COMPENSATION SYSTEM FOR EXECUTIVE BOARD MEMBERS OF TKMS MANAGEMENT AG

Executive Board compensation system pursuant to § 87a (1) Stock Corporation Act (AktG)

1. Basic principles and strategic alignment of the Executive Board compensation system

TKMS is one of the world's leading naval companies. TKMS offers its customers worldwide tailored solutions to meet the highly complex challenges of a changing world and aims to further reinforce its position as a leading "Maritime Powerhouse". TKMS has developed clear strategic guidelines to be able to respond to changing market conditions and foster additional growth. TKMS intends to focus on further developing its product portfolio to offer solutions for the increasingly diverse market requirements. As another component to the strategy, it is intended to scale up the proven sales approach in order to realize the potential of TKMS beyond the order backlog via the program pipeline. It is also planned to expand its own capacities to meet the increasing demand. A key component in consolidating the company's position as a "Maritime Powerhouse" is to further develop its product portfolio by developing and implementing AI applications.

The Executive Board compensation system serves as a key supporting element, helping to promote the business strategy and thus secure the long-term success of the company[1]. Our goal is to encourage successful and sustainable corporate management by tying the compensation of Executive Board members to both the short-term and long-term performance of the company.

The compensation system comprises parameters based on personal performance as well as the short- and long-term performance of the company. In addition a significant share of compensation recognizes the relative and absolute performance of the stock price, so as to align the objectives of management even more closely with the direct interests of shareholders.

The compensation system presented below applies to all Executive Board service contracts of the Executive Board Members of TKMS Management AG, the General Partner of TKMS AG & Co. KGaA.

[1] The term "company" in this document is used in an untechnical sense and includes TKMS AG & Co. KGaA. Strictly speaking, "company" refers only to TKMS Management AG.

2. ESTABLISHMENT, IMPLEMENTATION AND REVIEW OF THE COMPENSATION SYSTEM

The compensation system for members of the Executive Board was adopted by the Supervisory Board in accordance with § 87 (1), § 87a (1) Stock Corporation Act (AktG). In developing the compensation system, the Supervisory Board was advised by an independent compensation expert. In all compensation decisions, the Supervisory Board takes into account the requirements of stock corporation law and is guided by the recommendations of the current version of the German Corporate Governance Code (last amended on April 28, 2022; GCGC) as well as the following guidelines:

Guidelines for determining Executive Board compensation		
Support corporate strategy	Appropriateness and commensurateness	Create incentives
Conformity with regulatory requirements	Harmonize interests of Executive Board, shareholders, and other stakeholders	Sustainability and long-term view

The Supervisory Board regularly reviews the appropriateness and commensurateness of Executive Board compensation – both as a whole and in terms of the individual compensation components – and makes adjustments where required to ensure that, within the boundaries of the applicable framework, the compensation package for Executive Board members is both in line with the market and competitive. Criteria for assessing the appropriateness of compensation are the duties and individual performance of the Executive Board member as well as the economic situation of the company. The commensurateness of compensation is assessed both in comparison with other companies (horizontal benchmarking) and within the company on the basis of the ratio between Executive Board compensation and the compensation of senior management and of the workforce as a whole (vertical benchmarking). As TKMS – based on the criteria of sales, employees and market capitalization – is comparable to the largest companies of SDAX and the smallest companies of MDAX, the horizontal comparison is made with a combined group of the 15 largest companies of SDAX and the 15 smallest companies of MDAX. For assessing the appropriateness of Executive Board compensation within the company, the first management level of the TKMS group[2] below the Executive Board is taken as the basis for senior management, and the average compensation of the company's full-time employees in Germany for the workforce as a whole. Both the current ratio and changes in the ratio over time are taken into account.

In the event of material changes to the compensation system, or as a minimum every four years, the compensation system is presented for approval to the Annual General Meeting.

[2] TKMS AG & Co. KGaA is the holding company of TKMS. TKMS Group refers to the holding company and its direct and indirect subsidiaries.

In reviewing the appropriateness of the level of compensation and the market conformity of the system, the Supervisory Board can seek advice by an external compensation expert independent of the Executive Board and the company.

In accordance with the compensation system in effect, the Supervisory Board determines the concrete target compensation and the performance criteria for the forthcoming fiscal year for the variable compensation components in the Executive Board compensation system, if these do not already result directly from the applicable compensation system.

In accordance with the statutory requirements under § 87a (2) sentence 2 Stock Corporation Act (AktG), the Supervisory Board can temporarily deviate from the compensation system if necessary in the interests of the long-term welfare of the company. This can be for example in the case of exceptional, unforeseeable developments such as a severe financial and economic crisis; general unfavorable market trends alone do not constitute such exceptional, unforeseeable developments.

Deviations from the compensation system are only possible subject to a corresponding resolution by the Supervisory Board and following careful review of the need. Elements of the compensation system that can be modified in the above circumstances are the procedure, the compensation structure, the individual compensation components and their performance criteria. In this case the Supervisory Board can also temporarily grant additional compensation components or replace individual compensation components with other compensation components where necessary to restore the appropriateness of Executive Board compensation in the concrete situation.

The rules for dealing with conflicts of interest of Supervisory Board members must also be observed in the procedures for establishing, implementing and reviewing compensation and the compensation system.

3. OVERVIEW OF ALL COMPENSATION COMPONENTS

3.1. GENERAL OVERVIEW OF THE EXECUTIVE BOARD COMPENSATION SYSTEM

The following table shows the basic components of the compensation system and their design. All components are explained in detail in section 4.

EXECUTIVE BOARD COMPENSATION TKMS MANAGEMENT AG
OVERVIEW OF ALL COMPENSATION COMPONENTS

COMPENSATION COMPONENT	ASSESSMENT BASIS / PARAMETERS
Performance-independent compensation	
Fixed compensation	The fixed compensation of Executive Board members is paid monthly as a salary
Fringe benefits	Company car, security services, insurance premiums and health checks as well as participation in common employee benefits as standard; further once-only or time-limited benefits subject to explicit resolution of Supervisory Board
Pension plans	
Pension allowance	Executive Board members receive an annual pension allowance in cash for personal pension provision in lieu of a company pension plan
Performance-related compensation	
Short-Term Incentive (STI)	Annual performance bonus Basis for target achievement: ◆ <u>70 % financial performance criteria:</u> 40 % EBT (as reported), 30 % sales recognition ◆ <u>30 % individual performance</u> (Operational and strategic targets) Supervisory Board sets financial targets based on annual planning and individual performance criteria for each fiscal year Cap: 200 % of target amount
Long-Term Incentive (LTI)	Performance Share Plan Performance-period: 4 years Basis for target achievement: ◆ 80 % relative TSR (Ranking against individual stocks included in Index STOXX® Europe Total Market Aerospace & Defense) ◆ 20 % non-financial sustainability target „accident frequency rate“ (OSH) Cap: 200 % of target amount
Other compensation rules	
Share Ownership Guidelines (SOG)	Requirement to purchase and hold shares of the company for the amount of one year’s fixed compensation (gross) Until this amount is reached, Executive Board members must invest each year at least 25% of the net amount of performance-related compensation paid at the close of the fiscal year (STI + LTI) in TKMS shares. Additional option to contribute privately acquired and held shares.

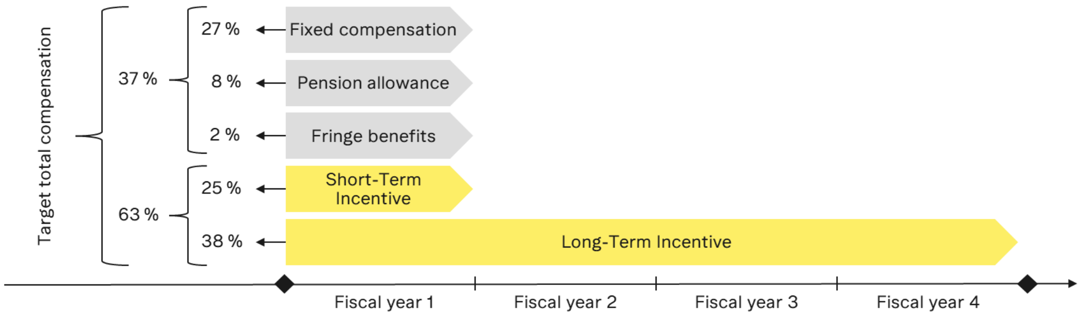
Maximum compensation	Cap for total compensation granted for one fiscal year in accordance with § 87a (1) sentence 2 no. 1 AktG: ◆ Chair: €4.5 million ◆ Ordinary Executive Board members: €2.25 million
Severance cap	Severance payments limited to maximum of two years' annual compensation; compensation over remaining contract term must not be exceeded
Malus and clawback rule	Malus: In the event of serious infringement of applicable law or internal policies, Supervisory Board may reduce or cancel variable compensation components (STI/LTI) for the relevant assessment period Clawback: Option of Supervisory Board to reclaim already paid variable compensation if a malus is subsequently discovered or if inaccuracies are identified in the consolidated financial statements (difference)

3.2. COMPENSATION COMPONENTS AND STRUCTURE

The compensation of Executive Board members is made up of performance-independent and performance-related elements. The former comprise fixed compensation, fringe benefits and the pension allowance. The performance-related compensation includes the short-term incentive with a performance period of one year (STI) and the long-term incentive with a performance period of four years (LTI). The amounts of the performance-related compensation components are set on the basis of financial and non-financial performance criteria set by the Supervisory Board (for details see section 4.2).

The sum of all performance-independent and performance-related compensation components forms the total compensation of Executive Board members. The target total compensation (fixed compensation + pension allowance + fringe benefits + target STI amount + target LTI amount) of the Executive Board consists mainly of performance-related compensation elements in order to strengthen the performance focus of the compensation system.

The structure of compensation is aimed at supporting the sustainable and long-term performance of the company. Performance-independent compensation makes up approx. 37% of the target total compensation. Fixed compensation contributes approx. 27% to the target total compensation, the pension allowance approx. 8%, and regular fringe benefits normally approx. 2%. Performance-related compensation makes up altogether approx. 63% of the target total compensation. The share of the target STI amount in the target total compensation is around 25%, while the target LTI amount accounts for around 38% of the target total compensation. This ensures that variable compensation resulting from the achievement of long-term targets exceeds the share resulting from short-term targets.



Guaranteed compensation, discretionary bonuses or additional (special) payments not included in this Executive Board compensation system are not paid.

3.3. MAXIMUM COMPENSATION

The compensation paid to Executive Board members is subject to two caps. First, caps are set for the performance-related components and all elements thereof (STI: 200% of the target amount, LTI: 200% of the target amount).

Second, in accordance with § 87a (1) sentence 2 no. 1 AktG the Supervisory Board has set a maximum compensation amount which limits the total compensation amount actually paid for a specific fiscal year (fixed compensation + pension allowance + fringe benefits + STI payout + LTI payout). For the Executive Board chair, the maximum compensation amount is €4.5 million, for ordinary Executive Board members €2.25 million each. If the service contract begins or ends during the year, these caps apply pro rata temporis. Benefits in the event of early termination of employment on the Executive Board are not included in the maximum compensation.

4. THE COMPENSATION SYSTEM IN DETAIL

4.1. PERFORMANCE-INDEPENDENT COMPENSATION COMPONENTS

4.1.1. FIXED COMPENSATION

The fixed compensation is paid to Executive Board members monthly as a salary and represents a steady, plannable income for Executive Board members.

4.1.2. PENSION ALLOWANCE

Executive Board members receive a pension allowance for their own pension provision which is paid out annually. As well as giving Executive Board members responsibility and discretion to take care of their own pension provision, this relieves TKMS Management AG of the long-term financial burden of recognizing corresponding pension provisions.

For Oliver Burkhard, it has been agreed that due to the existing pension entitlement to a lifelong pension from thyssenkrupp AG, there is no entitlement to receive a pension allowance for the current term of appointment with TKMS Management AG.

4.1.3. FRINGE BENEFITS

In addition to the fixed compensation, Executive Board members receive fringe benefits, which as part of the total compensation are likewise capped by the maximum compensation. Standard fringe benefits in the form of benefits in kind and the like comprise a car for business and private use (Executive Board chair: including driver), security services in accordance with the applicable security concept for members of the Executive Board, insurance premiums and health checks. In addition, the members of the Executive Board have the opportunity to participate in the employee benefits (company bikes, discount programs, etc.) that are generally offered by the companies of the TKMS group based in Germany. In principle all Executive Board members are entitled to these benefits except for the driver; the amount varies according to personal situation.

In addition the Supervisory Board may decide, for example, to grant new Executive Board members compensatory payments for compensation entitlements lost due to their move to TKMS, reimburse their relocation costs as well as grant further benefits for a limited period, such as reimbursement of costs in connection with the need to maintain two households for work purposes. The aim is to enable TKMS to recruit the best possible candidates. Where corresponding benefits are granted in individual cases, this is explained in the compensation report.

4.2. PERFORMANCE-RELATED COMPENSATION COMPONENTS

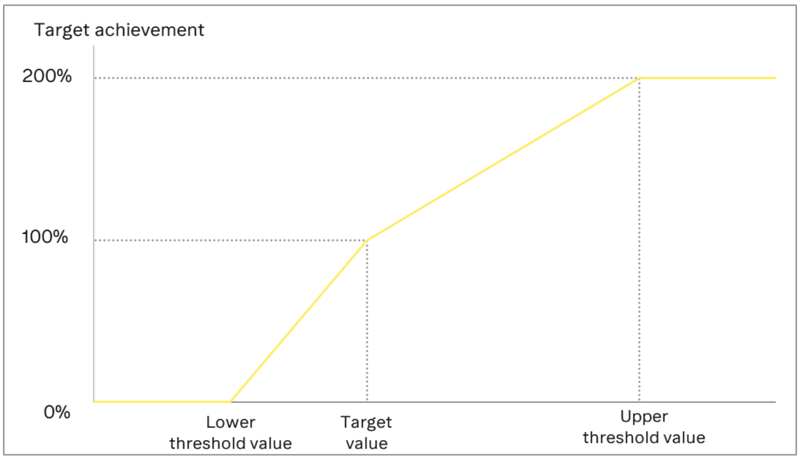
The two performance-related compensation components are the STI with a performance period of one year and the LTI with a performance period of four years. Both for the STI and the LTI, the Supervisory Board sets concrete performance criteria before the start of each fiscal year based mainly on the economic situation of TKMS, if these do not already result directly from the applicable compensation system. This means that performance-related compensation components cannot be determined purely on a discretionary basis.

4.2.1. SHORT-TERM INCENTIVE (STI)

70% of the STI amount depends on the performance of two financial indicators – EBT (as reported), weighted at 40%, and sales recognition (including revenue recognized under the percentage-of-completion method), weighted at 30%. The remaining 30% is based on the individual performance of Executive Board members.

Contribution of STI to supporting business strategy
The STI is intended to support the company's strategy by incentivizing profitability as well as sustainable growth and timely processing of the order backlog, thus enabling the successful development of the company. In addition, the inclusion of individual performance focuses on both operational and strategic goals.

Before the start of each fiscal year, the Supervisory Board sets ambitious target and threshold values for the financial performance criteria. The target value of each performance criterion is derived from the corporate planning and corresponds to 100% target achievement. The lower threshold value is 0% and target achievement is capped at an upper threshold value of 200%, giving the following target achievement curve ranging from 0% to 200%:



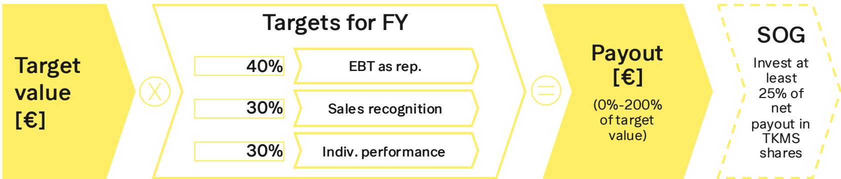
To measure individual performance, the Supervisory Board sets up to three individual targets for the members of the Executive Board prior to each fiscal year. Alongside operational targets, these are primarily based on strategic objectives. Targets can also be selected which are jointly relevant for several or all members of the Executive Board. These can be formulated as concrete measurable indicators or as expectations for the Executive Board members. The Supervisory Board takes care to ensure that target achievement is comprehensible and verifiable in all cases.

For each target, criteria are defined on the basis of which the Supervisory Board determines target achievement after the end of the fiscal year. The maximum target achievement for each individual target and, consequently, for the individual performance overall is also 200%.

The set individual targets are reported in the compensation report at the beginning of the fiscal year, and the achievement of financial and individual targets in the subsequent compensation report, provided the disclosure of the targets does not result in a competitive disadvantage for TKMS due to their continuing strategic relevance.

In accordance with G.11 GCGC the Supervisory Board has the option of taking appropriate account of extraordinary developments when determining STI target achievement. Any adjustments to STI target achievement are presented in detail in the compensation report following the adjustment.

The actual payout from the STI is calculated as follows:



Capping of the maximum target achievement for each individual performance criterion at 200% means that the maximum payout amount from the STI is limited to 200% of the target value. There is no guaranteed minimum target achievement; therefore there might also be no payout at all.

The Executive Board members are required to invest at least 25% of the net payout from the STI in TKMS shares until the agreed investment volume under the Share Ownership Guidelines of one annual fixed salary (gross) is reached (see also section 4.3.1).

4.2.2. LONG-TERM INCENTIVE (LTI)

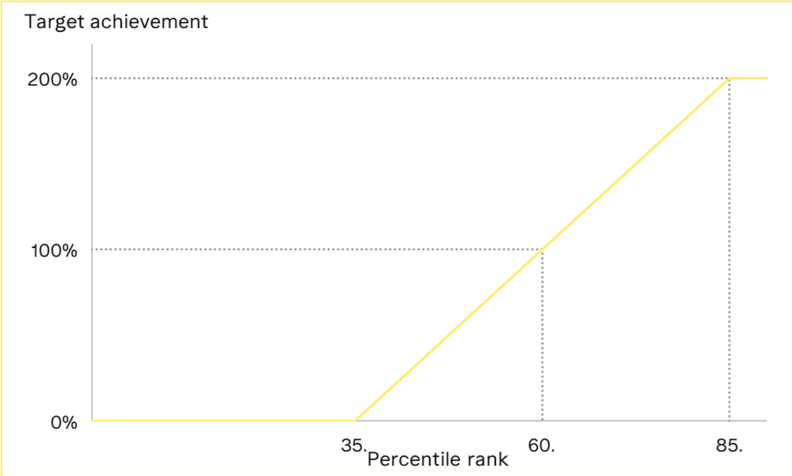
The second performance-related compensation element is the LTI, which is designed as a long-term incentive with a performance period of four years. The LTI is also share-based; the resulting participation of the Executive Board members in the relative and absolute performance of the share price brings the objectives of management and the direct interests of the shareholders into even greater alignment. This creates an incentive to increase the value of the company sustainably in the long term.

Contribution of LTI to supporting business strategy
The share link further harmonizes the interests of the Executive Board and the shareholders. The implementation of relative Total Shareholder Return introduces an external performance criterion geared to the capital market which allows a comparison with relevant competitors. As a result an incentive to outperform competitors is created. The inclusion of the accident frequency rate in the LTI emphasizes our social responsibility.

The LTI is granted in annual installments. At the beginning of each installment, a certain number of virtual shares is initially allocated on a provisional basis. This number is calculated by dividing the initial value by the average TKMS share price, calculated as the arithmetic mean of the closing prices on the last 30 stock exchange trading days before the start of the fiscal year for which the respective LTI installment is issued; this number is rounded half even. The provisionally granted number of virtual shares can therefore vary from year to year.

The number of virtual shares finally allocated to the Executive Board members at the end of the four-year performance period may vary up and down from the number provisionally granted. In the event of poor performance, all provisionally allocated virtual shares may even lapse. The final number of virtual shares is determined at the end of the performance period on the basis of the two additively linked performance criteria of relative total shareholder return (TSR) and accident frequency rate (OSH). While the target and threshold values for relative TSR are determined directly by the applicable compensation system, the Supervisory Board decides before the beginning of each fiscal year on ambitious target and threshold values for the respective new installment for the performance criteria accident frequency rate that are valid over the entire four-year performance period of the installment. The target and threshold values, as well as the determination of the annual degree of target achievement, are explained transparently in the compensation report for the respective fiscal year. In accordance with the recommendation in G.11 GCGC, the Supervisory Board can also take extraordinary developments into account appropriately when determining the degree of target achievement for the LTI. If the Supervisory Board makes use of this possibility and makes adjustments to LTI target achievement, this will be reported in the compensation report following the adjustment.

The relative TSR is taken into account with a weighting of 80%. The TSR performance of TKMS is compared with the TSR performance of the companies in the STOXX® Europe Total Market Aerospace & Defense. The TSR performance is calculated per fiscal year on the basis of share price performance plus distributed dividends. The start and end values are based on the average share price, calculated as the arithmetic mean of the closing prices on the last 30 stock exchange trading days before the beginning and end of a fiscal year. On this basis, the TSR performance of all companies including TKMS is ranked. Target achievement is then determined by the positioning of TKMS, measured as a percentile rank, with intermediate values being rounded up to the respective full percentile. The lower threshold value corresponds to the 35th percentile; below and including this threshold value, target achievement is 0%. A positioning at the 60th percentile corresponds to a target achievement of 100% and the upper threshold value with a target achievement of 200% is reached at the 85th percentile. Intermediate values are interpolated linearly, resulting in the following overall target achievement curve with a range of 0% to 200%:

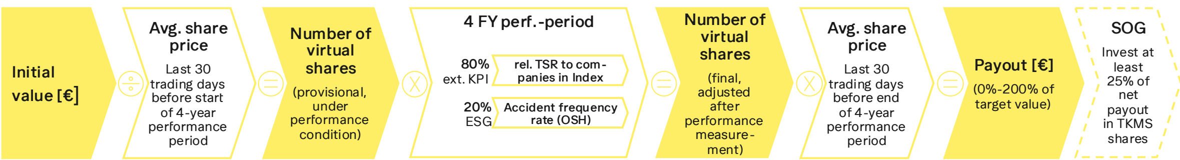


In addition to the financial performance criteria TSR performance, the accident frequency rate (OSH) is taken into account with a weighting of 20% and the Supervisory Board redefines the target and threshold values for each installment. Target achievement is measured on an annual basis over the four-year performance period within a range between 0% and 200%.

Taking into account the weighting of the performance criteria, the overall target achievement for the LTI installment after the end of the performance period is determined by the arithmetic mean of the four annual degrees of target achievement. Capping of the maximum target achievement for each individual performance criterion (TSR, accident frequency rate) at 200% each ensures that significant underperformance below the threshold value for target achievement of 0% for one performance criterion cannot be offset by overperformance above the threshold value of 200% for another performance criterion. The resultant overall target achievement is multiplied by the number of granted virtual shares to calculate the final number of virtual shares earned.

To determine the final payout amount, the final number of virtual shares reached at the end of the performance period is multiplied by the average TKMS share price, calculated as the arithmetic mean of the closing prices on the last 30 stock exchange trading days of the last fiscal year of the four-year performance period. Instead of a payment, the LTI can also be granted in whole or in part in the form of TKMS shares at the decision of the Supervisory Board.

The actual payout from the LTI is therefore calculated as follows:



The payout amount calculated in this way is limited to 200% of the LTI target amount.

With the LTI too, the Executive Board members are required to invest at least 25% of the net payout in TKMS shares until the agreed investment volume under the Share Ownership Guidelines of one annual fixed salary (gross) is reached (see also section 4.3.1).

With regard to the intended first-time stock exchange listing of the TKMS share in the fiscal year 2025/2026, the following deviations from the aforementioned principles apply:

The relevant share price for the calculation of the number of virtual shares that will be allocated for the first time with the LTI tranche to be issued for the fiscal year 2025/2026 is the arithmetic mean of the closing prices on the first 30 stock exchange trading days including the date of the first stock exchange listing of the TKMS share.
To determine the TSR performance for the fiscal year 2025/2026, the start values are based on the average share price, calculated as the arithmetic mean of the closing prices on the first 30 stock exchange trading days including the date of initial stock exchange listing, while the end values are based on the average share price, which is calculated as the arithmetic mean of the closing prices on the last 30 stock exchange trading days before the end of the fiscal year 2025/2026.

4.3. OTHER CONTRACTUAL PROVISIONS

4.3.1. SHARE OWNERSHIP GUIDELINES

All Executive Board members are required to purchase TKMS shares to a total value of one annual fixed salary (gross) and hold them for the duration of their appointment. This will further align the interests of the Executive Board and shareholders and further strengthen the sustainable long-term development of TKMS. A minimum annual investment amount of 25% of the net payout from the performance-related compensation components (STI and LTI) applies until the full investment volume is reached.
The associated shares are acquired via an independent service provider within a fixed annual investment period. Fulfillment of the share buy and hold requirement is determined based on the purchase price at the acquisition date. During the term of the share purchase program, the Executive Board members can also choose a higher annual investment amount and additionally contribute TKMS shares they privately acquire and hold.

4.3.2. MALUS AND CLAWBACK RULES

In the event of serious violations by Executive Board members of applicable law or the applicable internal company or group guidelines and policies, the Supervisory Board has the option to reduce or completely cancel any variable compensation components

(STI and LTI) not yet paid ("malus"). The decision by the Supervisory Board is made at its own due discretion. Furthermore, the Supervisory Board has the option to reclaim already paid variable compensation components from the Executive Board members in whole or in part if a malus is subsequently discovered (compliance clawback). In addition, the Supervisory Board may, in the event that variable compensation components are paid out on the basis of incorrect consolidated financial statements, reclaim the difference determined on the basis of corrected financial statements (performance clawback). The possible requirement of an Executive Board member to pay damages to the company in accordance with § 93 (2) AktG is unaffected by this.

4.3.3. COMPENSATION-RELATED LEGAL TRANSACTIONS

DURATIONS OF EXECUTIVE BOARD MEMBER SERVICE CONTRACTS

The Supervisory Board observes the requirements of § 84 AktG and the recommendations of the German Corporate Governance Code when appointing Executive Board members and establishing the duration of their contracts. Executive Board member service contracts are concluded for the duration of the respective appointment. In the case of first-time appointment, the appointment period is generally three years; in the case of reappointment, the maximum duration is five years. Executive Board member service contracts do not provide for the possibility of ordinary termination by either party. This does not affect the mutual right of both parties to terminate the Executive Board member service contract without notice for cause.

SEVERANCE PAYMENTS

The service contracts of Executive Board members contain severance payment provisions that comply with the recommendations of the German Corporate Governance Code. In case of early termination of the service contract at the instigation of the company before the end of the agreed contract period, the Executive Board member may receive a severance payment. The amount of the severance payment is determined by the sum of the annual fixed salary and the actually paid STI for the past fiscal year and of the annual fixed salary and the expected STI for the current fiscal year in which the service contract ends, but must not exceed the sum of the annual fixed salaries and the expected STI benefits for the remaining term of the service contract. The Supervisory Board determines the amount of the expected STI at its reasonable discretion. Other compensation components, in particular the pension allowance, LTI and fringe benefits, are not considered.

Company benefits under the contract for the period between the end of the appointment and the end of the contract will be deducted from the severance payment. The severance payment will be reduced by 15% to take account of discounting and other earnings if the remaining term of the contract is more than six months at the time of early termination of the appointment; the reduction will apply to the part of the severance payment exceeding six months.

The above arrangements ensure that payments in connection with the termination of an Executive Board member's contract do not exceed two years' compensation (severance cap) and compensate no more than the remaining term of the contract.

No severance payment shall be granted if good cause exists entitling the company to terminate the service contract for good cause or if the Executive Board member resigns without good cause. Furthermore, no severance payment will be granted if the service contract ends due to permanent disability or if the Executive Board member has reached the relevant regular retirement age in the statutory pension insurance scheme (or alternatively in an applicable professional pension scheme).

CHANGE OF CONTROL

Executive Board member service contracts do not include any commitments for benefits in the event of early termination by the Executive Board member due to a change of control.

ENTRY AND EXIT DURING THE YEAR

In the event of an Executive Board member joining or leaving the company during the course of a fiscal year, the overall compensation is granted pro rata temporis according to length of service in the relevant fiscal year.

If the appointment is terminated, the entitlement to payout of the (if applicable pro rata) STI and LTI continues in principle for the period of service until its end. In the case of LTI, the not yet paid out virtual shares for the running LTI installments launched for previous fiscal years will remain in the agreed amount and will be paid out in accordance with the regular arrangements after the Supervisory Board establishes target achievement. There is no entitlement to payout of the STI or LTI if good cause exists entitling the company to terminate the service contract for cause or if the Executive Board member leaves prematurely at his or her request without good cause. In these cases, the entitlements lapse without compensation.

POST-CONTRACTUAL NON-COMPETE CLAUSE

A post-contractual non-compete clause is currently not agreed in the service contracts of Executive Board members. The Supervisory Board has the option to agree such a clause for future contracts – also in individual cases. If a post-contractual non-compete clause is agreed in the context of contract termination, the Supervisory Board will ensure that any severance payment is offset against a waiting allowance.

COMPENSATION FOR SUPERVISORY BOARD POSITIONS WITHIN AND OUTSIDE THE TKMS GROUP

If Executive Board members hold supervisory board positions within the TKMS group and receive compensation for these positions, such compensation is offset against their remuneration as Executive Board members; this is implemented appropriately in each case (e.g. waiver of these additional compensation entitlements due from third parties or assignment of them to the company).

If Executive Board members hold external supervisory board positions and the position is assumed in connection with Executive Board work and in the interest of TKMS, any compensation paid is also offset against their remuneration as Executive Board members; this is implemented appropriately in each case (e.g. waiver of these additional compensation entitlements due from third parties or assignment of them to the company).