

Remuneration Report

The Remuneration Report provides an overview of the structure and system of remuneration for the Management Board and Supervisory Board of HENSOLDT AG and contains detailed information on the respective remuneration granted and owed to the current and former members of the Management Board and Supervisory Board.

The Remuneration Report was prepared jointly by the Management Board and the Supervisory Board.

The contents of this Remuneration Report comply with the regulatory requirements of the German Stock Corporation Act (section 162 AktG). The Remuneration Report 2023 was adopted at the general meeting on 17 May 2024 with a majority of 96.29 % of the valid votes cast.

This Remuneration Report will be submitted to the general meeting on 27 May 2025 for approval.

The Remuneration Report 2024 was audited by KPMG AG Wirtschaftsprüfungsgesellschaft beyond the requirements of section 162 (3) of the German Stock Corporation Act (AktG) and in terms of both formal and content criteria. The independent auditor's report is attached to the Remuneration Report 2024.

The Remuneration Report of HENSOLDT AG is made available on the website of HENSOLDT at <https://investors.hensoldt.net>.

The current remuneration systems for the members of the Management Board and the Supervisory Board are available on the website of HENSOLDT at <https://investors.hensoldt.net>.

1 Remuneration of the members of the Management Board in the fiscal year 2024

The structure of the remuneration and the amounts paid to the members of the Management Board are determined and regularly reviewed by the Supervisory Board. The review applies the recommendations of the German Corporate Governance Code ("GCGC" or "Code") in the version adopted by the Government Commission on 28 April 2022, unless a deviation was or is declared in individual cases, and implements the requirements pursuant to section 87 and section 87a AktG.

1.1 Overview of the remuneration system

The current remuneration system for the members of the Management Board was last adapted in the fiscal year 2023 and approved by the general meeting on 12 May 2023 with a majority of 76.62 % of the valid votes cast.

The remuneration of the members of the Management Board is based on their area of responsibility, individual performance, the performance of the Management Board as a whole, and the economic and financial position as well as the success of the HENSOLDT Group. The remuneration paid to the members of the Management Board is appropriate, performance-related and in line with market conditions.

An external independent expert is regularly consulted, most recently in fiscal year 2023, to review the appropriateness of the Management Board remuneration in terms of amount and structure. In addition, the Management Board remuneration is considered in terms of the ratio of senior management remuneration to that of the workforce. The benchmark used for a market comparison is based on a German peer group of listed companies of comparable size with a focus on industrial, mechanical engineering and automotive suppliers, as well as listed companies of comparable size from the information technology sector which is explained, in detail, in the Remuneration Report for members of the Management Board.

The remuneration for the members of the Management Board consists of fixed remuneration, a short-term variable remuneration component (Short-Term Incentive, "STI annual bonus" or "STI") and a long-term variable remuneration

component (Long-Term Incentive, "LTI bonus" or "LTI"). The variable remuneration resulting from the achievement of long-term targets exceeds the share of short-term targets (under the assumption of a target achievement of 100 %). The criteria for the assessment of the performance-based remuneration and the annual targets set by the Supervisory Board at the beginning of the fiscal year are not subject to change in the course of a fiscal year. Subsequent changes to the target values or reference parameters for the STI bonus and the LTI bonus are generally excluded. The Supervisory Board does, however, have the option of taking appropriate account of extraordinary developments when assessing target achievement.

The remuneration system for the Management Board members contributes to the promotion of the business strategy and the long-term development of the company and its affiliated companies, namely through a simple design of the Management Board remuneration with a clear incentive structure for the members of the Management Board. The remuneration system is structured in such a way that it appropriately rewards the performance of the Management Board members while complying with all regulatory requirements, the recommendations of the GCGC and market practice. The variable remuneration is designed to reward the achievement of both short-term annual targets and long-term targets measured over multi-year periods. This is to avoid the Management Board making decisions for reasons that would optimise its remuneration in the short term but would not deliver sustainable business success. The members of the Management Board are also incentivised by a share acquisition and shareholding obligation designed to increase the value of the company in the interests of the shareholders.

Fixed remuneration components

The members of the Management Board receive from the Group a fixed annual base salary for their services and fringe benefits. These mainly comprise a company car, employer contributions to private and statutory health insurance, continued payment of wages in the event of incapacity for work due to illness or death, preventive health checks at the company's expense, a group accident insurance, a term life insurance, if required reimbursement of home travel expenses, and a housing cost subsidy for a secondary residence as well as security expenses, e.g. for construction measures at private apartments to protect the members of the Management Board. The scope may be determined by the Supervisory Board at its reasonable discretion. Fringe benefits are restricted to a maximum amount specified by the Supervisory Board for the fiscal year.

The Management Board members participate in the company pension scheme for the duration of the Management Board service contract in accordance with the pension commitment regulations applicable to senior executives and executives. The corporate pension is granted in the form of a direct commitment. Alternatively, a fixed amount is granted for establishing a private pension. The company does not grant any retirement, survivors or disability benefits, in particular no other defined benefit pension commitments for which provisions would have to be recognised. No bridging allowance or other forms of early retirement are provided for in the remuneration system.

STI annual bonus

The members of the Management Board have the opportunity to receive an STI annual bonus depending on the annual performance of the HENSOLDT Group. The basis for determining the amount of the STI annual bonus is the target amount ("STI target amount"), i.e. the amount to which a Management Board member is entitled if it achieves exactly 100 % of the STI annual targets. The STI annual bonus might amount to a maximum of 150 % of the STI target amount (cap). The STI annual bonus serves as reward for the achievement of the HENSOLDT Group's short-term business targets and depends on the achievement of the target values for the three current STI bonus components which are free cash flow, EBITDA and revenue – each on a consolidated basis for the HENSOLDT Group. The three STI bonus components are basically each equally weighted, i.e. one third of each is included in the calculation of target achievement for the STI annual bonus. The Supervisory Board may determine a different weighting on a case-by-case basis and decide on other STI bonus components, including non-financial ones, at its reasonable discretion. Details on the definition of the target values can be found in the remuneration system on the website of HENSOLDT at <https://investors.hensoldt.net>.

The corresponding target values are approved by the Supervisory Board as part of determining the annual budget. The STI annual bonus is payable within thirty working days after the approval of the Consolidated Financial Statements for the past fiscal year.

The target setting for the STI annual bonus is based on the criteria set out below:

Payment % of target bonus						
Bonus component	Weighting	< 80 % of Target value	> 80 % and < 100 % of Target value ¹	Target value	> 100 % and < 120 % of Target value ¹	> 120 % of Target value ²
Free cash flow	1/3	0 %	linear reduction in the ratio 1:5	100 %	linear increase in the ratio 1:2.5	150 %
EBITDA	1/3	0 %	linear reduction in the ratio 1:5	100 %	linear increase in the ratio 1:2.5	150 %
Consolidated revenue	1/3	0 %	linear reduction in the ratio 1:5	100 %	linear increase in the ratio 1:2.5	150 %

¹ If the respective target value for an STI bonus component is not achieved, the respective bonus component is reduced on a straight-line basis in the ratio 1:5. If one target value for an STI bonus component is exceeded, the respective bonus component increases on a straight-line basis in the ratio 1:2.5.

² The linear increase in the bonus component only occurs if a target value of more than 80 % for each of the three STI bonus components has been achieved.

LTI bonus

All members of the Management Board are entitled to multi-year performance-based remuneration ("LTI bonus"). The basis for determining the amount of the LTI bonus is the target amount ("LTI target amount"), i.e. the amount to which a Management Board member is entitled if they achieve 100 % of the multi-year targets. The LTI bonus can be a maximum of 200 % of the LTI target amount (cap). The performance period for the LTI bonus is four years.

At the beginning of the respective four-year measurement period of an LTI bonus tranche, the Supervisory Board shall determine at its reasonable discretion the terms and conditions for each LTI bonus component, including the weighting, and the corresponding target values of the relevant bonus tranche.

The LTI bonus is generally measured in line with the following LTI bonus component weighting from the remuneration system:

- 30-40 % based on the relative total shareholder return¹ (TSR) of the company compared to the MDAX,
- 25-30 % based on the order intake of the HENSOLDT Group,
- generally 15 % for each of two ESG targets and
- up to 15 % for multi-year special projects.

The ESG "diversity" goal is aimed at achieving certain percentages of women at various company levels. The ESG goal "climate impact" aims to increase the share of renewable energy in the energy consumed by the HENSOLDT Group. In addition, the Supervisory Board may include up to 15 % as an LTI bonus component for individual LTI tranches based on multi-year (measurable) special projects. The exact targets for the various LTI bonus components and their exact weighting are to be determined by the Supervisory Board at their appropriate discretion for each LTI tranche.

At the end of each measurement period, a degree of overall target achievement is determined for the performance targets set by the Supervisory Board before the start of the performance period. The target achievement for each of the LTI bonus components and the overall target achievement resulting from the individual target achievement values can amount to a maximum of 150 %. The LTI bonus is payable when the Supervisory Board determines that the target values have been achieved.

Furthermore, the performance share plan to be applied as part of the LTI bonus ensures that the amount of the LTI bonus is more dependent on the share price of HENSOLDT AG. At the beginning of the respective measurement period, the Management Board member receives a number of virtual shares ("stock rights") calculated by dividing the target amount of the LTI target bonus by the average price of the shares of HENSOLDT AG. After the end of the respective measurement period, the number of stock rights calculated at the beginning of the measurement period is multiplied by the overall target achievement of the LTI bonus components determined from the target achievement of the individual LTI bonus components.

¹ The relative TSR refers to the share price performance plus notionally reinvested gross dividends during the four-year performance period and is determined on the basis of data from a recognised data provider (e.g. Bloomberg, Thomson Reuters).

The LTI bonus to be paid out as a cash entitlement is determined by multiplying the number of stocks calculated on the basis of the target achievement with the average closing price of the shares of HENSOLDT AG.

Tranche 2024-2027

The weighting of the LTI bonus components for the tranche 2024-2027 was established as follows: 30 % for the TSR, 25 % for the intake of new orders and 15 % for each of the two ESG targets. The successful post-merger integration of the ESG Group was defined as a special project with a 15 % LTI bonus component.

The overall degree of target achievement for the tranche 2024-2027 is determined according to the following criteria:

Payment % of target bonus						
Bonus component	Weighting	< 80 % of Target value	> 80 % and < 100 % of Target value ¹	Target value	> 100 % and < 120 % of Target value ¹	> 120 % of Target value
Relative total shareholder return compared with MDAX	30 %	0 %	linear reduction in the ratio 1:5	100 %	linear increase in the ratio 1:2.5	150 %
Order intake of HENSOLDT Group acc. to management report	25 %	0 %	linear reduction in the ratio 1:5	100 %	linear increase in the ratio 1:2.5	150 %
ESG Target: Diversity	15 %			100 %		150 % ²
ESG Target: Climate Impact	15 %	0 %	linear reduction in the ratio 1:5	100 %	linear increase in the ratio 1:2.5	150 % ²
Special target: Integration ESG-Group	15 %			100 %		150 % ²

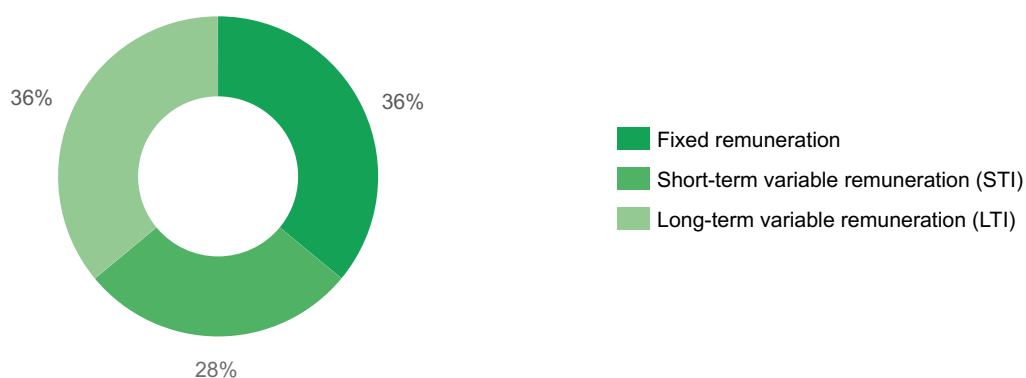
¹ If the respective target value for an LTI bonus component is not achieved, the respective bonus component is reduced on a straight-line basis in the ratio 1:5. If one target value for an LTI bonus component is exceeded, the respective bonus component increases on a linear basis in the ratio 1:2.5.

² The determination of whether and to what extent the Management Board member has achieved this LTI bonus component shall be made at the end of the four-year measurement period by the Supervisory Board, which, using its reasonable discretion at all times, shall compare the actual value achieved with the targeted objective and may take into account any under- or overachievement, but with a maximum of 150 % of the intended weighting (as well as the individual components, if applicable).

Further details on the setting of targets and the determination of target achievement can be found in the remuneration system of the Management Board on the website of HENSOLDT at <https://investors.hensoldt.net>.

Relationship of the remuneration components to each other

The current average target direct remuneration for all Management Board members will thus comprise basic remuneration and variable remuneration as follows (assuming 100 % achievement for each of the targets):



Clawback

The STI annual bonus and LTI bonus are subject to a clawback regulation. Further details on the clawback provision can be found in the remuneration system of the Management Board on the website of HENSOLDT at <https://investors.hensoldt.net>.

Maximum remuneration

The annual maximum remuneration in terms of section 87a (1) sentence 2 no. 1 German Stock Corporation Act (AktG) for the members of the Management Board in office as of 31 December 2024 was determined by the Supervisory Board as follows:

- for the CEO: € 3.5 million
- for any other ordinary member of the Management Board²: € 2.5 million

If the actual remuneration granted exceeds the maximum remuneration cap, the entitlement to the LTI bonus will be reduced accordingly.

Share retention programme

The members of the Management Board are obliged to hold shares of HENSOLDT AG for the duration of their appointment as a member of the Management Board, whereby this obligation must be fulfilled for the first time at the latest four years after the initial appointment as a member of the Management Board ("build-up phase"). The share retention programme is designed to incentivise the members of the Management Board to increase the value of the Group in the interest of the shareholders. Further details on the share retention programme provision can be found in the remuneration system of the Management Board on the website of HENSOLDT at <https://investors.hensoldt.net>.

Benefits in the event of premature termination of appointment

In the event of premature termination of the appointment, the Management Board members are entitled to a severance payment. The severance payment is limited to two years' remuneration and is reduced on a pro rata temporis basis if the remaining term of the Management Board service contract is less than two years ("severance cap"). More details on the benefits in the event of premature termination of employment can be found in the remuneration system of the Management Board on the website of HENSOLDT at <https://investors.hensoldt.net>.

The service contracts of the members of HENSOLDT AG's Management Board do not include any commitments for benefits in the event of premature termination of the Management Board service contract by the Management Board member due to a change of control.

1.2 Remuneration of the members of the Management Board in the fiscal year

Composition of the Management Board in fiscal year 2024

In fiscal year 2024, the Management Board of HENSOLDT AG comprised the following members:

- Oliver Dörre, member of the Management Board since 1 January 2024, chair of the Management Board since 1 April 2024
- Christian Ladurner, member of the Management Board since 1 July 2022
- Dr. Lars Immisch, member of the Management Board since 1 October 2022
- Thomas Müller, chair of the Management Board from 11 August 2020 to 31 March 2024

² According to the remuneration system, the maximum remuneration for the CFO is € 3.3 million.

- Celia Pelaz Perez, member of the Management Board from 1 July 2021 to 31 August 2024

Fixed remuneration components

Application in the fiscal year

The following table shows the fixed remuneration components granted in fiscal year 2024 to the active members of the Management Board in fiscal year 2024.

Active members of the Management Board as per 31 December 2024 (amounts in €)	Oliver Dörre (CEO)	Christian Ladurner (CFO)	Dr. Lars Immisch (CHRO)
Annual basic remuneration	600,000	436,800	436,800
Additional benefits	85,328	20,382	35,309
Fixed remuneration 2024	685,328	457,182	472,109

Resigned members of the Management Board during the fiscal year (amounts in €)	Thomas Müller (CEO) ¹	Celia Pelaz Perez (CStO) ²
Annual basic remuneration	150,000	291,200
Additional benefits	14,118	26,047
Fixed remuneration 2024	164,118	317,247

¹ Prorated until 31 March 2024

² Prorated until 31 August 2024

Contribution made by the remuneration system to the long-term development of the HENSOLDT Group

Regarding the contribution made by the remuneration system to the long-term development of the company, please refer to the general remarks under section 1.1. The purpose of the fixed remuneration is to attract and retain suitable candidates for management positions in the Group by offering an attractive fixed salary in line with market rates.

STI annual bonus

Presentation of “remuneration granted and owed”

In order to improve clarity and transparency, the remuneration granted is reported for which the underlying activity was fully performed in the reported fiscal year. The disclosure is thus made at the time of vesting and is independent of whether the remuneration has already been paid during the fiscal year. Accordingly, the STI earned in fiscal year 2024 is presented as the remuneration granted and owed in fiscal year 2024.

Application in the reporting year

Target achievement for the STI 2024 (amounts in € million)	Weighting	Target value ¹	Actual ¹	Target achievement	Adjustment in case of below/above achievement
Consolidated revenue	33 %	2,000	1,951	98 %	88 %
EBITDA ²	33 %	371	356	96 %	79 %
Free cash flow ³	33 %	194	236	122 %	150 %
Overall target achievement				105 %	106 %

¹ Key figures without ESG Group acquired in 2024.

² Key figure adjusted for special items as per reconciliation in section II Economic Report 3.1 Results of operations in the Combined Management Report for the year ended 31 December 2024.

³ Key figure adjusted for special items and M&A activities as per reconciliation in section II Economic Report 3.3 Financial position in the Combined Management Report for the year ended 31 December 2024.

The table below shows, for each Management Board member, the respective target amount (for a target achievement of 100 %), the degree of target achievement determined by the Supervisory Board and the amount paid out in fiscal year 2024 in accordance with the due date set out in the remuneration system.

STI-annual bonus for 2024 earned in 2024	Target amount in €	Achievement level in %	Disbursement amount in €
Active members of the Management Board as of 31 December 2024			
Oliver Dörre (CEO)	450,000	106 %	477,000
Christian Ladurner (CFO)	327,600	106 %	347,256
Dr. Lars Immisch (CHRO)	327,600	106 %	347,256
Resigned members of the Management Board in fiscal year 2024			
Thomas Müller (CEO) ¹	137,500	106 %	145,750
Celia Pelaz Perez (CStO) ²	273,000	106 %	289,380

¹ prorated until 31 March 2024

² prorated until 31 October 2024

The STI for 2024 is due in 2025 within thirty working days after the approval of the Consolidated Financial Statements of HENSOLDT AG for fiscal year 2024.

Contribution to the long-term development of the HENSOLDT Group

For the contribution of the remuneration system to the long-term development of the Group, please refer to the general explanations under 1.1. The STI is intended to reward the achievement of specific financial targets that are classified as being important for the strategic development of the Group.

LTI bonus

Tranche 2021-2024 (target achievement)

The degree of overall target achievement for the LTI bonus is derived from the target achievement for each LTI bonus component as set by the Supervisory Board for the relevant performance periods. After the performance period 2021–2024 has ended, the LTI bonus components linked to fulfilment of the performance conditions will have been earned.

For details and definitions, refer to the general explanations about the remuneration system given in the overview section 1.1.

Payment for the 2021–2024 tranche will be made in 2025 after the Supervisory Board has determined that the targets have been achieved.

Bonus component	Weighting	Degree of achievement in %
Relative Total Shareholder Return vs. MDAX	40 %	150.0 %
Order intake of the HENSOLDT Group	30 %	140.0 %
ESG goal: Diversity	15 %	50.0 %
ESG goal: Climate Impact	15 %	0.0 %
Overall target achievement in %		109.5 %

For the payout, the number of shares calculated on the basis of target achievement is multiplied by the average share price of € 33,35 over the last 60 trading days before the end of the performance period. The payout amount is limited to a maximum of 200% of the LTI target amount (cap).

Virtual shares (tranche 2021-2024)	Thomas Müller	Axel Salzmann	Peter Fieser	Celia Pelaz Perez ¹
Target amount (in €)	650,000	600,000	400,000	170,000
Share price (in €)	13.94	13.94	13.94	13.94
Number of virtual shares granted in 2021	46,628	43,042	28,694	12,195
Total target achievement in %	109.5 %	109.5 %	109.5 %	109.5 %
Share price (in €)	33.35	33.35	33.35	33.35
Calculated LTI amount (in €)	1,702,773	1,571,819	1,047,855	445,340
Disbursement amount in € (after consideration of the LTI Cap)	1,300,000	1,200,000	800,000	340,000

¹ Pro-rated assignment value (target amount)

The change in the remaining virtual shares with an LTI bonus was as follows:

Tranche 2022-2025

Virtual shares (tranche 2022-2025)	Thomas Müller	Christian Ladurner ¹	Dr. Lars Immisch ¹	Celia Pelaz Perez	Axel Salzmann ¹	Peter Fieser
Target amount (in €)	650,000	150,000	85,000	340,000	300,000	400,000
Share price (in €)	16.44	16.44	16.44	16.44	16.44	16.44
Number of virtual shares granted in 2022	39,538	9,124	5,170	20,681	18,248	24,331

¹ Pro-rated assignment value (target amount)

Tranche 2023-2026

For the 2023-2026 performance period another LTI bonus component was added in the form of the special target "Successful implementation of the business transformation for SAP S/4HANA".

Virtual shares (tranche 2023-2026)	Thomas Müller	Christian Ladurner	Dr. Lars Immisch	Celia Pelaz Perez
Target amount (in €)	650,000	300,000	340,000	340,000
Share price (in €)	28.42	28.42	28.42	28.42
Number of virtual shares granted in 2023	22,871	10,556	11,963	11,963

Application in the reporting year: tranche 2024-2027

For the 2024-2027 performance period another LTI bonus component was added in the form of the special target "Post-merger integration of the ESG Group".

Virtual shares (tranche 2024-2027)	Oliver Dörre	Christian Ladurner	Dr. Lars Immisch	Thomas Müller	Celia Pelaz Perez ¹
Target amount (in €)	600,000	436,800	436,800	650,000	364,000
Share price (in €)	30.92	30.92	30.92	30.92	30.92
Number of virtual shares granted in the reporting period	19,405	14,127	14,127	21,022	11,772

¹ Pro-rated assignment value (target amount)

Contribution to the long-term development of the HENSOLDT Group

For details of the contribution made by the remuneration system to the long-term development of the Group, please refer to the general remarks in section 1.1. The LTI is designed to reward achievement of the long-term targets, measured over multi-year periods. This is supposed to prevent the Management Board making decisions that are aimed at optimising its remuneration in the short term but do not offer the prospect of sustainable business success. The LTI therefore includes success parameters from the areas 'environment', 'social' and 'governance' as what are known as ESG targets to the financial performance targets and also a strong focus on the share price. In the current Management Board employment contracts, the ESG targets include the 'diversity' target, which is aimed at achieving certain percentages of women at various company levels, as well as the 'climate impact' target, which seeks an increase in the share of renewable energy used by the HENSOLDT Group and a reduction in its CO₂ emissions.

Share-retention programme

Currently, the four-year build-up phase for the share-retention programme has not expired for any of the members of the Management Board who were in office in fiscal year 2024. Details of the share-retention programme are available in the remuneration system on the website of HENSOLDT at <https://investors.hensoldt.net>.

Remuneration granted and owed within the meaning of section 162 (1) sentence 1 German Stock Corporation Act (AktG)

The following tables show the total remuneration granted and owed individually to the members of the Management Board in office in the fiscal year 2024, in accordance with section 162 (1) sentence 1 AktG.

The remuneration is considered to be 'granted' for the year in which the activity to which the remuneration relates was fully performed. The term 'remuneration owed' refers to any remuneration that is legally owed but has not yet paid. In line with this earned entitlement interpretation, the STI amounts paid out for fiscal year 2024 and the LTI amounts for the 2021-2024 performance period are disclosed in the 2024 Remuneration Report because the activity for which the remuneration is granted has been performed in full by the end of fiscal year 2024 even though payment is not made until after the reporting year has ended.

Compensation payments are included insofar as they are already due in fiscal year 2024.

Active members of the Management Board as of 31 December 2024 (values in €)	Oliver Dörre (CEO)	in %	Christian Ladurner (CFO)	in %	Dr. Lars Immisch (CHRO)	in %
Annual basic remuneration	600,000	36 %	436,800	54 %	436,800	53 %
Additional and other benefits ¹	585,328	35 %	20,382	3 %	35,309	4 %
Total fixed remuneration	1,185,328	71 %	457,182	57 %	472,109	58 %
STI annual bonus 2024	477,000	29 %	347,256	43 %	347,256	42 %
LTI bonus tranche 2021-2024	–	– %	–	– %	–	– %
Total remuneration granted and owed in the fiscal year 2024	1,662,328	100 %	804,438	100 %	819,365	100 %

¹ The additional and other benefits for Oliver Dörre include benefits awarded upon him assuming his position on the Management Board by way of compensation for his forfeiting of benefits from his previous employer in the amount of €500 thousand, subject to the obligation that he invest the resulting net inflow directly in HENSOLDT shares as part of the Shareholder Ownership Guidelines.

Resigned members of the Management Board during the fiscal year (values in €)	Thomas Müller (CEO)	in %	Celia Pelaz Perez (CStO)	in %
Annual basic remuneration	150,000	9 %	291,200	31 %
Additional benefits and other benefits	14,118	1 %	26,047	3 %
Total fixed remuneration	164,118	10 %	317,247	34 %
STI annual bonus 2024	145,750	9 %	289,380	31 %
LTI bonus tranche 2021-2024	1,300,000	81 %	340,000	36 %
Total remuneration granted and owed in the fiscal year 2024	1,609,868	100 %	946,627	100 %

Following his departure from the Management Board on 31 March 2024, Thomas Müller received a one-off payment of € 660,000 in April 2024. Having left the Management Board on 31 August 2024, Celia Pelaz Perez received a one-off payment of € 1,528,800 in December 2024.

Members of the Management Board who resigned before 1 January 2024 (amounts in €)	Axel Salzmann	in %	Peter Fieser	in %
Annual basic remuneration	–	– %	–	– %
Additional benefits and other benefits	–	– %	–	– %
Total fixed remuneration	–	– %	–	– %
STI annual bonus 2024	–	– %	–	– %
LTI bonus tranche 2021-2024	1,200,000	100 %	800,000	100 %
Total remuneration granted and owed in the fiscal year 2024	1,200,000	100 %	800,000	100 %

Review of the maximum amount of remuneration (cap)

The maximum amount of remuneration pursuant to section 87a (1), sentence 2, point 1 AktG shall include any and all remuneration components allocated for fiscal year 2024. The maximum remuneration for fiscal year 2024 must therefore also take into account the LTI tranche 2024-2027, the amount of disbursement of which is not fixed until the end of the fiscal year 2027. This means that the amount of all remuneration components allocated for fiscal year 2024 can only be determined after the end of the fiscal year 2027. In principle, the appropriateness of the potential payout amounts is ensured by limiting STI and LTI payouts to a maximum of 150 % (STI) and 200 % (LTI) of the individual target amount.

The relevant maximum cap for the total remuneration to be granted (sum of all amounts of remuneration spent for the relevant financial year, including the fixed annual salary, variable remuneration components, pension and additional payments) for the year 2021 was not exceeded for any member of the Management Board based on the calculation of the LTI tranche 2021-2024.

Granted or promised shares and share options

In accordance with the remuneration system, no shares or share options were granted or promised to incumbent members of the Management Board during the reporting year.

Retention (malus) and clawback

No use was made of the option to withhold or reclaim variable remuneration components.

Deviations from the remuneration system applicable to the Management Board

There were no deviations from the remuneration system of the Management Board in the reporting year.

Benefits promised or granted by a third party

In the reporting year, no benefits were promised or granted to any member of the Management Board by a third party with regard to their activities as a member of the Management Board.

Commitments in connection with contract terminations

Commitments in the event of premature termination of employment, including changes to these commitments agreed during the last fiscal year

The board appointment as well as the employment contract of Thomas Müller as a member of the Management Board of HENSOLDT AG were terminated prematurely by mutual agreement with effect from 31 March 2024. The contractual rights under the service contract remained unaffected for the period until 31 March 2024. To settle the claims for the period from the termination date of 31 March 2024 until the regular end of his appointment and employment contract on 30 September 2024, a compensation payment in the gross amount of € 660,000 was agreed with Thomas Müller and was due on 1 April 2024. The pro-rata STI bonus for the fiscal year 2024 will be determined in 2025 and paid out on a pro-rata basis by 31 March after the Financial Statements for 2024 have been adopted. The LTI bonus for fiscal years 2022 (tranche 2022-2025) and 2023 (tranche 2023-2026) will be determined and paid out after the end of the four-year measurement period in the years 2026 and 2027. The full LTI bonus for fiscal year 2024 (tranche 2024-2027) will be determined and paid out after the end of the four-year measurement period in 2028.

The appointment of Celia Pelaz Perez to the Management Board of HENSOLDT AG was terminated prematurely by mutual agreement with effect from 31 August 2024. The employment contract of Ms Pelaz Perez remained unaffected and active until the end of the day on 31 December 2024. All contractually agreed benefits remained valid until the termination became effective on 31 December 2024, apart from the STI bonus and LTI bonus. For these two elements, an agreement was reached by way of deviation from the service contract to only have these considered on a pro rata basis until 31 October 2024. The pro-rata STI bonus for fiscal year 2024 will be determined in 2025 after the Financial Statements for 2024 have been adopted and will be paid out by 31 October. The LTI bonus for fiscal years 2021 (pro rata), 2022, 2023 and in 2024 (pro rata for the period up until 31 October) will be determined and paid out after the end of the four-year measurement period in each of the years 2025 to 2028. To compensate the claims for the period from the termination date of 31 December 2024 until the regular end of her appointment and employment contract on 30 June 2029, a compensation payment of €1,528,800 gross was agreed with Celia Pelaz Perez, which was due on 30 December 2024.

Commitments in the event of premature termination of employment from previous years

The LTI bonus for Axel Salzmann (member of the Management Board until 30 June 2022) for fiscal years 2021 and 2022 (for 2022 pro rata) will be determined and paid after the end of the four-year measurement period in 2025 and 2026.

The LTI bonus for Peter Fieser (member of the Management Board until 30 September 2022; thereafter employee of the company until 31 December 2022) for fiscal years 2021 and 2022 will be determined and paid out after the end of the four-year measurement period in 2025 and 2026.

Pension benefits

Even though the past service cost for occupational retirement provision is not classified as remuneration granted and owed, it is also shown in the following tables for reasons of transparency.

The company pension commitments contractually agreed with the members of the Management Board are granted in the form of a direct commitment and comply with the requirements of the remuneration system, which is described on the website of HENSOLDT at <https://investors.hensoldt.net>. The pension benefits presented below also include commitments to the members of the Management Board prior to their appointment from previous activities at the HENSOLDT Group.

	Pension plans		Deferred compensation	
Active members of the Management Board as of 31 December 2024 (values in €)	Commitments 31 Dec. 2024 (accumulated)	Service cost in 2024	Commitments 31 Dec. 2024 (accumulated)	Service cost in 2024
Oliver Dörre	83,848	83,848	–	–
Christian Ladurner	375,978	70,912	–	–
Dr. Lars Immisch	216,810	84,499	–	–

	Pension plans		Deferred compensation	
Resigned members of the Management Board during fiscal year 2024 (values in €)	Commitments 31 Dec. 2024 (accumulated)	Service cost in 2024	Commitments 31 Dec. 2024 (accumulated)	Service cost in 2024
Thomas Müller	1,824,885	–	–	–
Celia Pelaz Perez	658,250	89,504	16,152	–

	Pension plans		Deferred compensation	
Resigned members of the Management Board during fiscal year 2022 (values in €)	Commitments 31 Dec. 2024 (accumulated)	Service cost in 2024	Commitments 31 Dec. 2024 (accumulated)	Service cost in 2024
Axel Salzmann	1,104,980	–	–	–
Peter Fieser	692,926	–	1,118,831	–

Of the members of the Management Board who resigned, Thomas Müller received retirement pension in the reporting year in the amount of € 70,142.

2 Remuneration of the members of the Supervisory Board

2.1 Remuneration system for the members of the Supervisory Board

The remuneration rules set out in the articles of association and the remuneration system for the members of the Supervisory Board were adjusted in the first quarter of fiscal year 2024, effective for that fiscal year, submitted to the general meeting on 17 May 2024 for voting and approved by a majority of 99.88 % of the valid votes cast.

The adjustments to the rules on remuneration in the articles of association and to the remuneration system mainly concern changes to annual remuneration.

In fiscal year 2024, the remuneration system applied to all active and resigned members of the Supervisory Board. The remuneration of the members of the Supervisory Board is regulated in section 12 of the articles of association of HENSOLDT AG.

According to the articles of association, the fixed annual remuneration of each Supervisory Board member amounts to € 50,000. The chair of the Supervisory Board receives € 120,000 and the vice chair receives € 70,000. For their work on the Präsidial Committee, Audit Committee or Compliance Committee, the members receive additional fixed remuneration amounting to € 15,000. The chairs of these Committees receive € 25,000 each. For work performed on the Nomination Committee, members receive additional fixed remuneration of € 10,000 and the chair receives € 20,000.

No remuneration is paid for working on other committees.

The maximum remuneration for Supervisory Board members is provided for in section 12 (3) in the articles of association and amounts to twice the amount of the annual remuneration of the Supervisory Board members according to section 12 (1) in the articles of association. Supervisory Board members who are members of the Supervisory Board or a committee or are chair of a committee for only part of the fiscal year receive remuneration which is lower in proportion to the time served. The remuneration is due four weeks after the end of each fiscal year.

The company reimburses the members of the Supervisory Board for expenses incurred in the performance of their duties, including any value-added tax payable on the reimbursement of expenses.

The company has taken out a liability insurance policy on behalf of the members of the Supervisory Board, which covers legal liability arising from their Supervisory Board activities.

The system for the remuneration of the members of the Supervisory Board provides for a purely fixed remuneration without performance-based variable components and without share-based remuneration. The Management Board and the Supervisory Board are of the opinion that purely fixed remuneration of the Supervisory Board members is best suited to reinforcing the independence of the Supervisory Board, to taking into account the advisory and supervisory function of the Supervisory Board, which is to be fulfilled independently of the company's success, and to avoiding potential misplaced incentives. The granting of fixed remuneration is also in line with the current predominant practice in other listed companies and the suggestion contained in G.18 sentence 1 of the German Corporate Governance Code (GCGC). The amount and structure of the Supervisory Board remuneration is in line with the market. It enables the company to attract and retain outstandingly qualified candidates with valuable, industry-specific knowledge for the Supervisory Board. This is a prerequisite for the best possible performance of the advisory and supervisory activities by the Supervisory Board and contributes significantly to the promotion of the business strategy and the long-term development of the HENSOLDT Group.

More details regarding the remuneration system can be found on the website of HENSOLDT at <https://investors.hensoldt.net>.

2.2 Remuneration of the members of the Supervisory Board in fiscal year 2024

The following table shows the remuneration granted and owed to current and former members of the Supervisory Board in fiscal year 2024 within the meaning of section 162 of the German Stock Corporation Act (AktG). The remuneration earned in 2024 is reported as the remuneration granted in the reporting period within the meaning of section 162 AktG.

in €	Fixed remuneration	in %	Committee remuneration	in %	Granted and owed remuneration in 2024
Active members of the Supervisory Board as of 31 December 2024					
Reiner Winkler (Chair)	120,000	73 %	45,000	27 %	165,000
Armin Maier-Junker ^{1,2} (Vice Chair)	70,000	82 %	15,000	18 %	85,000
Dr. Jürgen Bestle ^{1,2}	50,000	63 %	30,000	38 %	80,000
Jürgen Bühl ¹	50,000	77 %	15,000	23 %	65,000
Raffaella Luglini (since 1 July 2024)	25,000	80 %	6,250	20 %	31,250
Marco R. Fuchs	50,000	83 %	10,000	17 %	60,000
Achim Gruber ^{1,2}	50,000	77 %	15,000	23 %	65,000
Ingrid Jägering	50,000	59 %	35,000	41 %	85,000
Marion Koch ^{1,2}	50,000	77 %	15,000	23 %	65,000
Giuseppe Panizzardi	50,000	56 %	40,000	44 %	90,000
Julia Wahl ¹	50,000	77 %	15,000	23 %	65,000
Hiltrud D. Werner	50,000	56 %	40,000	44 %	90,000
Retired members of the Supervisory Board in the fiscal year 2024					
Letizia Colucci (until 31 May 2024)	20,833	77 %	6,250	23 %	27,083

¹ Representative of the employees

² Employees of HENSOLDT AG or one of the Group companies

No deviations from the remuneration system of the Supervisory Board occurred in the fiscal year.

3 Multiple-year overview: Information on the development of Management Board and Supervisory Board remuneration in relation to the remuneration of the rest of the workforce and the development of the results of operations of the HENSOLDT Group

Pursuant to section 162 (1) sentence 2 no. 2 AktG, the following overview presents the relative development of the remuneration granted and owed to members of the Management Board and Supervisory Board in the respective fiscal year in accordance with what is presented in the tables under 1.2 and 2.2 in comparison to the average remuneration of the employees on a full-time equivalent basis as well as selected key earnings figures of the HENSOLDT Group.

For the presentation of the Group's earnings situation, those key figures are used for which HENSOLDT AG issued a forecast in the past fiscal year, as well as the key figures that form the basis for the short-term remuneration of the Management Board. In addition, the net profit or loss for the year from the individual Financial Statements of HENSOLDT AG according to the German Commercial Code (HGB) is included in the comparison.

For the presentation of the average remuneration of the employees, the gross taxable amount for employees covered by collective agreements and non-tariff employees on the basis of full-time equivalence (excluding apprentices, trainees, etc.) is used, insofar as this exceeds € 4,000 per year. This is based on the workforce of HENSOLDT AG and the following German subsidiaries of HENSOLDT AG: HENSOLDT Optronics GmbH, HENSOLDT Holding Germany GmbH and HENSOLDT Sensors GmbH.

	Fiscal Year		
Remuneration granted and owed acc. to section 162 AktG in €	2024	2023	% Delta
Management Board remuneration			
Active members of Management Board			
Oliver Dörre (Management Board member since 1 January 2024, Chair since 1 April 2024)	1,662,328	–	–
Christian Ladurner	804,438	567,352	41.8 %
Dr. Lars Immisch	819,365	657,669	24.6 %
Resigned Members of Management Board			
Thomas Müller (Chair until 31 March 2024)	1,609,868	1,258,908	27.9 %
Celia Pelaz Perez (until 31 August 2024)	946,627	656,983	44.1 %

	Fiscal Year		
Remuneration granted and owed acc. to section 162 AktG in €	2024	2023	% Delta
Supervisory Board remuneration			
Active members of Supervisory Board			
Reiner Winkler (Chair)	165,000	91,250	80.8 %
Armin Maier-Junker ^{1,2} (Vice Chair)	85,000	70,000	21.4 %
Dr. Jürgen Bestle ^{1,2}	80,000	56,250	42.2 %
Jürgen Bühl ¹	65,000	50,000	30.0 %
Raffaella Luglini (since 1 July 2024)	31,250	–	–
Achim Gruber ^{1,2}	65,000	50,000	30.0 %
Ingrid Jägering	85,000	65,000	30.8 %
Marion Koch ^{1,2}	65,000	50,000	30.0 %
Julia Wahl ¹	65,000	50,000	30.0 %
Hiltrud D. Werner	90,000	61,250	46.9 %
Marco R. Fuchs	60,000	31,250	92.0 %
Giuseppe Panizzardi	90,000	5,833	> 200 %
Resigned members of Supervisory Board			
Letizia Colucci (until 31 May 2024)	27,083	50,000	-45.8 %
Johannes P. Huth (Chair, until 12 May 2023)	–	41,250	–
Giovanni Soccodato (until 31 October 2023)	–	54,583	–

¹ Representative of the employees

² Employees of HENSOLDT AG or one of the group companies

	Fiscal Year		
Key earnings figures in € million	2024	2023	% Delta
Net income / loss (annual financial statement acc. to German Commercial Code)	22	-90	n.a.
Profit / Loss (Group)	106	58	81.7 %
Revenue (Group)	2,240	1,847	21.3 %
EBITDA (Group) ¹	405	329	23.0 %
Order intake (Group)	2,904	2,087	39.1 %
Free cashflow (Group) ²	249	198	26.0 %

¹ Key figure adjusted for special items as per reconciliation in section II Economic Report 3.1 Results of Operations in the Combined Management Report for the fiscal year ended on 31 December 2024.

² Key figure adjusted for special items and M&A activities as per reconciliation in section II Economic Report 3.3 Financial Situation in the Combined Management Report for the fiscal year ended on 31 December 2024.

	Fiscal Year				
Workforce information	2024	2023	2022	2021	2020
Employee remuneration in €	96,724	94,036	91,946	91,218	90,956
Change compared to previous year in %	2.9 %	2.3 %	0.8 %	0.3 %	

Note: This is a translation of the German original. Solely the original text in German language is authoritative.

Independent Auditor's Report on the audit of the remuneration report

To HENSOLDT AG, Taufkirchen, District of Munich

Report on the audit of the remuneration report

We have audited the attached remuneration report of HENSOLDT AG, Taufkirchen, District of Munich, for the financial year from January 1 to December 31, 2024, including the related disclosures, prepared to meet the requirements of Section 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of the Management Board and the Supervisory Board

The management and the Supervisory Board of HENSOLDT AG are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the remuneration report. The procedures selected depend on the auditor's professional judgement. This includes an assessment of the risks of material misstatement, whether due to fraud or error, in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the remuneration report, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

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

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from January 1 to December 31, 2024, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

Other matter – formal examination of the remuneration report

The substantive audit of the remuneration report described in this independent auditor's report includes the formal examination of the remuneration report required by Section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the remuneration report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report.

Limitation of liability

The terms governing this engagement, which we fulfilled by rendering the aforementioned services to HENSOLDT AG, are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2024. By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Munich, March 26, 2025

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Koeplin
Wirtschaftsprüfer
[German Public Auditor]

Schieler
Wirtschaftsprüfer
[German Public Auditor]