

## REMUNERATION REPORT OF MUTARES SE & CO. KGAA, MUNICH, FOR THE FINANCIAL YEAR 2021

### Preliminary note

The remuneration report summarizes the principles applied for determining the remuneration of the members of the Supervisory Board of Mutares SE & Co. KGaA ("**Company**") as well as the members of the Management Board and the Supervisory Board of Mutares Management SE. Mutares Management SE is the managing general partner of the Company ("**Mutares Management SE**"). The remuneration report presents and explains the remuneration granted and owed to the current and former members of the Supervisory Board of the Company and the members of the Management Board of Mutares Management SE ("**Management Board**") and the Supervisory Board of Mutares Management SE. The report complies with the requirements of Section 162 AktG. The remuneration report explains the amount and structure of the remuneration of the members of the Management Board and Supervisory Board. In addition, the remuneration of Mutares Management SE as general partner of the Company is also reported. The members of the Company's Shareholders' Committee did not receive any remuneration in the reporting year.

The compensation structure of the Management Board does not yet comply with the requirements of sections 87a, 120a AktG. Since the admission of the Company's shares to the Regulated Market of the Frankfurt Stock Exchange (*Prime Standard*), no Annual General Meeting of the Company has yet taken place that has resolved on the approval of a remuneration system for the members of the Management Board in accordance with Sections 87a, 120a AktG. The Supervisory Board of Mutares Management SE resolves on a remuneration system for the members of the Management Board, which will be presented to the next Annual General Meeting of the Company in accordance with Section 120a AktG and which complies with the requirements of Section 87a AktG and takes into account the recommendations of Section G. I of the German Corporate Governance Code (GCGC), unless a deviation is declared.

### ***Overview and highlights of the past financial year***

- The year 2021 was again characterized by the expansion of the portfolio, which increased significantly in terms of both number and revenue size in relation to consolidated revenues in the reporting year 2021. In connection with the expansion of the portfolio, there was a significant increase in the Company's consulting activities, which led to an increase in revenues of more than 50% to EUR 50.4 million.
- The sale of the remaining shares in the listed STS Group AG to the Adler Pelzer Group in June 2021 marked the most successful exit to date in terms of total profit with a

portfolio company. The sale contributed more than EUR 20 million to the Company's net income in the reporting year.

- The Company's net income increased by 52% from EUR 33.4 million to EUR 50.7 million compared to the financial year 2020.
- On 20 May 2021, the Annual General Meeting resolved the Stock Option Program 2021, which allows the granting of stock options to four different groups of persons. Stock options have been and continue to be an important instrument for the Company to focus on sustainably increasing shareholder value, which is reflected in the share price development.
- The positive development of the Mutares Group was also rewarded on the capital market with a significant increase in the share price. In the reporting year, the Company's share price rose by around 54% from EUR 14.80 at the beginning of the year to EUR 22.75 at the end of the year. In addition, a dividend of EUR 1.50 per dividend-bearing share was distributed. The Company had also successfully completed a rights issue on 14 October 2021. A total of 5,140,439 new no-par value shares of the Company were offered at a subscription price of EUR 19.50 per new share in accordance with the terms and conditions of the subscription offer published in the Federal Gazette. The share capital of the Company was increased by EUR 5,140,439.00 from EUR 15,496,292.00 to EUR 20,636,731.00. At the same time, the shares of the Company were admitted to trading on the Regulated Market of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the Regulated Market with additional post-admission obligations (Prime Standard) with the uplisting on 19 October 2021.
- There was a change in the Management Board at the end of the financial year 2021. Dr. Kristian Schleede left the Management Board effective 31 December 2021. As of 19 January 2022, the Management Board consists of three members who take over Dr. Schleede's previous areas of responsibility: Robin Laik (CEO), Mark Friedrich (CFO) and Johannes Laumann (CIO).

### **Main features of the compensation system in the financial year 2021**

The total remuneration of the Management Board is composed of

- a fixed salary,
- a one-year variable compensation,
- a multi-year variable remuneration as well as

- fringe benefits.

The yardsticks for determining the appropriateness of compensation are in particular the duties of the respective Management Board member, his personal performance and the economic situation, success and future prospects of the Company. On the one hand, the compensation structures and the level of compensation are taken into account, as they are customary in the private equity business and necessary for attracting and retaining qualified executives. On the other hand, the compensation structures and compensation levels of comparable listed companies and an individual peer group are used. In order to ensure the appropriateness of the remuneration, the Supervisory Board of Mutares Management SE regularly conducts a horizontal as well as vertical remuneration comparison.

The Supervisory Board of Mutares Management SE is no longer entitled to grant a special bonus under the Management Board service agreements since the financial year 2021. A subsequent change of target values or comparison parameters for the variable remuneration also does not take place.

The service contracts of the Management Board members are regularly concluded with a term of three to five years. The Supervisory Board of Mutares Management SE may deviate from this in justified individual cases. Payments to Management Board members in the event of premature termination of the Management Board service contract are limited to the remuneration for the remaining term of the Management Board service contract that would have been owed without the premature termination. Even in the event of termination of the contract, any outstanding variable compensation components attributable to the period up to termination of the contract will be paid out in accordance with the originally agreed targets or comparison parameters and on the agreed due dates.

The monthly paid fixed compensation and the fringe benefits form the non-performance-related components of total compensation. The fixed monthly compensation ensures an appropriate basic income for attracting and retaining highly qualified Management Board members and at the same time prevents Management Board members from taking unreasonable risks. In this way, the basic monthly compensation contributes to the long-term development of the Company. The monthly fixed compensation also reflects the role of the individual Management Board member and his area of responsibility on the Management Board.

The one-year variable compensation ("**bonus**") is based on the Company's business performance in the reference period, which in this report is the reporting year. The bonus is exclusively (100%) dependent on the Company's net income. The basis for calculating the bonus is the audited annual financial statements of the Company in accordance with the German Commercial Code (HGB). The bonus is calculated as a percentage of the audited net income and for the Chairman of the Management Board amounts to 4% of net income

for a net income of EUR 10.0 million and increases on a straight-line basis up to 6% of net income for a net income of at least EUR 30.0 million. The percentage remains unchanged at 6% of net income for a net income of EUR 30.0 million and above. For ordinary members of the Management Board, half the percentage of the Chairman has been agreed, i.e. the bonus amounts to 2% of net income for net income of EUR 10.0 million and increases on a straight-line basis up to 3% of net income for net income of at least EUR 30.0 million. The maximum payment amount ("**cap**") of the bonus amounts to EUR 3 million for the Chairman of the Management Board and EUR 1.5 million for each of the ordinary members of the Management Board (corresponds to net income of at least EUR 50.0 million). The members of the Management Board do not receive a bonus if the Company's net income for the year is below EUR 10 million. The bonus is intended to incentivize the ongoing achievement of high net income in line with the business strategy. A high net profit is an expression of the Company's performance and at the same time promotes the Company's dividend strategy.

The bonus is paid annually in April for the previous year. If a Management Board member's service contract commences during the year, he or she receives the bonus for the respective financial year on a pro rata temporis basis.

The **multi-year variable compensation of the** members of the Management Board consists of stock options, the exercise of which is linked to the achievement of a performance target (share price increase). The following three stock option programs were resolved by the Company's Annual General Meeting:

1. the Stock Option Program 2016 ("**SOP 2016**") by the Annual General Meeting on 3 June 2016,
2. the Stock Option Program 2019 ("**SOP 2019**") by the Annual General Meeting on 23 May 2019, and
3. the Stock Option Program 2021 ("**SOP 2021**") by the Annual General Meeting on 20 May 2021.

In all stock option programs, a stock option granted to the respective Management Board member entitles the holder to subscribe for one share at a price ("**exercise price**") corresponding to 70% of the average, volume-weighted closing price of the Company's share in XETRA trading during the last 20 stock market trading days prior to the issue date of the stock options. The stock options granted under the 2016 SOP, 2019 SOP and 2021 SOP can only be exercised if the average, volume-weighted closing price of the Company's shares in XETRA trading during the last 20 stock market trading days prior to the start of the respective exercise period ("**comparison price**") exceeds the exercise price by at least 85.7% ("**performance target**").

All stock option programs contain an anti-dilution clause in the event of capital increases from company funds and other capital measures that have a comparable effect. SOP 2019 and SOP 2021 also provide for a corresponding adjustment of the exercise price if the Company pays, distributes or grants a cash or non-cash dividend to its shareholders after the issue date and before the effective exercise of the stock option by the Management Board member. There is a waiting period of four years for the exercise of the option for each tranche granted. On the day after expiry of the waiting period, the stock options may in principle be exercised for the first time, provided that the exercise conditions, in particular the achievement of the performance target described above, have been met. The exercise period following the waiting period is two years. If not exercised, the stock options expire without compensation six years after the issue date.

The share subscription as part of the multi-year variable compensation allows the Management Board members to participate in the development of the share price. This aligns the objectives of the Management Board and the shareholders and promotes the strategy of sustainably increasing shareholder value. The vesting period and subsequent exercise period incentivize the Management Board members to increase the value of the Company on a long-term and sustainable basis.

In the financial year 2021, a total of 180,000 stock options were issued to the members of the Executive Board.

Information on the allocation of stock options of tranches 2019 and 2021 in calendar year 2021

	<b>Tranche</b>	<b>Allocated stock options</b>	<b>Date of issue</b>	<b>Exercise price</b>	<b>Expiration waiting time</b>	<b>Exercise period</b>	<b>Performance target (share price)</b>	<b>Fair value at grant date</b>
<b>Robin Laik</b>	AOP 2019	35,598	21.5.2021	EUR 17.13	20.5.2025	2 years	EUR 31.81	EUR 7.81
	AOP 2021	54,402	10.11.2021	EUR 16.32	9.11.2025	2 years	EUR 30.31	EUR 7.56
<b>Mark Friedrich</b>	AOP 2019	17,799	21.5.2021	EUR 17.13	20.5.2025	2 years	EUR 31.81	EUR 7.81
	AOP 2021	27,201	10.11.2021	EUR 16.32	9.11.2025	2 years	EUR 30.31	EUR 7.56

<b>Johannes Laumann</b>	AOP 2019	17,799	21.5.2021	EUR 17.13	20.5.2025	2 years	EUR 31-81	EUR 7.81
	AOP 2021	27,201	10.11.2021	EUR 16.32	9.11.2025	2 years	EUR 30.31	EUR 7.56
<b>SUM</b>		180,000						

Development of stock options from the 2016, 2019 and 2021 SOPs in financial year 2021

	Balance at beginning of 2021	Allocated in FY 2021	Exercisable in reporting year 2021	Exercised in reporting year 2021	Balance at end of 2021
<b>Robin Laik</b>	360,000	90,000	90,000	90,000	360,000
<b>Mark Friedrich</b>	185,000	45,000	90,000	90,000	140,000
<b>Johannes Laumann</b>	110,000	45,000	15,000	15,000	140,000
<b>Dr. Kristian Schleede</b>	75,000	0	30,000	30,000	50,000
<b>SUM</b>	730,000	180,000	225,000	225,000	690,000

No variable compensation components were withheld or clawed back in the financial year 2021.

There is no pension commitment between the Company and the members of the Management Board. Therefore, the members of the Management Board are not entitled to a company pension.

The members of the Management Board are granted the following **fringe benefits**:

- Company car, which may also be used privately,
- Smartphone, which may also be used privately,
- Contributions to statutory or private health and long-term care insurance,

- Assumption of the costs for a service apartment,
- Company's D&O insurance (without the corresponding deductible).

The fringe benefits granted mainly consist of contributions to statutory or private health insurance and D&O insurance, as well as the use of a company car. The Company's D&O insurance (pecuniary loss liability insurance) includes a deductible for the members of the Management Board in accordance with the statutory requirements (Section 93 (2) sentence 3 AktG). No advances or loans were granted to members of the Management Board.

### **Appropriateness of the remuneration of the Management Board**

In accordance with the remuneration system, the Supervisory Board of Mutares Management SE conducts a review of the market appropriateness of the Management Board remuneration at regular intervals, whereby this is generally based on a horizontal and vertical comparison. The horizontal review of the appropriateness of the remuneration is carried out on the basis of a comparison with other listed portfolio companies from the private equity sector and comparable industries. The peer group comprises the four companies AURELIUS Equity Opportunities SE & Co. KGaA, Deutsche Beteiligungs AG, INDUS Holding AG and MBB SE. A high variable compensation component is typical for the industry.

When determining the remuneration for the Management Board positions, the Supervisory Board of Mutares Management SE also takes into account in particular that there is global competition in the private equity industry for key personnel with industry experience, who are considered the central success factor in this industry. Non-competitive compensation for highly successful managers, as evidenced by their business results, both at Management Board level and at the other management levels, would pose a risk of key personnel leaving the Company and thus a significant risk to the Company's business success.

## **Compensation granted and owed in the financial year 2021**

The following tables show the compensation granted and owed individually in accordance with section 162 (1) sentence 1 AktG to the members of the Management Board in office in the financial year 2021. This relates to the fixed compensation and fringe benefits granted in the financial year 2021, the bonus for the 2021 financial year and the multi-year variable compensation.

Compensation is deemed to have been granted within the meaning of Section 162 (1) sentence 1 AktG if it actually, i.e. in fact, accrues to the board member and thus becomes part of his or her assets, irrespective of whether the accrual is made in fulfilment of an obligation or without legal basis. In the following table, compensation is also deemed to have been granted within the meaning of Section 162 (1) sentence 1 AktG if the underlying one-year or multi-year activity has been performed in full by the end of the financial year and the compensation is not transferred to the recipient's account until the beginning of the next financial year. The amounts reported from the bonus correspond to the payments for the financial year 2021, as the underlying service was performed in full by the end of the financial year on 31 December 2021 and the bonus was therefore earned in full (performance period: January 2021 to December 2021, payment expected in April 2022). The bonus for the financial year 2021 is therefore regarded as compensation granted within the meaning of section 162 (1) sentence 1 AktG. The stock options granted in the financial year 2021 under the 2021 SOP and the 2019 SOP are considered to have been granted in the financial year 2021 and are measured at their fair value at the time of grant. In calculating the fair value, recourse was made to a recognized valuation method, namely the Cox-Ross-Rubinstein binomial model.

Compensation shall be deemed to be owed within the meaning of Section 162 (1) sentence 1 AktG if the Company has a legally existing obligation towards a member of a governing body which is due but not yet fulfilled.



REMUNERATION GRANTED AND OWED	Robin Laik, CEO				Mark Friedrich, CFO			
	2021		2020		2021		2020	
	IN TEUR	IN %	IN TEUR	IN %	IN TEUR	IN %	IN TEUR	IN %
Basic remuneration	1,000	21 %	800	26 %	500	21 %	400	25 %
Fringe benefits*	78	2 %	9	0 %	89	4 %	24	2 %
Total fixed remuneration	1,078		809		589		424	
Short-term variable compensation								
Bonus 2021	3,000	63 %			1,500	62 %		
Bonus 2020			2,004	64 %			1,002	64 %
Long-term variable compensation								
AOP 2019	278	6 %	311	10 %	139	6 %	156	10 %
AOP 2021	411	8 %			206	8 %		
Other								
Total (total compensation within the meaning of Sec. 162 (1) AktG)	4,767	100 %	3,124	100 %	2,434	100 %	1,582	100 %

REMUNE RATION GRANTED AND OWED	Johannes Laumann, CIO				Dr. Kristian Schleede, CRO			
	2021		2020		2021		2020	
	IN TEUR	IN %	IN TEUR	IN %	IN TEUR	IN %	IN TEUR	IN %
Basic re- munera- tion	500	20 %	400	25 %	460	20 %	390	28 %
Fringe be- nefits*	101	4 %	27	2 %	74	3 %	9	1 %
Total fi- xed re- munera- tion	601		427		534		399	
Short- term vari- able com- pensation								
Bonus 2021	1,500	61 %			1,500	66 %		
Bonus 2020			1,002	63 %			1,002	72 %
Long- term vari- able com- pensation								
AOP 2019	139	6 %	156	10 %				
AOP 2021	206	8 %						
Other					250	11 %		

<b>Total (total compensation within the meaning of Sec. 162 (1) AktG)</b>	2,446	100 %	1,585	100 %	2,284	100 %	1,401	100 %
---	-------	-------	-------	-------	-------	-------	-------	-------

\*The Company maintains directors' and officers' liability insurance (D&O insurance) for the members of its corporate bodies. The pro-rata amount attributable to the individual Management Board members is included in the fringe benefits.

### **Third party services**

The members of the Management Board participate in the Company's participation model for indirect participation of the members of the Management Board and selected employees in the operating subsidiaries via investments from their private assets. This involves participation in the relevant cash flows between the Company and the subsidiaries. Relevant cash inflows are inflows in the form of dividend or profit distributions, other distributions/payments from the share capital and/or repayments of acquired shareholder loans.

As participation in the Company's shareholding program is financed from the private assets of the Management Board members, the benefits are not promised or granted as consideration for or with regard to the Management Board activity, but with regard to the respective privately financed participation as (indirect) shareholder of the operating subsidiaries. In addition, the benefits are not in the abstract likely to give rise to conflicts of interest with regard to the activity as a member of the Management Board. Nevertheless, as a matter of precaution, they are presented as third-party benefits in accordance with § 162 (2) no. 1 AktG.

The members of the Management Board were promised and granted the following benefits in connection with the Company's participation model in financial year 2021:

Benefits in the amount of EUR 372 thousand were promised and granted to Mr. Robin Laik by Nexive Beteiligungs GmbH & Co. KG and EUR 150 thousand by SABO Beteiligungs GmbH & Co. KG in the financial year 2021.

Benefits in the amount of EUR 124 thousand were promised and granted to Mr. Mark Friedrich by Nexive Beteiligungs GmbH & Co. KG and benefits in the amount of EUR 50 thousand were promised and granted by SABO Beteiligungs GmbH & Co. KG in the financial year 2021.

Benefits amounting to EUR 186 thousand were promised and granted to Mr. Johannes Laumann by Nexive Beteiligungs GmbH & Co. KG and benefits amounting to EUR 75 thousand by SABO Beteiligungs GmbH & Co. KG in the financial year 2021.

Benefits amounting to EUR 62 thousand were promised and granted to Dr. Kristian Schleede by Nexive Beteiligungs GmbH & Co. KG and benefits amounting to EUR 25 thousand by SABO Beteiligungs GmbH & Co. KG in the financial year 2021.

Beyond this, no benefits were promised or granted to the Management Board members by a third party with regard to their Management Board activities.

### **Outlook - change in the basic features of the compensation system in 2022**

The Supervisory Board of Mutares Management SE will adopt a new remuneration system in the financial year 2022 that takes into account the changes in the legal requirements for management board remuneration from the Act Implementing the Second Shareholders' Rights Directive (ARUG II). The remuneration system shall be submitted to the next Annual General Meeting of the Company for approval pursuant to Section 120a (1) AktG.

### **Supervisory Board compensation**

#### **Remuneration of the members of the Supervisory Board of Mutares SE & Co. KGaA**

The current remuneration of the members of the Company's Supervisory Board was determined by resolution of the Company's Annual General Meeting on 23 May 2019. The members of the Supervisory Board of the Company receive a fixed basic remuneration of EUR 15 thousand p.a. The Chairman of the Supervisory Board receives a fixed basic remuneration of EUR 45 thousand and his deputy receives a fixed basic remuneration of EUR 22.5 thousand for the respective financial year of the Company. As the Supervisory Board currently consists of a Chairman, a Deputy Chairman and two other members, the total basic remuneration of the members of the Supervisory Board of the Company amounted to EUR 97.5 thousand in the financial year 2021. For work on a committee of the Supervisory Board, the Chairman of the committee receives EUR 7.5 thousand and each other member of the committee receives EUR 2.5 thousand for the respective financial year of the Company. The Company has an Audit Committee, to which Dr. Axel Müller, as Chairman and Mr. Volker Rofalski belong. In addition to the aforementioned remuneration, the members of the Supervisory Board are reimbursed for expenses incurred in the performance of their duties, which also include any value-added tax incurred.

The compensation is payable at the end of the respective financial year. Supervisory Board members who are members of the Supervisory Board, a committee, chair/deputy chair of the Supervisory Board or chair of the Audit Committee for only part of the financial year shall receive remuneration on a pro rata basis.

For the individual members of the Supervisory Board of the Company, the compensation pursuant to Section 162 (1) Sentence 1 of the German Stock Corporation Act (AktG) for the financial year 2021 and 2020 presented below resulted, whereby the compensation of the members of the Supervisory Board included therein reflects the "compensation granted and owed" pursuant to Section 162 (1) Sentence 1 of the German Stock Corporation Act (AktG) as understood above under Compensation *granted and owed in the financial year 2021*.

<b>Acting Members of the Supervisory Board of Mutares SE &amp; Co. KGaA</b>	<b>Year</b>		<b>Basic remuneration</b>	<b>Additional remuneration for committee work</b>	<b>Total compensation within the meaning of Sec. 162 (1) AktG</b>
<b>Volker Rofalski (Chairman)</b>	2021	in TEUR	45.0	2.5	47.5
		in %	95%	5%	100%
	2020	in TEUR	45.0	2.5	47.5
		in %	95%	5%	100%
<b>Dr. Axel Müller (Vice Chairman)</b>	2021	in TEUR	22.5	7.5	30.0
		in %	75%	25%	100%
	2020	in TEUR	22.5	7.5	30.0
		in %	75%	25%	100%
<b>Dr. Lothar KoniarSKI</b>	2021	in TEUR	15.0	0.0	15.0
		in %	100%	0%	100%
	2020	in TEUR	15.0	0.0	15.0
		in %	100%	0%	100%
<b>Prof. Dr. Micha Bloching</b>	2021	in TEUR	15.0	0.0	15.0
		in %	100%	0%	100%
	2020	in TEUR	15.0	0.0	15.0
		in %	100%	0%	100%

<b>Total compensation</b>	2021		<b>97.5</b>	<b>10.0</b>	<b>107.5</b>
	2020		<b>97.5</b>	<b>10.0</b>	<b>107.5</b>

In addition, the Company maintains a directors' and officers' liability insurance policy (D&O insurance) for the members of its corporate bodies. Of the D&O insurance premium paid in the financial year 2021, EUR 72 thousand is attributable pro rata to each member of the Company's Supervisory Board.

### **Remuneration of the members of the Supervisory Board of Mutares Management SE**

The remuneration of the members of the Supervisory Board of Mutares Management SE was resolved at the Annual General Meeting of Mutares Management SE on 9 April 2019. The members of the Supervisory Board of Mutares Management SE receive a fixed basic remuneration of EUR 40 thousand p.a. The Chairman of the Supervisory Board receives a fixed basic remuneration of EUR 80 thousand and his deputy receives a fixed basic remuneration of EUR 60 thousand for the respective financial year of the Company. As the Supervisory Board currently consists of a Chairman, a Deputy Chairman and two other members, the total basic remuneration of the Supervisory Board members amounted to EUR 220 thousand in the financial year 2021. The Supervisory Board of Mutares Management SE has no committees.

### **Remuneration of the Supervisory Board of Mutares Management SE**

<b>Incumbent Members of the Supervisory Board of Mutares Management SE</b>	<b>Year</b>		<b>Basic remuneration</b>	<b>Additional remuneration for committee work</b>	<b>Total compensation within the meaning of Sec. 162 (1) AktG</b>
<b>Prof. Dr. Micha Bloching (Chairman)</b>	2021	in TEUR	80.0	0	80.0
		in %	100%	0%	100%
	2020	in TEUR	80.0	0	80.0
		in %	100%	0%	100%

<b>Dr. Lothar Koniar-ski (Vice Chairman)</b>	2021	in TEUR	60.0	0	60.0
		in %	100%	0%	100%
	2020	in TEUR	52.0	0	52.0
		in %	100%	0%	100%
<b>Dr. Axel Müller</b>	2021	in TEUR	40.0	0	40.0
		in %	100%	0%	100%
	2020	in TEUR	20.0	0	20.0
		in %	100%	0%	100%
<b>Volker Rofalski</b>	2021	in TEUR	40.0	0	40.0
		in %	100%	0%	100%
	2020	in TEUR	48.0	0	48.0
		in %	100%	0%	100%
<b>Total compensa-tion</b>	2021		<b>220.0</b>	<b>0</b>	<b>220.0</b>
	2020		<b>200.0</b>	<b>0</b>	<b>200.0</b>

### **Remuneration of Mutares Management SE as General Partner**

Mutares Management SE as general partner receives an annual remuneration, independent of profit and loss, in the amount of 4% of its share capital, plus any value added tax due, for assuming the management of the Company and the liability pursuant to Section 7 (7) of the Company's Articles of Association. For the financial year 2021, this remuneration amounted to EUR 4,800.00.



## Comparative presentation of earnings development and annual change in compensation

In accordance with § 162 (1) sentence 2 no. 2 AktG, the following overview presents the relative development of the compensation granted and owed to the members of the Management Board and Supervisory Board in the respective financial year compared with the development of the Company's earnings. A comparative presentation of Management Board compensation with the compensation of employees on a full-time equivalent basis pursuant to § 162 (1) sentence 2 no. 2 AktG is provided in accordance with § 26j (2) sentence 2 EG AktG only for the financial years 2020/ 2021.

The development of earnings is generally presented on the basis of the development of the Company's net profit for the year in accordance with section 275 (2) no. 17 HGB. Since the remuneration of the members of the Management Board also depends to a significant extent on the development of Group key figures, the development of the IFRS consolidated net profit reported in the consolidated financial statements is also presented as the earnings performance of the Mutares Group.

The comparison with the average compensation of employees is based on the current first management level of the Mutares Group. The employees of the individual operating investees are not taken into account.

The chart shows the percentage development in the respective year compared to the previous year and includes, among other things, the ancillary costs for D&O insurance.

Financial year	2021	2020	2019	2018	2017
<b>Earnings performance</b>					
Consolidated net income (IFRS)	2,144 %	18 %	39 %	-73 %	66 %
Net income for the year (HGB)	52 %	48 %	12 %	14 %	219%
<b>Average employee compensation</b>					
	50%				
<b>Management Board compensation</b>					
Robin Laik	53 %	58 %	- 1 %	38 %	21 %

Mark Friedrich	54 %	57 %	9 %	42 %	13 %
Johannes Laumann *	54 %	90 %			
Dr. Kristian Schleede	63 %	49 %	10 %	108 %	6 %
Dr. Wolf Cornelius			-5 %	46 %	52 %
Dr. Axel Geuer				-42 %	17 %
<b>Supervisory Board compensation</b>					
Prof. Dr. Micha Bloching	62 %	-5 %	18 %	16 %	-5 %
Volker Rofalski	55 %	-23 %	45 %	90 %	-8 %
Dr. Lothar Koniarski **	96 %	-5 %	179 %		
Dr. Axel Müller ***	144 %	-11 %	147 %		
Dr. Ulrich Hauck****			-69 %	49 %.	-8 %

\* Appointed to the Management Board effective 1 June 2019

\*\*Supervisory Board since 21 July 2018

\*\*\* Supervisory Board since 2 August 2018

\*\*\*\* Supervisory Board until 31 March 2019

Munich, 6 April 2022

**For Mutares Management SE**

Robin Laik  
Chairman of the Management Board

Mark Friedrich  
Member of the Management Board

**For the Supervisory Board**

Volker Rofalski  
Chairman of the Supervisory Board

**TRANSLATION**

– German version prevails –

## **AUDITOR'S REPORT**

To Mutares SE & Co. KGaA, Munich/Germany

### **Report on the audit of the remuneration report**

We have audited the attached remuneration report including the related disclosures of Mutares SE & Co. KGaA, Munich/Germany, for the financial year from 1 January to 31 December 2021, prepared to comply with Sec. 162 German Stock Corporation Act (AktG).

### **Responsibilities of the executive directors and the supervisory board**

The executive directors and the supervisory board of Mutares SE & Co. KGaA, Munich/Germany, are responsible for the preparation of the remuneration report including the related disclosures, which comply with the requirements of Sec. 162 AktG. The executive directors and the supervisory board are also responsible for internal controls deemed necessary to enable the preparation of the remuneration report including the related disclosures that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibilities**

It is our responsibility to form an opinion based on our audit of this remuneration report including its related disclosures. We conducted our audit in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). According to these we have to fulfil professional obligations and plan and conduct the audit in such a way that we obtain reasonable assurance as to whether the remuneration report and the related disclosures are free from material misstatements.

An audit includes the conduct of audit procedures to obtain audit evidence for the amounts stated in the remuneration report including the related disclosures. Selecting the audit procedures is in the German Public Auditor's professional judgement. This includes the assessment of the risk of material misstatements of the remuneration report and its related disclosures, whether due to fraud or error. When assessing these risks, the auditor considers the internal control relevant for the preparation of the remuneration report including its related disclosures. The aim is to plan and conduct audit procedures that are appropriate in the circumstances given, however, the aim is not to issue an audit opinion on the

effectiveness of the Company's internal control. An audit also includes the assessment of the accounting methods applied, the reasonableness of the values in the accounts determined estimated by the executive directors and the supervisory board as well as the assessment of the general presentation of the remuneration report including its related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Audit Opinion**

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from 1 January to 31 December 2021, including its related disclosures, complies with the accounting provisions of Sec. 162 AktG in all material respects.

### **Other matter – formal audit of the remuneration report**

The audit of the remuneration report's content described in this auditor's report includes the formal audit including issuing an opinion on this audit of the remuneration report including its related disclosures required by Sec. 162 (3) AktG. As we have issued an unqualified auditor's opinion on the audit of the remuneration report's content, this auditor's opinion includes that the disclosures according to Sec. 162 (1) and (2) AktG have been made in all material respects in the remuneration report.

### **Note on limited liability**

The scope of the engagement and our responsibilities and liability thereunder, towards both the Company and third parties, are governed by the "General Engagement Terms for Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)" promulgated by the Institut der Wirtschaftsprüfer (IDW) as of 1 January 2017.

Munich/Germany, 6 April 2022

### **Deloitte GmbH**

Wirtschaftsprüfungsgesellschaft

Signed:

Dirk Bäßler

Wirtschaftsprüfer

(German Public Auditor)

Signed:

Wolfgang Braun

Wirtschaftsprüfer

(German Public Auditor)