

## **Compensation system for the Supervisory Board members**

The Annual General Meeting dated 4 May 2021 passed a resolution according to article 113 para 3 German Stock Corporation Act (Aktiengesetz) on the compensation system of the supervisory board members of FUCHS PETROLUB SE and on the respective provisions of the articles of association.

### **a) Procedure for reviewing the structure and amount of compensation**

The Supervisory Board regularly reviews the compensation paid to its members. The structure and amount of Supervisory Board compensation is reviewed in terms of its appropriateness, taking account of compensation at other comparable companies. As the work of a Supervisory Board member fundamentally differs from the work of a company employee, Supervisory Board compensation is not compared with company employees' compensation on a vertical basis.

Appropriate Supervisory Board compensation ensures that FUCHS PETROLUB SE can continue to attract exceptionally qualified candidates to the Supervisory Board. Supervisory Board compensation therefore makes a long-term contribution to promoting the corporate strategy and the company's long-term performance.

The Supervisory Board's compensation is conclusively defined under Article 16 of FUCHS PETROLUB SE's Articles of Association. There are no ancillary or supplementary agreements. The compensation rules apply equally to the shareholder representatives and to the employee representatives on the Supervisory Board.

### **b) Conflicts of interest**

Due to the statutory division of powers, members of the Supervisory Board are involved in the process of reviewing their compensation system. To avoid the conflict of interest that this entails, the decision on the final compensation system is by law made by the Annual General Meeting and the corresponding resolution proposal is submitted by the Executive Board and the Supervisory Board.

**c) Compensation components**

**aa) Fixed compensation**

Alongside reimbursement of their expenses, the members of the Supervisory Board shall receive fixed compensation of EUR 85,000 after the end of the financial year. Granting purely fixed compensation corresponds to the predominant standard practice at other listed companies. The Executive Board and Supervisory Board are of the opinion that purely fixed compensation for Supervisory Board members is best suited to taking the special status, the growing and increasingly complex tasks, and the responsibility of the members of the Supervisory Board into account. Purely fixed compensation for Supervisory Board members is also specified under Suggestion G.18 Sentence 1 of the German Corporate Governance Code (DCGK).

**bb) Increased compensation for the Chair and Deputy Chair of the Supervisory Board**

The Chair of the Supervisory Board shall receive double the amount of the annual fixed compensation and the Deputy Chair shall receive one and a half times the amount of the annual fixed compensation. The increased compensation takes the increased time commitment of the Chair and Deputy Chair into account and corresponds to Suggestion G.17 DCGK.

**cc) Obligation to purchase preference shares**

At least 20% of the fixed compensation must be invested in preference shares in the company with a four-year lockup period; this lockup period shall apply even if the member leaves the Supervisory Board.

**dd) Compensation for committee roles**

For their role in the Audit Committee, members will receive fixed compensation of EUR 20,000, payable after the end of the financial year; for their role in the Personnel Committee, they shall receive EUR 10,000. The Chair of the Audit and Personnel Committees shall receive double the aforementioned payments. The increased compensation takes the increased time commitment for committee activities into account and corresponds to Suggestion G.17 DCGK.

**ee) Compensation in the event of Supervisory Board additions or departures during the year**

Supervisory Board and committee members that do not belong to the Supervisory Board or a committee for the entire financial year will receive prorated compensation.

**d) D&O insurance**

FUCHS PETROLUB SE has taken out D&O insurance (pecuniary loss liability insurance) which covers the work of the members of the Supervisory Board.