

Agenda item 9: Resolution on the confirmation of the remuneration and the system for the remuneration of the Supervisory Board members



According to Section 113 (3) Sentence 1 and 2 AktG, the Shareholders' Meeting of a listed company has to take a resolution at least every four years on the remuneration of the Supervisory Board members; a resolution confirming the remuneration is permitted. The remuneration of the Supervisory Board members of init SE was approved with the required majority by a resolution of the Shareholders' Meeting on 15 May 2019.

According to this, the Supervisory Board members receive a basic remuneration, the amount of which depends on the tasks the members assume on the Supervisory Board. Moreover, a variable component for all Supervisory Board members was approved, which depends in equal parts of 50 per cent on the achievement of earnings before interest and taxes (EBIT) and of 50 per cent on the share price, based on reference values.

The Managing Board and the Supervisory Board propose to confirm the resolution on the remuneration of the Supervisory Board members passed in the Shareholders' Meeting on 15 May 2019 in agenda item 9.

The resolution of 15 May 2019 reads:

“The annual remuneration of members of the Supervisory Board comprises a fixed and a variable component. The fixed component totals EUR 25k for the members and twice as much for the Chairperson of the Supervisory Board. The variable component depends in equal parts of 50 per cent on the share price and of 50 per cent on EBIT, whereby a share price of EUR 8.00 and EBIT of EUR 8m are used as reference values. The variable component is only granted if EBIT reaches a minimum of EUR 8m.

On this basis, the variable component of the remuneration of the Supervisory Board is calculated according to the following formula:

$$V = \left[\left(0.5 \times \frac{\text{Share price}}{\text{EUR 8.00}} + 0.5 \times \frac{\text{Earnings before interest and taxes (EBIT)}}{\text{EUR 8 m}} \right) - 1 \right] \times \text{fixed component.}$$

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In this formula, the share price is the average price of the respective financial year based on the daily closing rates or, if no closing rates are determined, the most recently recorded prices of the day of the share traded on XETRA (or equivalent successor system) at the Frankfurt Stock Exchange while EBIT is the respective earnings before interest and taxes. Moreover, the variable component of the remuneration is limited to 200 per cent of the fixed component of the remuneration. Where V is less than zero, the variable component does not apply and only the fixed component of the remuneration is payable.”