to the special nature of the remuneration of the Supervisory Board, which is granted for the Supervisory Board's activities and which differs fundamentally from the activities of the employees of the company and the group, a so-called vertical comparison with the remuneration of employees is out of the question.

The remuneration of the members of the Supervisory Board of DIC Asset AG is set out in the Articles of Association. Most recently, the compensation in Section 10 of the Articles of Association was adjusted by resolution of the shareholders' meeting of 8 July 2020. The remuneration and the system of remuneration of the Supervisory Board are periodically reviewed by management. In particular, the time expended by the members of the Supervisory Board as well as the remuneration paid by other, comparable companies are critical in this regard. If the Management Board and Supervisory

Board see a need to adjust the remuneration or the system of remuneration, they will submit a corresponding proposal to the shareholders' meeting; in any case, a resolution proposal on the remuneration, including the underlying system of remuneration, will be submitted to the shareholders' meeting every four years, at the latest.

The above proposal to confirm the remuneration of the members of the Supervisory Board is based on the amendment to the Articles of Association resolved by the shareholders' meeting on 8 July 2020. The proposal at the time to amend the Articles of Association was discussed in detail by the Management Board and the Supervisory Board, as was this year's confirming resolution proposal.

The regulations applicable to avoidance and handling of conflicts of interest are also observed in the procedure for establishing and implementing the system of remuneration.

This English translation of the further explanations of shareholders' rights is provided for convenience purposes only. Please note that the German text shall be the sole legally binding version.