

# COMPENSATION REPORT<sup>1</sup>

The Compensation Report describes the main features of the compensation system for the Executive Board and Supervisory Board of ProSiebenSat.1 Media SE for financial year 2020. It explains the structure and level of compensation of the individual members of the Executive Board and Supervisory Board. The Executive Board compensation system for financial years from 2018 was fundamentally revised by the Supervisory Board of ProSiebenSat.1 Media SE and presented for approval to the Annual General Meeting in May 2018, which granted its approval by a broad majority of 93%. All new Executive Board employment contracts that have since been concluded already use the new compensation system; all Executive Board employment contracts that existed at the time were converted to the new Executive Board compensation system, which has therefore applied retroactively since January 1, 2018.

This Compensation Report is part of the audited Management Report and complies with the applicable statutory requirements. The legal requirements for the Compensation Report that were introduced by the German Act for the Implementation of the Second Shareholder Rights Directive (ARUG II) must be applied for the first time to the Company's financial year 2021. The previous legal regulations are therefore applicable to this year's Compensation Report. It also takes into account the recommendations of the German Corporate Governance Code (GCGC) in the version of December 16, 2019 (see the December 2020 Declaration of Compliance). In the context of the ARUG II, this mainly refers to the statutory provisions for the purposes of reporting on compensation and in particular does not use the template tables for management board compensation. Nonetheless, in the interests of a standardized and thus more comprehensible presentation of compensation, the Company has decided to retain the established template tables in this year's Compensation Report.

## COMPENSATION PAID TO THE EXECUTIVE BOARD

### Responsibility and Procedure for Determining Executive Board Compensation

In addition to their functions as directors and officers of the Company, the members of the Executive Board of ProSiebenSat.1 Media SE have contractual relationships with the Company. The ProSiebenSat.1 Media SE Supervisory Board is responsible for making the employment agreements with the members of the Executive Board. The employment contracts of Executive Board members have a maximum term of five years and also regulate compensation. After a proposal by the Compensation Committee, the structure and amount of the Executive Board's compensation are defined by the Supervisory Board as a whole and are regularly reviewed. The Supervisory Board hereby ensures that there is an appropriate

## DETERMINING EXECUTIVE BOARD COMPENSATION



<sup>1</sup> This section forms part of the audited Management Report.

relationship between the personal performance and areas of work and responsibility of the individual members of the Executive Board on the one hand and the Company's business situation on the other.

In addition, the compensation structure within ProSiebenSat.1 Media SE is taken into account, whereby the Supervisory Board above all considers the relationship of Executive Board compensation to the compensation of senior management and the workforce as a whole and looks at the amount and structure of Executive Board compensation in comparable companies. The Supervisory Board currently considers comparable companies to be companies listed in the DAX, MDAX and STOXX Europe 600 Media, a sub-index of the STOXX Europe 600 index comprising companies from the European media industry, and direct competitors. The comparable companies therefore include, for example, ITV plc and Vivendi SA. If the Supervisory Board deems it necessary or expedient, it consults experts to determine and review the Executive Board compensation. To date, the Supervisory Board has also had the Executive Board compensation reviewed at regular intervals by independent external consultants with regard to common market practice. One such review was performed by an international and independent compensation consulting firm when the compensation system for financial years from 2018 was adjusted.

## Principles of the Compensation System

The ProSiebenSat.1 Media SE compensation system has clear and transparent structures and is in line with our Group strategy. In order to continuously improve, we review our compensation system regularly. For this reason, we also sought dialog with relevant capital market participants when establishing the current compensation system and we regularly monitor current developments on compensation issues with regard to necessary adjustments. The aim of the compensation system for the Executive Board is to create an incentive for successful and sustainable performance of the Company. The system is therefore geared toward compensation that is transparent, performance-based and closely linked to the Company's success. This depends in particular on long-term and challenging individual targets and the performance of the ProSiebenSat.1 share. The compensation system is intended to motivate the members of the Executive Board to achieve the targets enshrined in ProSiebenSat.1 Media SE's business strategy and to avoid disproportionate risks.

## Structure and Components of Executive Board Compensation

The Executive Board compensation system comprises three components: a fixed base salary, an annual and a multi-year variable compensation component. For the Executive Board members including the Chairman of the Executive Board, the weighting of the individual compensation components is 40:20:40 (fixed base salary to annual variable compensation to multi-year variable compensation). The weighting for a Chief Executive Officer would be 35:30:35, but this position is no longer provided for in the structure of ProSiebenSat.1 Media SE.

There is also a Company pension for Executive Board members. The Company's annual contribution to the Company pension amounts to 20% of the fixed base salary. In addition, Executive Board members receive fringe benefits.

The following overview gives a summary of the elements of the Executive Board compensation system followed by a description of the individual items:

### OVERVIEW EXECUTIVE BOARD COMPENSATION SYSTEM

BASE SALARY	
	<b>Fixed base salary</b>
Scope	Based on the respective area of competence and responsibility of the Executive Board member
Payment date	In monthly installments
PERFORMANCE-BASED COMPENSATION	
	<b>Annual variable compensation</b>
	<b>Short-Term Incentive (Performance Bonus)</b>
Target compensation	Target amount contractually fixed.
Cap	Cap: 200% of the target amount.
Missing targets	Complete forfeiture possible if targets not met.
Target parameters	Financial target parameters (equally weighted): – Group EBITDA – Group free cash flow  Modifier (+/-20%) serving as a bonus/malus, based on: – individual targets – team targets
Payment date	Within one month after the audited and approved Consolidated Financial Statements for the relevant financial year are available.
	<b>Multi-year variable compensation</b>
	<b>Long-Term Incentive (Performance Share Plan)</b> (share-based compensation component)
Term	Term of each tranche: 4 years (performance period).
Grant value	Contractually agreed annual grant value.
Cap	Cap: 200% of the target value.
Missing targets	Complete forfeiture possible if targets not met.
Target parameters	– Annual adjusted Group net income targets during the term of the respective tranche (50% weighting). – Relative positioning of Total Shareholder Return (TSR) compared with STOXX Europe 600 Media companies during the term of the respective tranche (50% weighting).
Grant	Grant of so-called performance share units (PSUs) in annual tranches  Determination of the number of PSUs according to the grant value, based on the volume-weighted average XETRA closing price of ProSiebenSat.1's shares over the 30 trading days before the beginning of the term (January 1) of the respective tranche.

Determination of payout amount	<p>Determination of the final number of performance share units at the end of the term of a tranche by multiplying PSUs by a performance-based conversion factor.</p> <p>The conversion factor depends</p> <ul style="list-style-type: none"> <li>– 50% on the achievement of annual adjusted net income targets during the term of the respective tranche and</li> <li>– 50% on the relative Total Shareholder Return (TSR) positioning against the STOXX Europe 600 Media companies during the term of the respective tranche.</li> </ul> <p>No option to retroactively adjust the conversion factor or undertake discretionary adjustments to target achievement.</p> <p>The payout amount per performance share unit corresponds to the volume-weighted average XETRA closing price of ProSiebenSat.1's shares over the 30 trading days preceding the end of the term of the respective tranche, plus cumulative dividend payments per share during the term of the tranche.</p> <p>In the event of settlement in shares, the payout amount will be converted into treasury shares using the share price cited above.</p>
Dividend payments	All dividend payments during the term of the tranche are accounted for through inclusion of cumulative dividend payments per share in the payout amount.
Vesting	1/12 of the PSUs granted vest at the end of each month of the first year of the term of a respective tranche. If the employment contract as Executive Board member of ProSiebenSat.1 Media SE commences during the first financial year of the plan term the grant value will be on a pro rata temporis basis, but with full vesting of such pro rata temporis portion until the end of the first financial year of the plan term.
Payout	Payment is generally made in cash or, at the Company's discretion, by issuing a corresponding number of treasury shares.
Payment date	The respective Long-Term Incentive tranche is paid out or settled, as the case may be, after the audited and approved Consolidated Financial Statements for the final financial year of the four-year performance period are available.

**PURCHASE AND HOLDING OBLIGATIONS**

Until the prescribed levels are reached, there is an obligation to invest 25% of the annual gross payouts from annual and new multi-year variable compensation in ProSiebenSat.1 shares.

Shares must be held at least until the end of an Executive Board member's appointment.

Volume:

- Chief Executive Officer:  
200% of fixed gross base salary
- Other members of the Executive Board including the Chairman of the Executive Board:  
100% of fixed gross base salary

**FIXED BASE SALARY**

The base salary is paid in twelve equal installments at the end of each month. If the employment contract begins or ends during a financial year, the base salary for this financial year is granted pro rata temporis.

**VARIABLE COMPENSATION**

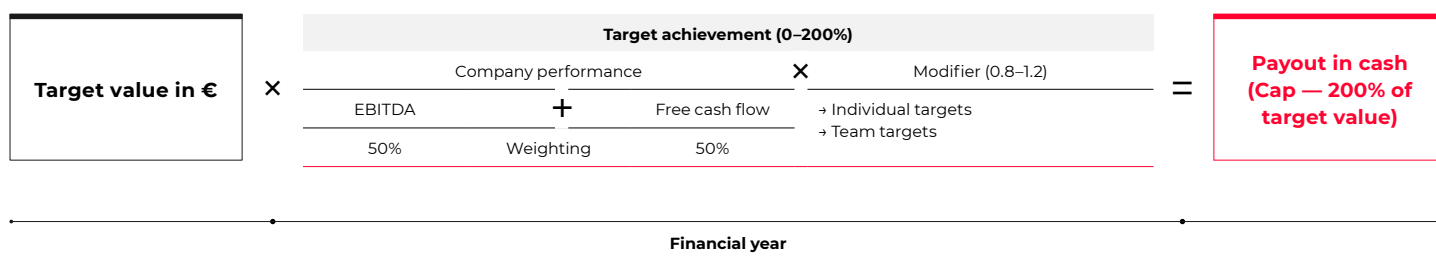
Variable compensation comprises two elements: annual variable compensation (Short-Term Incentive) in the form of an annual bonus payment (performance bonus) and multi-year variable compensation (Long-Term Incentive) in the form of virtual shares in ProSiebenSat.1 Media SE (Performance Share Plan).

**SHORT-TERM INCENTIVE (PERFORMANCE BONUS)**

The Short-Term Incentive depends on ProSiebenSat.1 Group's business performance in the past financial year. It is calculated on the basis of the target achievement (0% – 200%) identified for the financial year for EBITDA (earnings before interest, taxes, depreciation and amortization) and free cash flow before M&A (referred to hereinafter as FCF or free cash flow), both at Group level, and a modifier (0.8 to 1.2) for the assessment of the individual and collective performance of the Executive Board members. The final payment is capped at a maximum of 200% of the individual target amount agreed in each employment contract.

The Supervisory Board has identified the two key financial figures EBITDA and FCF as relevant target parameters, as they reflect the successful implementation of operational and strategic measures and are thus geared toward ProSiebenSat.1 Group's profitability. They are derived from the Group strategy and are also reflected in the internal management system, which is used to help achieve the Group's strategic goals. EBITDA is an industry-standard and frequently used measure of operating earnings, which allows a high degree of comparability with other businesses in the media industry and is also regularly used on the capital market for enterprise valuations on a multiplier basis. For shareholders, FCF is also an important measure of the cash and cash equivalents generated with operating business and after the deduction of investments, which are available for debt service or distributions to shareholders. Equally, FCF is an important indicator for measuring the cash return on investments and a common basis for the calculation of cash-flow-based enterprise valuations. ProSiebenSat.1 Media SE reports both key financial figures, EBITDA and FCF, in the regular financial reporting for ProSiebenSat.1 Group.

**HOW THE SHORT-TERM INCENTIVE WORKS**



### EBITDA AT GROUP LEVEL

EBITDA at Group level is included in the Short-Term Incentive with a weighting of 50% for the purposes of determining target achievement.

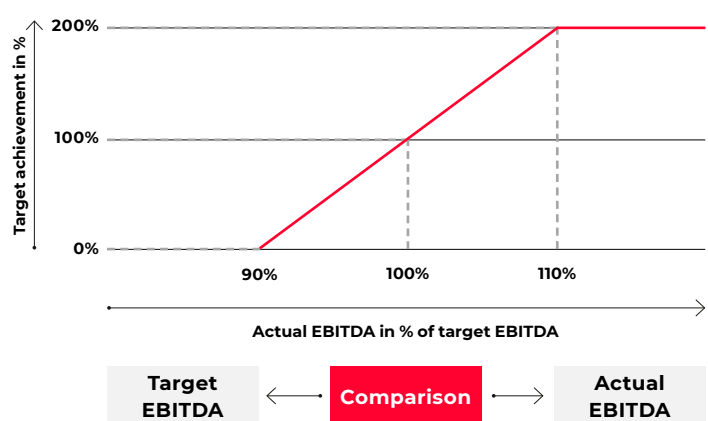
The EBITDA target value is set annually by the Supervisory Board in EUR and is derived from budget planning for ProSiebenSat.1 Group. The financial effects of operational and strategic measures are reflected in the budget planning.

Where necessary, to determine the target achievement, the actual Group EBITDA reported by ProSiebenSat.1 Media SE will be adjusted for effects arising from significant changes in IFRS accounting standards, from unplanned effects from M&A transactions conducted within the reporting period, and from measurements of Group-wide, multi-year variable compensation plans. This allows the Supervisory Board to correct potential distortions in target achievement. No further adjustment is provided for.

To measure the target achievement, the actual EBITDA as reported in the relevant audited and approved Consolidated Financial Statements of ProSiebenSat.1 Media SE, subject to the above adjustments, is compared with the target value for the respective financial year.

If the actual EBITDA corresponds to the target value, the target achievement is equal to 100%. The target achievement is equal to 0% if there is a negative deviation from the target EBITDA of 10% or more. To reach the maximum target achievement of 200%, the actual EBITDA must exceed target EBITDA by 10% or more. Intermediate values are interpolated in a straight line. The EBITDA target achievement curve is symmetrically designed, meaning that an over- or underachievement of the target will be reflected evenly.

#### REPORTED EBITDA TARGET ACHIEVEMENT CURVE



### FREE CASH FLOW AT GROUP LEVEL

FCF at Group level is likewise included in the Short-Term Incentive with a weighting of 50% for the purposes of determining target achievement.

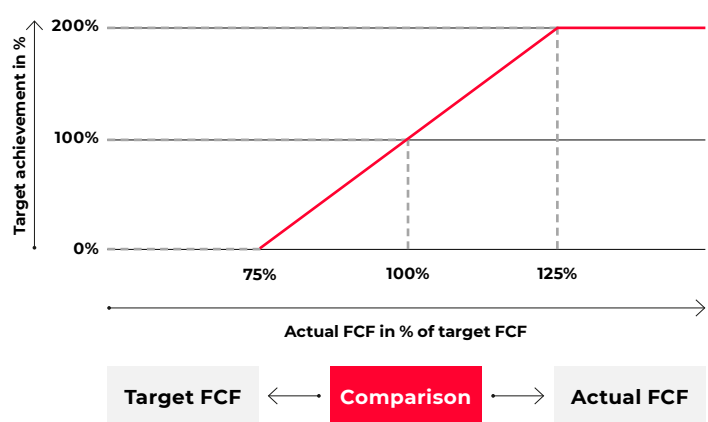
The FCF target value is set annually by the Supervisory Board in EUR and is derived from budget planning for ProSiebenSat.1 Group. The financial effects of operational and strategic measures are reflected in the budget planning.

Where necessary, to determine the target achievement, the actual Group FCF reported by ProSiebenSat.1 Media SE will be adjusted for effects arising from (i) acquisitions and disposals (i.e. (x) effects of investments on the free cash flow from investing activities due to acquisitions and disposals in previous financial years and (y) effects on the free cash flow from operating activities and from investing activities due to new acquisitions and disposals in the financial year in question, including associated financing effects), and from (ii) significant changes in IFRS accounting standards. This allows the Supervisory Board to correct potential distortions in target achievement. No further adjustment is provided for.

To measure the target achievement, the actual FCF as reported in the relevant audited and approved Consolidated Financial Statements of ProSiebenSat.1 Media SE, subject to the above adjustments, is compared with the target FCF for the respective financial year.

If the actual FCF corresponds to the target value, the target achievement is equal to 100%. The target achievement is equal to 0% if there is a negative deviation from the target FCF of 25% or more. To reach the maximum target achievement of 200%, the actual FCF must exceed target FCF by 25% or more. Intermediate values are interpolated in a straight line. The FCF target achievement curve is symmetrically designed, meaning that an over- or underachievement of the target will be reflected evenly.

#### REPORTED FREE CASH FLOW (FCF) TARGET ACHIEVEMENT CURVE



**MODIFIER**

To determine the individual and collective performance of the Executive Board members, the Supervisory Board assessed both the achievement of individual targets and the Executive Board members' contribution to the fulfillment of collective targets on the basis of criteria defined in advanced. Examples of relevant criteria include customer satisfaction, corporate social responsibility, corporate governance and strategic projects, but also other key financial figures of the Group or segments. If targets relate to key financial figures of ProSiebenSat.1 Group, target achievement is determined on the basis of the audited and approved Consolidated Financial Statements of ProSiebenSat.1 Media SE for the financial year in question. The resulting modifier for adjusting the size of the Short-Term Incentive can range between 0.8 and 1.2. The modifier therefore has a bonus/malus effect. The individual and collective targets are agreed annually in advance in a target agreement between the Supervisory Board and Executive Board, with a maximum of five targets being defined each year.

**PAYMENT DATE**

The Short-Term Incentive is payable in the following year within a month of the audited and approved Consolidated Financial Statements for the financial year in question becoming available and is paid out with the next monthly salary.

**LONG-TERM INCENTIVE (PERFORMANCE SHARE PLAN)**

The Long-Term Incentive is designed as multi-year variable compensation in the form of virtual shares (performance share units). Tranches are granted annually, each with a four-year

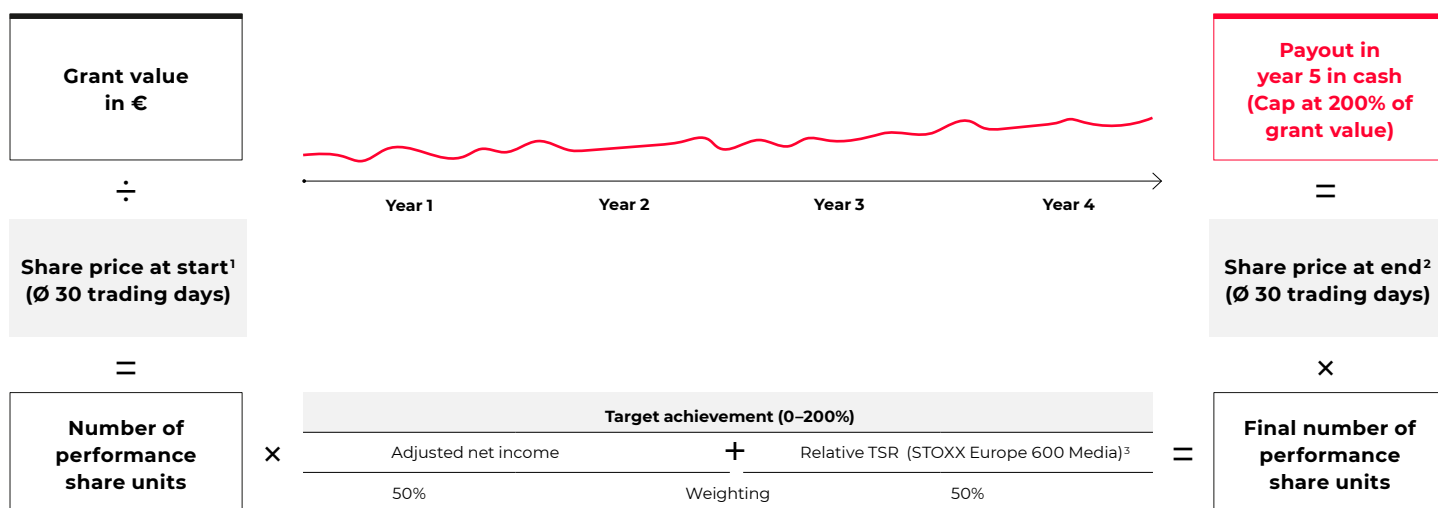
performance period. Payment is made in cash in year five, the year after the end of the performance period. The Company has the right to choose equity settlement rather than cash settlement and to deliver a corresponding number of own shares for this purpose.

The payout depends on the development of ProSiebenSat.1 Media SE's share price as well as on the Company's internal and external performance. The Company's performance is measured based on adjusted net income at Group level as well as the relative total shareholder return (TSR – shareholder return for ProSiebenSat.1 shares compared to shareholder return for companies in the selected comparison index), each with a weighting of 50%. The Performance Share Plan is issued in annual tranches with a performance period of four years each.

The calculation of corporate performance is on the one hand based on the parameter adjusted net income. This is an important operational and strategic performance indicator for the Group and serves, among other functions, as the metric that underlies the dividend policy and the resulting amounts that are distributed to shareholders. ProSiebenSat.1 Media SE publishes the adjusted net income as part of the regular financial reporting for the ProSiebenSat.1 Group. On the other hand, the Company's performance is determined using the relative TSR, which shows the return on ProSiebenSat.1 shares in relation to the return on shares of a relevant group of peer companies. The relative TSR takes into account share price performance and dividends to shareholders over the four-year performance period.

An individual grant value is specified in the service contract for each member of the Executive Board. With effect from the start of a financial year, a number of performance share units

**FUNCTION PERFORMANCE SHARE PLAN**



<sup>1</sup> Volume-weighted average XETRA closing price of ProSiebenSat.1's shares over the 30 trading days preceding the start of the performance period, rounded down to two decimal places.

<sup>2</sup> Volume-weighted average XETRA closing price of ProSiebenSat.1's shares over the 30 trading days preceding the end of the performance period, rounded down to two decimal places, plus cumulative dividend payments on each share in ProSiebenSat.1.

<sup>3</sup> Relative TSR of ProSiebenSat.1 Media SE's shares over the four-year performance period in comparison with STOXX Europe 600 Media companies.

(PSUs) corresponding to the grant value will be granted on the basis of the volume-weighted average XETRA closing price of the ProSiebenSat.1 share over the 30 trading days preceding the start of the financial year. Following the end of the four-year performance period, the granted performance share units are converted into a final number of performance share units according to a conversion factor, which is determined according to the weighted target achievement for adjusted net income and the relative TSR. The payout amount for each performance share unit is equal to the volume-weighted average XETRA closing price of ProSiebenSat.1's shares over the 30 trading days preceding the end of the performance period, plus cumulative dividend payments over the performance period on the ProSiebenSat.1 share. The payout is limited to a maximum of 200% of the individual grant value per tranche (cap). In the case of a settlement in own shares, the amount paid out is converted into a corresponding number of own shares of the Company issued to the beneficiary on the basis of the above average price.

**ADJUSTED NET INCOME AT GROUP LEVEL**

The adjusted net income at Group level is taken into account with a weighting of 50% for the purpose of determining target achievement in the Performance Share Plan. That is, 50% of the final number of performance share units are dependent on the average target achievement for the Group adjusted net income over the four-year performance period.

The average annual target achievement of the adjusted net income of the four-year performance period is used to determine the target achievement for the Group's adjusted net income at the end of the term of a tranche. The adjusted net income target value for each of the financial years within the performance period is set annually by the Supervisory Board in EUR and is derived from budget planning for ProSiebenSat.1 Group. The financial effects of operational and strategic measures are reflected in the budget planning.

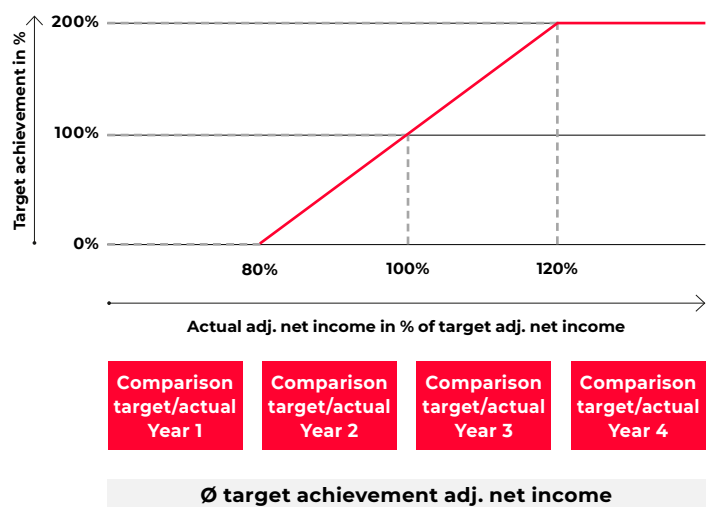
If required, the Group's actual adjusted net income reported by ProSiebenSat.1 Media SE is adjusted to determine the target achievement, adjustments being made e.g. for effects from significant changes in IFRS accounting and from the effects of M&A transactions (including related financing effects) carried out during the reporting period that are not included in the planning.

To measure the target achievement, the actual adjusted net income as reported in the relevant audited and approved Consolidated Financial Statements of ProSiebenSat.1 Media SE, subject to the above adjustments, is compared with the target adjusted net income for the respective financial year.

If the actual adjusted net income corresponds to the target value, the target achievement is 100%. In the case of a negative deviation of 20% or more from the target adjusted net income, the target achievement is 0%. For the maximum target achievement of 200%, the actual adjusted net income must exceed the target adjusted net income by 20% or more. Intermediate values are interpolated in a straight line. The adjusted net income target achievement curve is symmetrical, which means that any

underachievement or overachievement of the target is equally taken into account.

**ADJUSTED NET INCOME TARGET ACHIEVEMENT CURVE**

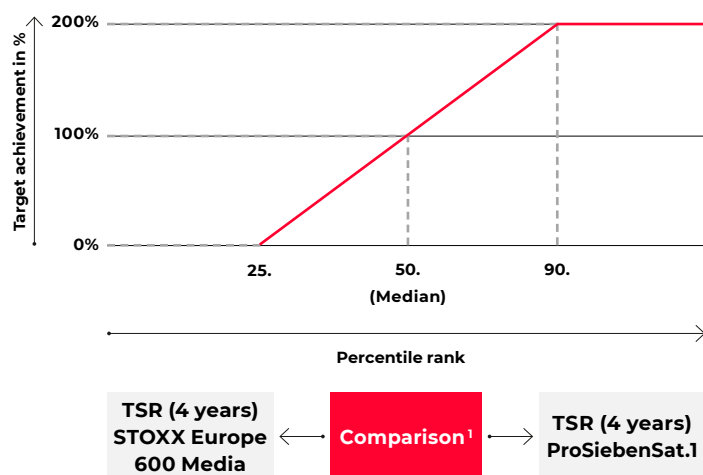


**RELATIVE TOTAL SHAREHOLDER RETURN (TSR)**

In addition, 50% of the final number of performance share units are dependent on the relative TSR of ProSiebenSat.1 Media SE's shares over the four-year performance period, compared with STOXX Europe 600 Media companies. The companies in this index represent the relevant comparative values for the purpose of classifying the stock return of ProSiebenSat.1 share relative to the stock return of these companies in the selected comparative index. The TSR of the ProSiebenSat.1 share and the shares of the peer companies are ranked and the relative positioning of ProSiebenSat.1 Media SE is expressed on the basis of the percentile rank achieved.

If the relative TSR achieved by ProSiebenSat.1 Media SE corresponds to the median (50th percentile) of the peer group, the target achievement is 100%. When positioned at or below the 25th percentile, the target achievement is 0%. Maximum target achievement of 200% requires that at least the 90th percentile is reached. Intermediate values are interpolated in a straight line for both positive and negative deviations.

## RELATIVE TSR TARGET ACHIEVEMENT CURVE



<sup>1</sup> Relative TSR of ProSiebenSat.1 Media SE's shares over the four-year performance period in comparison with STOXX Europe 600 Media companies.

## PAYMENT DATE

Each respective tranche of the Long-Term Incentive is paid out or settled, as the case may be, in the following year, after the audited and approved Consolidated Financial Statements for the final financial year of the four-year performance period become available.

Further information on the Performance Share Plan can be found in the → [Notes, note 35 "Share- and performance-based payment"](#).

## OBLIGATIONS TO ACQUIRE AND HOLD SHARES IN THE COMPANY (SHARE OWNERSHIP GUIDELINES)

In order to strengthen the equity culture and bring the interests of the Executive Board and shareholders into even greater alignment, obligations to acquire and hold shares in the Company were introduced for the members of the Executive Board. Each Executive Board member is obliged to acquire shares in ProSiebenSat.1 Media SE with a value totaling 100% (200% for a Chief Executive Officer, but this position is no longer provided for in the structure of ProSiebenSat.1 Media SE) of the annual fixed gross basic salary and to hold these shares at least until the end of their appointment as a member of the Executive Board. Until the required levels are reached, the Executive Board members are obliged to invest at least 25% of the annual gross payout from the Short-Term Incentive (performance bonus) and the Long-Term Incentive (Performance Share Plan) in ProSiebenSat.1 shares; payments from the variable compensation elements of the compensation system that was in place until financial year 2017 (former performance bonus, Mid-Term Incentive and Group Share Plan) are not subject to the investment obligation.

An overview of the amounts invested as of December 31, 2020 is given below:

## SHARE OWNERSHIP

Member of the Executive Board	Number of shares	Investment at time of acquisition <sup>1</sup> in EUR	Investment obligation in EUR
Rainer Beaujean	131,102	1,501,567	1,400,000
Wolfgang Link	—	—	800,000
Christine Scheffler	—	—	640,000

<sup>1</sup> Until the prescribed level of 100% of an annual fixed gross basic salary is reached, the Executive Board member is obliged to invest in each financial year an amount corresponding to at least 25% of the annual gross payout from the performance bonus and Performance Share Plan. Rainer Beaujean has already voluntarily fulfilled his investment obligation directly upon joining the Company. For Wolfgang Link and Christine Scheffler, this will apply for the first time when the performance bonus for 2020 is paid out in financial year 2021.

## COMPANY PENSION

Pension agreements were signed for all members of the Executive Board: For the period of the employment relationship, the Company pays an annual total contribution into the personal pension account managed by the Company. The total annual contribution to be paid by the Company is equivalent to 20% of the respective fixed annual gross salary. Each member of the Executive Board has the right to pay any additional amount into the pension account in the context of deferred compensation. There are no further payments after the end of the employment relationship. The Company guarantees the paid-in capital and an annual interest of 2%. The amounts paid-in are invested on the money and capital markets. A monthly retirement pension or alternatively a one-off retirement payment is paid if the Executive Board member reaches the age of 62, or 60 in the case of former Executive Board member Conrad Albert, and has been a member of the Executive Board for at least three full years. This entitlement also arises in the case of permanent disability. The monthly retirement pension is derived from the actuarially calculated life-long pension as of the time of the entitlement to benefits. If no monthly retirement pension is paid, then a retirement payment is made in the amount of the guaranteed capital as a one-off payment (or in up to ten equal annual installments).

## CLAW-BACK REGULATIONS; DEFERMENT OF VARIABLE COMPENSATION COMPONENTS/DAMAGE COMPENSATION

In the context of the new recommendation G.11 of the GCGC in the version dated December 16, 2019, the Executive Board contracts for the members in office contain claw-back regulations under which the Company can reclaim performance bonuses that have already been paid if the relevant consolidated financial statements subsequently prove to be inaccurate in a way that impacts the determination of the amount of the performance bonus for the respective financial year.

Moreover, all variable compensation components for Executive Board members in the compensation system are forward-looking and are not paid out until after the end of the plan term. Until then, they also reflect negative value risks at the expense of the variable compensation.

Finally, the respective employment contracts clearly state that potential claims on the part of the Company against Executive Board members from Section 93 (2) of the Stock Corporation Act are unaffected. According to this provision, Executive Board members who neglect their duties are obliged to compensate the resulting damage as joint and several debtors.

#### **NON-PERFORMANCE-BASED FRINGE BENEFITS**

In addition, Executive Board members receive other non-performance-based fringe benefits (particularly, the provision of company cars, group accident insurance, insurance policy contributions, and occasionally flights home).

#### **COMMITMENTS IN THE EVENT OF TERMINATION OF EXECUTIVE BOARD EMPLOYMENT**

##### **Premature Termination without Good Cause**

If the employment contracts of Executive Board members are terminated prematurely by the Company without good cause, these contracts provide for a severance payment amounting to two years' worth of total compensation as defined by section G.13 of the GCGC in the version dated December 16, 2019. However, this may not exceed the amount of compensation that would have been paid until the end of the contract period.

##### **Premature Termination in the Event of a Change of Control**

The contracts of Executive Board members contain change of control clauses in the event of a change of control at the Company. A change of control as defined in the agreements of the Executive Board members takes place (i) if control is acquired within the meaning of takeover law, i.e. at least 30% of the voting rights in the Company are acquired by the acquirer, (ii) if the merger of the Company is implemented with the Company as the transferring legal entity, or (iii) if a control agreement comes into force with the Company as the dependent entity. Under the currently applicable Executive Board contracts, which have terms until June 30, 2022 (Rainer Beaujean) and March 31, 2023 (Wolfgang Link and Christine Scheffler), up to and including September 30, 2021, Executive Board members have the right in the event of a change of control to terminate their employment contract with three months' notice at the end of the month and resign from the Executive Board if the change of control significantly affects the position of these Executive Board members. If this right of termination is exercised, the Executive Board members shall receive a payment in cash that is to be added in full to any waiting allowances. Compensation in cash corresponds to three – or in the case of Wolfgang Link and Christine Scheffler, two – years' compensation, but shall not exceed compensation for the remainder of the employment contract discounted to the termination date. When determining this cash settlement, fixed compensation for the last financial year that Executive Board members are contractually entitled to, the performance bonus, multi-annual

compensation components and pension contributions are to be regarded as annual compensation.

#### **ONGOING COMPENSATION ELEMENT FROM THE REPLACED COMPENSATION SYSTEM UP TO 2017 – GROUP SHARE PLAN**

The compensation system for the Executive Board members of ProSiebenSat.1 Media SE in place until the end of 2017 contained the Group Share Plan as a multi-year variable compensation component, which has effects beyond the 2017 performance period.

The Group Share Plan was granted to the Executive Board members for the last time in financial year 2017, and the Executive Board member Conrad Albert who left in financial year 2020 still has claims under it. It was a multi-year variable compensation instrument similar to the Performance Share Plan issued since 2018, in which virtual shares were issued to the Executive Board members in annual tranches each with a four-year performance period. Please refer to the 2017 Compensation Report for more details.

As of the end of 2020, the Group Share Plan from 2017 (with the performance period 2017 to 2020) is still outstanding. The required minimum values for the Group's consolidated net income and EBITDA have so far been achieved for each year of the respective four-year performance period of the outstanding Group Share Plan. The respective annual conversion factors are 78% for financial year 2017, 56% for financial year 2018, and 97% for financial year 2019. For financial year 2020, the annual conversion factor is 86%. The PSU conversion factor (calculated as the average annual conversion factor from all four years) for the completed four-year performance period of the Group Share Plan 2017 thus comes to 79% now. In the previous year, the PSU conversion factor of the Group Share Plan 2016 for the completed four-year performance period was 84%.

Further information on the Group Share Plan can be found in the → [Notes, note 35 "Share- and performance-based payment"](#).



## EXECUTIVE BOARD COMPENSATION FOR FINANCIAL YEAR 2020

### Variable Compensation – Target Achievement

The Supervisory Board has taken the desire for transparency regarding compensation decisions on board and has decided to report an overview of target achievement.

In the context of the COVID-19 pandemic, no adjustments were made with regard to the target parameters for variable compensation in financial year 2020.

### PERFORMANCE BONUS

The performance bonus is calculated on the basis of the target achievement (0%–200%) identified for the financial year for EBITDA and FCF, both at Group level, and a modifier (0.8 to 1.2) for the assessment of the individual and collective performance of the Executive Board members. The final payment is capped at a maximum of 200% of the individual target amount agreed in each employment contract.

The Supervisory Board has determined the following target achievement for financial year 2020 with regard to EBITDA and FCF, each with a weighting of 50%:

### TARGET PARAMETERS in EUR m

	Weighting	100% target value	Actual value in FY 2020 (before adjustment)	Actual value in FY 2020 (adjusted)	Target achievement
EBITDA at Group level	50%	769.7	801.0	661.3	0%
Free cash flow (FCF) at Group level	50%	106.9	235.3	233.9	200%
<b>Weighted target achievement</b>	<b>100%</b>				<b>100%</b>

To calculate target achievement for financial year 2020 in the target parameters of EBITDA at Group level and FCF at Group level, the Supervisory Board primarily adjusted for material reconciling items from M&A activities.

For the modifier in financial year 2020, the Supervisory Board set successful crisis management of the COVID-19 pandemic as the only collective target for the Executive Board members.

Based on the overall assessment of the collective performance of the Executive Board members, the Supervisory Board assessed the modifier for adjusting the performance bonus as 1.2.

Taking the target achievement for EBITDA and FCF and the modifier into account results in overall target achievement for the performance bonus in financial year 2020 of 120% for the Executive Board members Rainer Beaujean, Wolfgang Link, and Christine Scheffler.

Conrad Albert, who left the Executive Board as of the end of April 30, 2020, receives a non-performance-based pro rata amount worth 4/12 of the target bonus as a performance bonus for financial year 2020. Max Conze, whose employment contract ended as of the end of May 31, 2020, receives a non-performance-based pro rata amount worth 5/12 of the target bonus as a performance bonus for financial year 2020. For both Executive Board members, the target bonus is based on the assumption that 100% of the target for the performance bonus has been achieved and a modifier of 1.

### PERFORMANCE SHARE PLAN

The Performance Share Plan was granted to the Executive Board members for the first time in financial year 2018 and replaced the Group Share Plan, which acted as the Long-Term Incentive up to and including for financial year 2017. Target achievement is measured based on adjusted net income at Group level as well as the relative total shareholder return (TSR), each with a weighting of 50%.

The target achievement for adjusted net income equals the average annual target achievement for the four financial years of the respective plan term. As of the end of 2020, the Performance Share Plans from 2018 (with the performance period 2018 to 2021), from 2019 (with the performance period 2019 to 2022) and from 2020 (with the performance period 2020 to 2023) are outstanding. The respective target achievement is 88% for financial year 2018 (for Performance Share Plan 2018), 68% for financial year 2019 (for Performance Share Plans 2018 and 2019) and 0% for financial year 2020 (for Performance Share Plans 2018, 2019, and 2020). The relative TSR takes account of the share price development over the four-year performance period and cannot be measured until the end of the four-year performance period.

The final target achievement with regard to adjusted net income at Group level and relative TSR for the four-year performance period of the 2018, 2019, and 2020 Performance Share Plans cannot be calculated until after the end of the final financial year of the respective four-year performance period.

### COMPENSATION OF EXECUTIVE BOARD MEMBERS FOR FINANCIAL YEAR 2020 UNDER GAS 17

The following total compensation for Executive Board members in office in financial year 2020 was determined under GAS 17:

## COMPENSATION OF EXECUTIVE BOARD MEMBERS FOR THE FINANCIAL YEAR 2020 IN ACCORDANCE WITH GAS 17 in EUR thousand

	Rainer Beaujean Chairman of the Executive Board & CFO (member of the Executive Board since July 1, 2019)		Wolfgang Link <sup>3</sup> Member of the Executive Board & CEO Seven.One Entertainment Group (member of the Executive Board since March 26, 2020)		Christine Scheffler <sup>3</sup> Member of the Executive Board & CHRO (member of the Executive Board since March 26, 2020)		Max Conze <sup>4</sup> Chairman of the Executive Board (CEO) (member of the Executive Board until March 26, 2020)		Conrad Albert <sup>5</sup> Deputy Chairman of the Executive Board, Group General Counsel (member of the Executive Board until April 30, 2020)	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Fixed compensation	1,295.0	490.0	600.0	—	480.0	—	612.5	1,470.0	366.7	1,100.0
Fringe benefits <sup>1</sup>	26.5	16.2	6.2	—	1.5	—	5.7	39.3	3.2	10.3
<b>Total fixed compensation</b>	<b>1,321.5</b>	<b>506.2</b>	<b>606.2</b>	<b>—</b>	<b>481.5</b>	<b>—</b>	<b>618.2</b>	<b>1,509.3</b>	<b>369.9</b>	<b>1,110.3</b>
Annual variable compensation	777.0	269.5	360.0	—	288.0	—	525.0	1,386.0	183.3	605.0
Multi-year variable compensation										
Performance Share Plan (2019–2022)	—	490.0	—	—	—	—	—	1,470.0	—	1,100.0
Performance Share Plan (2020–2023)	1,295.0	—	600.0	—	480.0	—	—	—	366.7	—
<b>Total variable compensation</b>	<b>2,072.0</b>	<b>759.5</b>	<b>960.0</b>	<b>—</b>	<b>768.0</b>	<b>—</b>	<b>525.0</b>	<b>2,856.0</b>	<b>550.0</b>	<b>1,705.0</b>
<b>Total compensation</b>	<b>3,393.5</b>	<b>1,265.7</b>	<b>1,566.2</b>	<b>—</b>	<b>1,249.5</b>	<b>—</b>	<b>1,143.2</b>	<b>4,365.3</b>	<b>919.9</b>	<b>2,815.3</b>
Increase of pension obligation (DBO)	423.2	95.6	127.2	—	114.2	—	—	312.2	717.8	555.0
thereof entitlements from deferred compensation	—	—	—	—	11.1	—	—	—	576.8	221.2
Amount of pension obligation (DBO) <sup>2</sup>	518.8	95.6	127.2	—	114.2	—	—	455.1	3,660.0	2,942.2
thereof entitlements from deferred compensation	—	—	—	—	11.1	—	—	—	1,970.7	1,393.9

	Dr. Jan Kemper <sup>6</sup> CFO and Executive Board Member Commerce (member of the Executive Board until March 31, 2019)		Sabine Eckhardt <sup>7</sup> Executive Board Member Sales & Marketing (member of the Executive Board until April 30, 2019)		Jan David Frouman <sup>8</sup> Executive Board Member (member of the Executive Board until February 28, 2019)		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Fixed compensation	—	245.0	—	270.0	—	142.5	3,354.2	3,717.5
Fringe benefits <sup>1</sup>	—	9.5	—	2.7	—	2.1	43.1	80.1
<b>Total fixed compensation</b>	<b>—</b>	<b>254.5</b>	<b>—</b>	<b>272.7</b>	<b>—</b>	<b>144.6</b>	<b>3,397.3</b>	<b>3,797.6</b>
Annual variable compensation	—	—	—	—	—	66.7	2,133.3	2,327.2
Multi-year variable compensation								
Performance Share Plan (2019–2022)	—	—	—	—	—	810.0	—	3,870.0
Performance Share Plan (2020–2023)	—	—	—	—	—	—	2,741.7	—
<b>Total variable compensation</b>	<b>—</b>	<b>0.0</b>	<b>—</b>	<b>0.0</b>	<b>—</b>	<b>876.7</b>	<b>4,875.0</b>	<b>6,197.2</b>
<b>Total compensation</b>	<b>—</b>	<b>254.5</b>	<b>—</b>	<b>272.7</b>	<b>—</b>	<b>1,021.3</b>	<b>8,272.3</b>	<b>9,994.8</b>
Increase of pension obligation (DBO)	—	—	—	—	—	113.8	1,382.4	1,076.5
thereof entitlements from deferred compensation	—	—	—	—	—	41.5	587.9	262.7
Amount of pension obligation (DBO) <sup>2</sup>	—	—	—	—	—	735.9	4,420.2	4,228.8
thereof entitlements from deferred compensation	—	—	—	—	—	276.8	1,981.8	1,670.6

<sup>1</sup> Includes lease payments for use of company car and insurance premiums (excluding D&O). Rainer Beaujean's fringe benefits include additional benefits for flights home. The figures for financial year 2019 include additional benefits for flights home and relocation costs for Max Conze and for flights home and the maintenance of two households for Dr. Jan Kemper.

<sup>2</sup> Defined benefit obligation (DBO) as of December 31 of the period under review.

<sup>3</sup> Wolfgang Link and Christine Scheffler were appointed as members of the Executive Board effective March 26, 2020; their employment contracts came into force as of April 1, 2020.

<sup>4</sup> Max Conze left the Executive Board effective March 26, 2020; his employment contract ended effective May 31, 2020. Max Conze received a pro rata, non-performance-based amount of EUR 0.5 million as annual variable compensation (performance bonus) for financial year 2020. There was no grant under the 2020 Performance Share Plan; instead, the associated entitlement was satisfied in full with the severance payment.

<sup>5</sup> Conrad Albert left the Executive Board as of April 30, 2020. The termination of his employment contract also took effect on April 30, 2020. Conrad Albert received a pro rata, non-performance-based amount of EUR 0.2 million as annual variable compensation (performance bonus) for financial year 2020, although this is not due to be paid out until the end of April 2021. A grant under the 2020 Performance Share Plan was only made pro rata temporis for the period up to and including April 2020. The entitlement to a grant for the period from May to December 2020 was satisfied in full with the severance payment.

<sup>6</sup> Dr. Jan Kemper left the Executive Board effective March 31, 2019; his employment contract also ended effective March 31, 2019. Dr. Jan Kemper's entitlement to the annual variable compensation (performance bonus) for financial year 2019 was satisfied in full with the severance payment.

<sup>7</sup> Sabine Eckhardt left the Executive Board as of April 30, 2019. The termination of her employment contract also took effect on April 30, 2019. Sabine Eckhardt's entitlement to the annual variable compensation (performance bonus) for financial year 2019 was satisfied in full with the severance payment.

<sup>8</sup> Jan David Frouman left the Executive Board effective February 28, 2019; his employment contract also ended effective February 28, 2019. Jan David Frouman received a pro rata, non-performance-based amount of EUR 66,667 as annual variable compensation (performance bonus) for financial year 2019. The grant from the Performance Share Plan 2019 was vested at 2/12 upon his departure.

## NOTES ON THE COMPENSATION OF DEPARTED EXECUTIVE BOARD MEMBERS

Conrad Albert left the Executive Board as of April 30, 2020. His employment contract, which had a remaining term until April 30, 2021 was also terminated with effect from April 30, 2020. As agreed upon in the termination agreement, Conrad Albert's contractual compensation continued to be paid until the original termination date. The pro rata performance bonus for the period up to and including April 2020 was granted on a non-performance-related basis, assuming target achievement of 100% and a modifier of 1, although this is not due to be paid out until the end of April 2021. In addition, Conrad Albert was allocated performance share units (PSUs) under the 2020 Performance Share Plan pro rata temporis up to and including April 2020, and thus continued to participate in the Performance Share Plan in accordance with the terms and conditions of this plan.

As agreed upon in the termination agreement, Conrad Albert's compensation entitlements for the remainder of the employment contract were paid out in the full amount of EUR 3.1 million after the termination date, or were continued for the remaining term in the case of the contractual pension contributions or recognized as a provision in the case of the regulations on the Group Share Plan. The payout amount breaks down as follows: The pro rata fixed compensation for the remaining term of the employment contract (May 2020 to April 2021) totaling EUR 1.1 million was paid as part of the severance payment. To satisfy his entitlement to the pro rata performance bonus from May 2020 to April 2021, Conrad Albert received a payment of EUR 0.6 million on the basis of assumed target achievement of 110% and a modifier of 1.

In addition, the endowment of the pension agreement was continued for the remaining term of the contract in the amount of EUR 0.2 million, whereby for the purposes of the provisions of the pension agreement with regard to vesting Conrad Albert was treated as if the employment relationship had not ended until the regular end of the contract on April 30, 2021.

In respect to the multi-year compensation components of Conrad Albert, the following was agreed: Concerning the Group Share Plan, the termination agreement stipulated that Conrad Albert still participates in the Group Share Plan in accordance with the terms and conditions of this plan with the PSUs issued up to the termination date, but on the condition that they are treated as if they would not have vested until April 30, 2021. Accordingly, the PSUs allocated under GSP 2017 were 100% vested on his departure; a provision of EUR 0.05 million was recognized for this on his departure. The provision amount will change in the further course of the four-year performance period until payout. In accordance with his employment contract, Conrad Albert was owed an annual allocation of PSUs worth EUR 1.1 million, each with a four-year performance period, under the Performance Share Plan. The PSUs issued in 2018 and 2019 were 100% vested and will be settled after the end of the four-year performance period. Instead of the outstanding pro rata allocation for 2020 (May to December) and 2021 (January to April), the allocated amount was paid. With regard to the provisions on vesting, which provide for one-twelfth vesting at the end of each month of the first year of the four-year performance period, the measurement of the PSUs assumed the continuation of the

employment contract for the remaining term until April 2021. Accordingly, a settlement was only paid if the corresponding PSUs were to become vested by then. This gave a settlement amount totaling EUR 1.1 million for the allocation entitlement from May 2020 to April 2021.

It was also agreed that the post-contractual non-competition clause continues to apply for one year starting from the termination date and that the waiting allowance is settled by the severance payment.

Max Conze left the Executive Board as of March 26, 2020. His employment contract, which had a remaining term until May 31, 2021 was terminated with effect from May 31, 2020. As agreed upon in the termination agreement, Max Conze's contractual compensation continued to be paid until the original termination date. The pro rata performance bonus for the period up to and including May 2020 was granted on a non-performance-related basis, assuming target achievement of 100% and a modifier of 1, and was due together with the severance payment.

As agreed upon in the termination agreement, Max Conze's compensation entitlements for the remainder of the employment contract were paid out in the amount of EUR 3.9 million after the termination date, or, in the case of the contractual pension contributions, continued for the remaining term. The payout amount breaks down as follows: 75% of the pro rata fixed compensation for the remaining term of the employment contract (June 2020 to May 2021) totaling EUR 1.1 million was paid as part of the severance payment. To satisfy his entitlement to 75% of the pro rata performance bonus from June 2020 to May 2021, Max Conze received a payment of EUR 0.9 million on the basis of assumed target achievement of 100% and a modifier of 1.

In addition, the endowment of the pension agreement was continued for the remaining term of the contract in the amount of EUR 0.3 million, whereby for the purposes of the provisions of the pension agreement with regard to vesting Max Conze was treated as if the employment relationship had not ended until the regular end of the contract on May 31, 2021. However, under the termination agreement Max Conze had the right to demand early liquidation and payment of his entitlements plus the outstanding endowment payments. Max Conze exercised this right and his pension entitlements totaling EUR 0.9 million were paid. All claims from the pension agreement have therefore been settled.

With respect to Max Conze's multi-year compensation components, the following was agreed: In accordance with his employment contract, Max Conze was owed an annual allocation of PSUs worth EUR 1.47 million, each with a four-year performance period, under the Performance Share Plan. The PSUs issued in 2018 and 2019 were 100% vested and will be settled after the end of the four-year performance period. Instead of the outstanding allocation for 2020 and 2021, 75% of the allocated amount was paid in each case. With regard to the provisions on vesting, which provide for one-twelfth vesting at the end of each month of the first year of the four-year performance period, the measurement of the PSUs assumed the continuation of the employment contract for the remaining term until May 2021. Accordingly, a settlement was only paid if the corresponding

PSUs were to become vested by then. This gave a settlement amount totaling EUR 1.6 million for the allocation entitlement from January 2020 to May 2021.

It was also agreed that the post-contractual non-competition clause applies from the termination date until March 31, 2021, and that the waiting allowance is settled by the severance payment.

#### ADDITIONAL DISCLOSURES ON SHARE-BASED PAYMENT INSTRUMENTS (GROUP SHARE PLAN AND PERFORMANCE SHARE PLAN)

The performance share units (PSUs) granted to active members of the Executive Board for their work as members of the Executive Board developed as follows in financial year 2020:

#### ADDITIONAL DISCLOSURES ON SHARE-BASED PAYMENTS INSTRUMENTS

		Group Share Plan/Performance Share Plan <sup>4</sup>						
		Outstanding performance share units at the start of the financial year	Performance share units granted in the financial year	Fair value of the grant in EUR	Performance share units expired in the financial year	Performance share units paid out in the financial year	Outstanding performance share units at the end of the financial year	Total cost for share-based payment <sup>5</sup>
		Number	Number		Number	Number	Number	in EUR
Rainer Beaujean	2020	28,977	108,445	1,295,000	0	0	137,422	368,761
	2019	0	28,977	490,000	0	0	28,977	41,256
Wolfgang Link <sup>1</sup>	2020	0	69,205	600,000	0	0	69,205	153,232
	2019	—	—	—	—	—	—	—
Christine Scheffler <sup>1</sup>	2020	0	55,364	480,000	0	0	55,364	122,586
	2019	—	—	—	—	—	—	—
Max Conze <sup>2</sup>	2020	121,369	0	0	0	0	121,369	889,869
	2019	34,438	86,931	1,470,000	0	0	121,369	283,551
Conrad Albert <sup>2</sup>	2020	162,805	26,981	366,667	0	23,558	166,228	960,188
	2019	114,158	65,051	1,100,000	0	16,404	162,805	164,000
Dr. Jan Kemper <sup>3</sup>	2020	—	—	—	—	—	—	—
	2019	69,377	0	0	7,504	0	61,873	138,536
Sabine Eckhardt <sup>3</sup>	2020	—	—	—	—	—	—	—
	2019	62,550	0	0	7,504	0	55,046	101,917
Jan David Frouman <sup>3</sup>	2020	—	—	—	—	—	—	—
	2019	86,108	47,901	810,000	60,814	0	73,195	-33,159
<b>Total</b>	2020	<b>313,151</b>	<b>259,995</b>	<b>2,741,667</b>	<b>0</b>	<b>23,558</b>	<b>549,588</b>	<b>2,494,636</b>
	2019	366,631	228,860	3,870,000	75,822	16,404	503,265	696,101

<sup>1</sup> Wolfgang Link and Christine Scheffler also have PSUs from work performed before they joined the Executive Board. These were not granted as compensation for their role on the Executive Board and are thus not included in the overview.

<sup>2</sup> Max Conze left the Executive Board as of March 26, 2020, and Conrad Albert as of April 30, 2020. For information on the effects on the Group Share Plan and Performance Share Plan, please refer to "Notes on the compensation of departed Executive Board members."

<sup>3</sup> Dr. Jan Kemper left the Executive Board as of March 31, 2019, Sabine Eckhardt as of April 30, 2019, and Jan David Frouman as of February 28, 2019.

<sup>4</sup> Nominal amounts of PSUs when granted. PSUs from the Group Share Plan were granted for the last time in financial year 2017; since financial year 2018, they have been granted under the new Performance Share Plan.

<sup>5</sup> The total cost in financial year 2020 includes an adjustment of the conversion factor for the performance share units granted (79%) for the Group Share Plan 2017 and was measured as of December 31, 2020. No adjustments were made due to anti-dilution protection or an individual increase by the Supervisory Board. The total cost in financial year 2019 includes an adjustment of the conversion factor for the performance share units granted (84%) for the Group Share Plan 2016 and was measured as of December 31, 2019. The total cost for Jan David Frouman is negative due to declines in the share price in financial year 2019.

In financial year 2020, a total of 23,558 performance share units were paid out from the Group Share Plan. No performance share units from the Group Share Plan or the Performance Share Plan expired. For more information on the performance share units granted for financial year 2020 from the Performance Share Plan, please refer to → [Notes, note 35 "Share- and performance-based payment"](#).

## OTHER COMPENSATION COMPONENTS

The Company has granted neither loans nor provided guarantees or warranties to the members of the Executive Board.

## COMPENSATION OF EXECUTIVE BOARD MEMBERS FOR FINANCIAL YEAR 2020 IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE (GCGC)

The GCGC in the version of February 7, 2017 (GCGC 2017) recommends the individual disclosure of specific compensation components for each Executive Board member according to certain criteria. It further recommends the use of the template tables included in the GCGC 2017 for their presentation, which in some cases deviates from GAS 17. The new GCGC in the version dated December 16, 2019, does not use the template tables. With a view to a standardized and thus more comprehensible presentation of compensation, the established template tables were retained.

## BENEFITS GRANTED IN ACCORDANCE WITH THE GCGC 2017

The table below shows the benefits that have been granted for financial year 2020, including fringe benefits and the minimum and maximum compensation achievable in financial year 2020 that were granted to active members of the Executive Board for their work as Executive Board members. In deviation from the presentation of total compensation according to GAS 17, the annual variable compensation is disclosed as the target value, i.e. the value granted to the Executive Board member in the event of 100% target achievement, in accordance with the previous requirements of the GCGC 2017. The degree of respective target achievement for a financial year, i.e. the extent to which the amount payable in the event of 100% target achievement was exceeded or fallen short of, is obtained by comparing the variable compensation granted for a financial year with the corresponding disclosures on the variable compensation actually received for the financial year in question in the receipts table according to the GCGC 2017. Furthermore, the pension cost, i.e. the service cost in accordance with IAS 19, must be included in total compensation in accordance with the GCGC 2017.

## BENEFITS GRANTED in EUR thousand

	<b>Rainer Beaujean</b> Chairman of the Executive Board & CFO (member of the Executive Board since July 1, 2019)			
	2020	2020 (min.)	2020 (max.)	2019
Fixed compensation	1,295.0	1,295.0	1,295.0	490.0
Fringe benefits <sup>1</sup>	26.5	26.5	26.5	16.2
<b>Total fixed compensation</b>	<b>1,321.5</b>	<b>1,321.5</b>	<b>1,321.5</b>	<b>506.2</b>
Annual variable compensation	647.5	0.0	1,295.0	245.0
Multi-year variable compensation				
Performance Share Plan (2019–2022)	—	—	—	490.0
Performance Share Plan (2020–2023)	1,295.0	0.0	2,590.0	—
<b>Total variable compensation</b>	<b>1,942.5</b>	<b>0.0</b>	<b>3,885.0</b>	<b>735.0</b>
Pension cost <sup>2</sup>	193.4	193.4	193.4	95.6
<b>Total compensation (GCGC)</b>	<b>3,457.4</b>	<b>1,514.9</b>	<b>5,399.9</b>	<b>1,336.8</b>

<sup>1</sup> Includes lease payments for use of company car and insurance premiums (excluding D&O). Rainer Beaujean's fringe benefits include additional benefits for flights home.

<sup>2</sup> Pension cost comprises service costs in accordance with IAS 19. In the case of Rainer Beaujean, this comprises past service costs for 2019 as a result of pension commitments granted during the year.

## BENEFITS GRANTED in EUR thousand

	<b>Wolfgang Link<sup>1</sup></b> Member of the Executive Board & CEO Seven.One Entertainment Group (member of the Executive Board since March 26, 2020)			
	2020	2020 (min.)	2020 (max.)	2019
Fixed compensation	600.0	600.0	600.0	—
Fringe benefits <sup>2</sup>	6.2	6.2	6.2	—
<b>Total fixed compensation</b>	<b>606.2</b>	<b>606.2</b>	<b>606.2</b>	<b>—</b>
Annual variable compensation	300.0	0.0	600.0	—
Multi-year variable compensation				
Performance Share Plan (2020–2023)	600.0	0.0	1,200.0	—
<b>Total variable compensation</b>	<b>900.0</b>	<b>0.0</b>	<b>1,800.0</b>	<b>—</b>
Pension cost <sup>3</sup>	127.2	127.2	127.2	—
<b>Total compensation (GCGC)</b>	<b>1,633.4</b>	<b>733.4</b>	<b>2,533.4</b>	<b>—</b>

<sup>1</sup> Wolfgang Link was appointed as a member of the Executive Board effective March 26, 2020; his employment contract came into force as of April 1, 2020.

<sup>2</sup> Includes lease payments for use of company car and insurance premiums (excluding D&O).

<sup>3</sup> Pension cost comprises service costs in accordance with IAS 19. In the case of Wolfgang Link, this comprises past service costs as a result of pension commitments granted during the year.

**BENEFITS GRANTED** in EUR thousand

	<b>Christine Scheffler<sup>1</sup></b> Member of the Executive Board & CHRO (member of the Executive Board since March 26, 2020)			
	2020	2020 (min.)	2020 (max.)	2019
Fixed compensation	480.0	480.0	480.0	—
Fringe benefits <sup>2</sup>	1.5	1.5	1.5	—
<b>Total fixed compensation</b>	<b>481.5</b>	<b>481.5</b>	<b>481.5</b>	<b>—</b>
Annual variable compensation	240.0	0.0	480.0	—
Multi-year variable compensation				
Performance Share Plan (2020–2023)	480.0	0.0	960.0	—
<b>Total variable compensation</b>	<b>720.0</b>	<b>0.0</b>	<b>1,440.0</b>	<b>—</b>
Pension cost <sup>3</sup>	103.2	103.2	103.2	—
<b>Total compensation (GCGC)</b>	<b>1,304.7</b>	<b>584.7</b>	<b>2,024.7</b>	<b>—</b>

<sup>1</sup> Christine Scheffler was appointed as a member of the Executive Board effective March 26, 2020; her employment contract came into force as of April 1, 2020.

<sup>2</sup> Includes lease payments for use of company car and insurance premiums (excluding D&O).

<sup>3</sup> Pension cost comprises service costs in accordance with IAS 19. In the case of Christine Scheffler, this comprises past service costs as a result of pension commitments granted during the year.

**BENEFITS GRANTED** in EUR thousand

	<b>Max Conze<sup>1</sup></b> Chairman of the Executive Board (CEO) (member of the Executive Board until March 26, 2020)			
	2020	2020 (min.)	2020 (max.)	2019
Fixed compensation	612.5	612.5	612.5	1,470.0
Fringe benefits <sup>2</sup>	5.7	5.7	5.7	39.3
<b>Total fixed compensation</b>	<b>618.2</b>	<b>618.2</b>	<b>618.2</b>	<b>1,509.3</b>
Annual variable compensation <sup>3</sup>	525.0	525.0	525.0	1,260.0
Multi-year variable compensation				
Performance Share Plan (2019–2022)	—	—	—	1,470.0
Performance Share Plan (2020–2023) <sup>4</sup>	—	—	—	—
<b>Total variable compensation</b>	<b>525.0</b>	<b>525.0</b>	<b>525.0</b>	<b>2,730.0</b>
Pension cost <sup>5</sup>	290.6	290.6	290.6	250.5
<b>Total compensation (GCGC)</b>	<b>1,433.8</b>	<b>1,433.8</b>	<b>1,433.8</b>	<b>4,489.8</b>

<sup>1</sup> Max Conze left the Executive Board effective March 26, 2020; his employment contract ended effective May 31, 2020.

<sup>2</sup> Includes lease payments for use of company car and insurance premiums (excluding D&O). Max Conze's fringe benefits in financial year 2019 include additional benefits for flights home and relocation costs.

<sup>3</sup> Max Conze received a pro rata, non-performance-based amount of EUR 0.5 million as annual variable compensation (performance bonus) for financial year 2020.

<sup>4</sup> There was no allocation under the 2020 Performance Share Plan; instead, the associated entitlement was satisfied in full with the severance payment.

<sup>5</sup> Pension cost comprises service costs in accordance with IAS 19. The pension cost relates to financial year 2020 as a whole.

**BENEFITS GRANTED** in EUR thousand

	<b>Conrad Albert<sup>1</sup></b> Deputy Chairman of the Executive Board, Group General Counsel (member of the Executive Board until April 30, 2020)			
	2020	2020 (min.)	2020 (max.)	2019
Fixed compensation	366.7	366.7	366.7	1,100.0
Fringe benefits <sup>2</sup>	3.2	3.2	3.2	10.3
<b>Total fixed compensation</b>	<b>369.9</b>	<b>369.9</b>	<b>369.9</b>	<b>1,110.3</b>
Annual variable compensation <sup>3</sup>	183.3	183.3	183.3	550.0
Multi-year variable compensation				
Performance Share Plan (2019–2022)	—	—	—	1,100.0
Performance Share Plan (2020–2023) <sup>4</sup>	366.7	0.0	733.3	—
<b>Total variable compensation</b>	<b>550.0</b>	<b>183.3</b>	<b>916.7</b>	<b>1,650.0</b>
Pension cost <sup>5</sup>	189.5	189.5	189.5	171.2
<b>Total compensation (GCGC)</b>	<b>1,109.4</b>	<b>742.7</b>	<b>1,476.1</b>	<b>2,931.5</b>

<sup>1</sup> Conrad Albert left the Executive Board as of April 30, 2020. The termination of his employment contract also took effect on April 30, 2020.

<sup>2</sup> Includes lease payments for use of company car and insurance premiums (excluding D&O).

<sup>3</sup> Conrad Albert received a pro rata, non-performance-based amount of EUR 0.2 million as annual variable compensation (performance bonus) for financial year 2020, although this is not due to be paid out until the end of April 2021.

<sup>4</sup> An allocation under the 2020 Performance Share Plan was only made pro rata temporis for the period up to and including April 2020. The entitlement to an allocation for the period from May to December 2020 was satisfied in full with the severance payment.

<sup>5</sup> Pension cost comprises service costs in accordance with IAS 19. The pension cost relates to financial year 2020 as a whole.

**BENEFITS GRANTED** in EUR thousand

	<b>Dr. Jan Kemper<sup>1</sup></b> CFO and Executive Board Member Commerce (member of the Executive Board until March 31, 2019)			
	2020	2020 (min.)	2020 (max.)	2019
Fixed compensation	—	—	—	245.0
Fringe benefits <sup>2</sup>	—	—	—	9.5
<b>Total fixed compensation</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>254.5</b>
Annual variable compensation	—	—	—	—
Multi-year variable compensation				
Performance Share Plan (2019–2022)	—	—	—	—
<b>Total variable compensation</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>0.0</b>
Pension cost <sup>3</sup>	—	—	—	149.6
<b>Total compensation (GCGC)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>404.1</b>

<sup>1</sup> Dr. Jan Kemper left the Executive Board effective March 31, 2019; his employment contract also ended effective March 31, 2019. Dr. Jan Kemper's entitlement to the annual variable compensation (performance bonus) for financial year 2019 was satisfied in full with the severance payment. The fixed compensation and the fringe benefits shown relate to January to March 2019; the pension cost relates to financial year 2019 as a whole.

<sup>2</sup> Includes lease payments for use of company car and insurance premiums (excluding D&O). Dr. Jan Kemper's fringe benefits include additional benefits for flights home and the maintenance of two households.

<sup>3</sup> Pension cost comprises service costs in accordance with IAS 19.

**BENEFITS GRANTED** in EUR thousand

	<b>Sabine Eckhardt<sup>1</sup></b> Executive Board Member Sales & Marketing (member of the Executive Board until April 30, 2019)			
	2020	2020 (min.)	2020 (max.)	2019
Fixed compensation	—	—	—	270.0
Fringe benefits <sup>2</sup>	—	—	—	2.7
<b>Total fixed compensation</b>	—	—	—	<b>272.7</b>
Annual variable compensation	—	—	—	—
Multi-year variable compensation	—	—	—	—
Performance Share Plan (2019–2022)	—	—	—	—
<b>Total variable compensation</b>	—	—	—	<b>0.0</b>
Pension cost <sup>3</sup>	—	—	—	133.1
<b>Total compensation (CGGC)</b>	—	—	—	<b>405.8</b>

<sup>1</sup> Sabine Eckhardt left the Executive Board as of April 30, 2019. The termination of her employment contract also took effect on April 30, 2019. Sabine Eckhardt's entitlement to the annual variable compensation (performance bonus) for financial year 2019 was satisfied in full with the severance payment. The fixed compensation and the fringe benefits shown relate to January to April 2019; the pension cost relates to financial year 2019 as a whole.

<sup>2</sup> Includes lease payments for use of company car and insurance premiums (excluding D&O).

<sup>3</sup> Pension cost comprises service costs in accordance with IAS 19.

**BENEFITS GRANTED** in EUR thousand

	<b>Jan David Frouman<sup>1</sup></b> Executive Board Member (member of the Executive Board until February 28, 2019)			
	2020	2020 (min.)	2020 (max.)	2019
Fixed compensation	—	—	—	142.5
Fringe benefits <sup>2</sup>	—	—	—	2.1
<b>Total fixed compensation</b>	—	—	—	<b>144.6</b>
Annual variable compensation	—	—	—	66.7
Multi-year variable compensation	—	—	—	—
Performance Share Plan (2019–2022)	—	—	—	810.0
<b>Total variable compensation</b>	—	—	—	<b>876.7</b>
Pension cost <sup>3</sup>	—	—	—	139.1
<b>Total compensation (CGGC)</b>	—	—	—	<b>1,160.4</b>

<sup>1</sup> Jan David Frouman left the Executive Board effective February 28, 2019; his employment contract also ended effective February 28, 2019. Jan David Frouman received a pro rata, non-performance-based amount of EUR 66,667 as annual variable compensation (performance bonus) for financial year 2019. The allocation from the Performance Share Plan 2019 was vested at 2/12 upon his departure.

<sup>2</sup> Includes lease payments for use of company car and insurance premiums (excluding D&O).

<sup>3</sup> Pension cost comprises service costs in accordance with IAS 19.

For information on the termination agreements with Conrad Albert and Max Conze, please refer to → [“Notes on the compensation of departed Executive Board members”](#).

**RECEIPTS IN ACCORDANCE WITH THE GCGC 2017**

As the compensation granted to members of the Executive Board for the financial year is not always accompanied by a payment in the respective financial year, a separate table – in accordance with the previous recommendation of the GCGC 2017 – shows the amount received by members of the Executive Board for work performed in the financial year.

In line with the previous recommendations of the GCGC 2017, the fixed compensation and annual variable compensation must be recognized as receipts for the respective financial year. According to the GCGC 2017, share-based payment is considered to be received at the date and value relevant under German tax law.

Following the previous recommendations of the GCGC 2017, when disclosing receipts the pension cost in the sense of service cost according to IAS 19 equates to the contributions made, even though strictly speaking it is not an actual receipt.

**POST-CONTRACTUAL NON-COMPETITION CLAUSE**

A post-contractual non-competition clause was agreed for all Executive Board members covering one year following the termination of the employment contract. For information relating to agreements for departed Executive Board members, please refer to → [“Notes on the compensation of departed Executive Board members”](#).

If the post-contractual non-competition clause applies, Executive Board members receive a monthly waiting allowance for the duration of the post-contractual non-competition agreement, which in each case amounts to 1/12 of 75% of the annual compensation amount most recently received. In order to determine the waiting allowance, the sum of fixed compensation, the performance bonus and, if applicable, additional multi-annual compensation components that have been granted are to be regarded as annual compensation. This calculation assumes a target achievement of 100% and a modifier of 1 for the performance bonus and the allocated amount of multi-year compensation components or, if no annual allocation has been made, the pro rata allocated value attributable to one year of the plan term. Any income generated from work performed while the non-competition clause is in force is to be offset against in the waiting allowance – based on a one-year period – if it exceeds 50% of the annual compensation most recently obtained. The Company may waive the non-competition clause before the end of the agreement. In this case, the Executive Board member is entitled to a waiting allowance only for the period between the end of the agreement and the end of a six-month period after the waiver has been received. Sections 74 ff. of the German Commercial Code also apply accordingly.

**RECEIPTS** in EUR thousand

	<b>Rainer Beaujean</b> Chairman of the Executive Board & CFO (member of the Executive Board since July 1, 2019)		<b>Wolfgang Link<sup>6</sup></b> Member of the Executive Board & CEO Seven.One Entertainment Group (member of the Executive Board since March 26, 2020)		<b>Christine Scheffler<sup>6</sup></b> Member of the Executive Board & CHRO (member of the Executive Board since March 26, 2020)		<b>Max Conze<sup>7</sup></b> Chairman of the Executive Board (CEO) (member of the Executive Board until March 26, 2020)	
	2020	2019	2020	2019	2020	2019	2020	2019
Fixed compensation	1,295.0	490.0	600.0	—	480.0	—	612.5	1,470.0
Fringe benefits <sup>1</sup>	26.5	16.2	6.2	—	1.5	—	5.7	39.3
<b>Total fixed compensation</b>	<b>1,321.5</b>	<b>506.2</b>	<b>606.2</b>	<b>—</b>	<b>481.5</b>	<b>—</b>	<b>618.2</b>	<b>1,509.3</b>
Annual variable compensation	777.0	269.5	360.0	—	288.0	—	525.0	1,386.0
Multi-year variable compensation <sup>2</sup>								
Group Share Plan (2015–2018) <sup>3</sup>	—	—	—	—	—	—	—	—
Group Share Plan (2016–2019) <sup>4</sup>	—	—	—	—	—	—	—	—
<b>Total variable compensation</b>	<b>777.0</b>	<b>269.5</b>	<b>360.0</b>	<b>—</b>	<b>288.0</b>	<b>—</b>	<b>525.0</b>	<b>1,386.0</b>
Pension cost <sup>5</sup>	193.4	95.6	127.2	—	103.2	—	290.6	250.5
<b>Total compensation (GCGC)</b>	<b>2,291.9</b>	<b>871.3</b>	<b>1,093.4</b>	<b>—</b>	<b>872.7</b>	<b>—</b>	<b>1,433.8</b>	<b>3,145.8</b>

	<b>Conrad Albert<sup>8</sup></b> Deputy Chairman of the Executive Board, Group General Counsel (member of the Executive Board until April 30, 2020)		<b>Dr. Jan Kemper<sup>9</sup></b> CFO and Executive Board Member Commerce (member of the Executive Board until March 31, 2019)		<b>Sabine Eckhardt<sup>10</sup></b> Executive Board Member Sales & Marketing (member of the Executive Board until April 30, 2019)		<b>Jan David Frouman<sup>11</sup></b> Executive Board Member (member of the Executive Board until February 28, 2019)	
	2020	2019	2020	2019	2020	2019	2020	2019
Fixed compensation	366.7	1,100.0	—	245.0	—	270.0	—	142.5
Fringe benefits <sup>1</sup>	3.2	10.3	—	9.5	—	2.7	—	2.1
<b>Total fixed compensation</b>	<b>369.9</b>	<b>1,110.3</b>	<b>—</b>	<b>254.5</b>	<b>—</b>	<b>272.7</b>	<b>—</b>	<b>144.6</b>
Annual variable compensation	183.3	605.0	—	—	—	—	—	66.7
Multi-year variable compensation <sup>2</sup>								
Group Share Plan (2015–2018) <sup>3</sup>	—	221.2	—	—	—	—	—	—
Group Share Plan (2016–2019) <sup>4</sup>	233.1	—	—	—	—	—	—	—
<b>Total variable compensation</b>	<b>416.4</b>	<b>826.2</b>	<b>—</b>	<b>0.0</b>	<b>—</b>	<b>0.0</b>	<b>—</b>	<b>66.7</b>
Pension cost <sup>5</sup>	189.5	171.2	—	149.6	—	133.1	—	139.1
<b>Total compensation (GCGC)</b>	<b>975.8</b>	<b>2,107.7</b>	<b>—</b>	<b>404.1</b>	<b>—</b>	<b>405.8</b>	<b>—</b>	<b>350.4</b>

<sup>1</sup> Includes lease payments for use of company car and insurance premiums (excluding D&O). Rainer Beaujean's fringe benefits include additional benefits for flights home. The figures for financial year 2019 include additional benefits for flights home and relocation costs for Max Conze and for flights home and the maintenance of two households for Dr. Jan Kemper.

<sup>2</sup> In addition to compensation as a member of the Executive Board, Sabine Eckhardt was paid amounts from multi-year variable compensation in financial year 2019 due to rights from the period before commencing her work as an Executive Board member.

<sup>3</sup> The payment for the Group Share Plan 2015 includes an adjustment of the conversion factor for the performance share units granted (86%) measured in accordance with the terms and conditions of the plan with a share price as of the date the conversion factor was determined. No adjustments were made due to anti-dilution protection or an individual increase by the Supervisory Board.

<sup>4</sup> The payment for the Group Share Plan 2016 includes an adjustment of the conversion factor for the performance share units granted (84%) measured in accordance with the terms and conditions of the plan with a share price as of the date the conversion factor was determined. No adjustments were made due to anti-dilution protection or an individual increase by the Supervisory Board.

<sup>5</sup> Pension cost comprises service costs in accordance with IAS 19. In the case of Rainer Beaujean this comprises past service costs for 2019 and in the case of Wolfgang Link and Christine Scheffler for 2020 as a result of pension commitments granted during the year.

<sup>6</sup> Wolfgang Link and Christine Scheffler were appointed as members of the Executive Board effective March 26, 2020; their employment contracts came into force as of April 1, 2020.

<sup>7</sup> Max Conze left the Executive Board effective March 26, 2020; his employment contract ended effective May 31, 2020. Max Conze received a pro rata, non-performance-based amount of EUR 0.5 million as annual variable compensation (performance bonus) for financial year 2020. The pension cost relates to 2020 as a whole.

<sup>8</sup> Conrad Albert left the Executive Board as of April 30, 2020. The termination of his employment contract also took effect on April 30, 2020. Conrad Albert received a pro rata, non-performance-based amount of EUR 0.2 million as annual variable compensation (performance bonus) for financial year 2020, although this is not due to be paid out until the end of April 2021. The pension cost relates to 2020 as a whole.

<sup>9</sup> Dr. Jan Kemper left the Executive Board effective March 31, 2019; his employment contract also ended effective March 31, 2019. Dr. Jan Kemper's entitlement to the annual variable compensation (performance bonus) for financial year 2019 was satisfied in full with the severance payment. The pension cost relates to financial year 2019 as a whole.

<sup>10</sup> Sabine Eckhardt left the Executive Board as of April 30, 2019. The termination of her employment contract also took effect on April 30, 2019. Sabine Eckhardt's entitlement to the annual variable compensation (performance bonus) for financial year 2019 was satisfied in full with the severance payment. The pension cost relates to financial year 2019 as a whole.

<sup>11</sup> Jan David Frouman left the Executive Board effective February 28, 2019; his employment contract also ended effective February 28, 2019. Jan David Frouman received a pro rata, non-performance-based amount of EUR 66,667 as annual variable compensation (performance bonus) for financial year 2019.



The following table shows the net present value of compensation to be paid in connection with the post-contractual non-competition clause. This consists of the present value of the amounts that would be paid assuming that Executive Board members were to leave the Company at the end of the term of their respective current contracts and that the contractual benefits received immediately before the termination of their contracts equal their most recent annual compensation. It can be assumed that actual compensation resulting from the post-contractual non-competition clause will differ from the amounts presented in this table. This depends on the exact date on which the employment contract is terminated and the level of compensation received on this date.

#### **WAITING ALLOWANCE** in EUR thousand

	Duration of the contract	Net present value of the waiting allowance <sup>1</sup>
Rainer Beaujean	30/06/2022	2,629.9
Wolfgang Link	31/03/2023	1,501.7
Christine Scheffler	31/03/2023	1,201.3
<b>Total Group</b>		<b>5,332.9</b>

<sup>1</sup> The following discount rates according to IAS 19 were used for this calculation: Rainer Beaujean –0.12%, Wolfgang Link –0.05% and Christine Scheffler –0.05%.

#### **TOTAL COMPENSATION OF FORMER EXECUTIVE BOARD MEMBERS**

Total compensation of EUR 9.5 million was paid to former members of the Executive Board in financial year 2020 (previous year: EUR 9.1 million). This included the payment of 76,900 performance share units from the 2016 Group Share Plan in the amount of EUR 0.8 million (previous year: EUR 0.3 million) as well as the payments for Conrad Albert in connection with his departure in the amount of EUR 3.1 million and the corresponding payments for Max Conze of EUR 3.9 million, which were payable on the termination dates of April 30, 2020, and May 31, 2020, or were continued for the remaining term in the case of the contractual pension contributions or recognized as a provision in the case of the regulations on the Group Share Plan. In connection with his departure, it was agreed with Max Conze that his pension entitlements of EUR 0.9 million in total would be paid and therefore that all claims from the pension agreement would be settled. Both Conrad Albert and Max Conze agreed in their termination agreements that they could continue to use their company cars under the same conditions at the Company's expense until the end of December 31, 2020. The costs for the provision of company cars amount to EUR 0.01 million. In addition, pension benefits of EUR 0.8 million (previous year: EUR 1.9 million) were paid to former Executive Board members. As of December 31, 2020, pension provisions for former members of the Executive Board in accordance with IFRS amounted to EUR 27.9 million (previous year: EUR 26.6 million). The provisions for Conrad Albert and Max Conze are shown in the table on total compensation of the Executive Board under GAS 17.

#### **PROVISIONS FOR PENSIONS**

In financial year 2020, pension provisions for active and former Executive Board members in accordance with IFRS increased by EUR 1.5 million in total (previous year: EUR 2.8 million). EUR 0.7 million of this amount is attributable to current service costs (previous

year: EUR 0.8 million), EUR 0.3 million is attributable to interest expenses (previous year: EUR 0.4 million), minus EUR 0.8 million is attributable to pension payments (previous year: minus EUR 1.9 million), minus EUR 0.9 million is attributable to pension entitlement settlements (previous year: minus EUR 1.0 million), EUR 0.8 million is attributable to past service costs (previous year: EUR 0.2 million), EUR 0.2 million is attributable to settlement effects (previous year: EUR 0.3 million) and EUR 1.3 million is attributable to actuarial losses (previous year: actuarial losses of EUR 4.0 million). Past service costs include pension contributions of EUR 0.2 million for Executive Board members who were newly appointed in the period under review (previous year: EUR 0.1 million) and deferred compensation of EUR 0.5 million (previous year: EUR 0.1 million). As of December 31, 2020, pension provisions for active and former Executive Board members totaled EUR 32.4 million (previous year: EUR 30.8 million).

#### **D&O INSURANCE**

Executive Board members are covered by group liability insurance (D&O insurance). This D&O insurance covers the personal liability risk should Executive Board members be made liable for financial losses when exercising their professional functions for the Company. The insurance includes a deductible according to which an Executive Board member against whom a claim is made pays a total of at least 10% of the claim in each insured event, but not more than 150% of the respective fixed annual compensation for all insurance events in one insurance year, and thus meets the requirements of Section 93 (2) sentence 3 of the German Stock Corporation Act (AktG). The relevant figure for calculating the deductible is the fixed compensation in the calendar year in which the breach of duty occurred.

#### **COMPENSATION PAID TO THE SUPERVISORY BOARD**

##### **Structure and Components of Supervisory Board Compensation**

The Supervisory Board's compensation is determined in the articles of incorporation of the Company.

Members of the Supervisory Board receive fixed annual compensation for each full financial year of their membership of the Supervisory Board. The fixed compensation amounts to EUR 250,000 for the chairman of the Supervisory Board, EUR 150,000 for the vice chairman and EUR 100,000 for all other members of the Supervisory Board. The chairman of a Supervisory Board committee receives additional fixed annual compensation of EUR 30,000; the additional fixed annual compensation for the chairman of the Audit and Finance Committee amounts to EUR 50,000. Members of the Supervisory Board also receive fixed annual compensation of EUR 7,500 for membership in a Supervisory Board committee. In addition, members of the Supervisory Board receive a meeting honorarium of EUR 2,000 for each meeting attended in person. For the chairman of the Supervisory Board, the meeting honorarium amounts to EUR 3,000 for each meeting attended in person. If multiple meetings are held on one day, the meeting honorarium is paid only once. No performance-based variable compensation is granted.

The current members of the Supervisory Board have declared to the Supervisory Board that they voluntarily undertake to each use 20% of their fixed compensation granted on a yearly basis in accordance with article 14 (1) and (2) of the articles of incorporation (before deduction of taxes) in order to purchase shares in ProSiebenSat.1 Media SE every year, and to hold these for a period of four years which, however, shall not exceed the duration of their membership on the Supervisory Board of ProSiebenSat.1 Media SE; if they are re-elected, the obligation to hold these shares shall apply to their individual terms of office. With this self-commitment to invest in and hold ProSiebenSat.1 shares, the members of the Supervisory Board want to underline their interest in the long-term, sustainable success of the Company.

The Supervisory Board members received the following compensation for financial year 2020:

In addition to this fixed annual compensation and meeting honoraria, the members of the Supervisory Board were reimbursed for all out-of-pocket expenses and value-added tax levied on their compensation and out-of-pocket expenses.

D&O insurance covers the personal liability risk should Board members be made liable for financial losses when exercising their functions. No deductible has been agreed for members of the Supervisory Board.

Compensation or benefits for services rendered in person, in particular for advisory and agency services, were not granted to Supervisory Board members in financial year 2020. The Company has granted no loans to members of the Supervisory Board.

### COMPENSATION PAID TO THE SUPERVISORY BOARD FOR THE FINANCIAL YEAR 2020 in EUR thousand

		Fixed basic compensation	Presiding Committee compensation	Audit and Finance Committee compensation	Compensation Committee compensation	Meeting honorarium for personal attendance	Total
Dr. Werner Brandt Chairman	2020	250.0	30.0	0.0	30.0	69.0	379.0
	2019	250.0	30.0	0.0	30.0	66.0	376.0
Dr. Marion Helmes Vice Chairwoman	2020	150.0	30.0	7.5	7.5	46.0	241.0
	2019	150.0	30.0	7.5	7.5	42.0	237.0
Lawrence A. Aidem	2020	100.0	7.5	0.0	5.6	32.0	145.1
	2019	100.0	7.5	0.0	0.0	28.0	135.5
Adam Cahan	2020	100.0	0.0	0.0	0.0	24.0	124.0
	2019	100.0	0.0	0.0	0.0	24.0	124.0
Angelika Gifford <sup>1</sup>	2020	3.6	0.0	2.7	2.7	0.0	4.1
	2019	100.0	0.0	7.5	7.5	38.0	153.0
Erik Adrianus Hubertus Huggers	2020	100.0	0.0	0.0	0.0	26.0	126.0
	2019	100.0	0.0	0.0	0.0	24.0	124.0
Marjorie Kaplan	2020	100.0	7.5	0.0	0.0	26.0	133.5
	2019	100.0	4.2	0.0	0.0	26.0	130.2
Dr. Antonella Mei-Pochtler <sup>2</sup>	2020	71.6	4.2	4.2	0.0	20.0	100.0
	2019	—	—	—	—	—	—
Ketan Mehta	2020	100.0	7.5	0.0	0.0	28.0	135.5
	2019	100.0	7.5	0.0	0.0	32.0	139.5
Prof. Dr. Rolf Nonnenmacher	2020	100.0	0.0	50.0	7.5	46.0	203.5
	2019	100.0	0.0	50.0	7.5	42.0	199.5
<b>Total</b>	2020	<b>1,075.2</b>	<b>86.7</b>	<b>61.9</b>	<b>50.9</b>	<b>317.0</b>	<b>1,591.7</b>
	2019	1,100.0	79.2	65.0	52.5	322.0	1,618.7

<sup>1</sup> Member of the Supervisory Board until January 13, 2020.

<sup>2</sup> Member of the Supervisory Board since April 13, 2020.