

# TO OUR SHAREHOLDERS



16	REPORT OF THE SUPERVISORY BOARD
25	MEMBERS OF THE SUPERVISORY BOARD
26	MEMBERS OF THE EXECUTIVE BOARD
27	MANAGEMENT DECLARATION
35	SUSTAINABILITY
50	COMPENSATION REPORT
68	TAKEOVER-RELATED DISCLOSURES
71	PROSIEBENSAT.1 MEDIA SE SHARE

# REPORT OF THE SUPERVISORY BOARD

## Dear Shareholders,

2020 was marked globally by the COVID-19 pandemic. And for ProSiebenSat.1, it was also a particularly challenging year. As an early cycle company, the economic headwind impacted the financial results and the share price, particularly in the first half of the year. But it is especially in difficult times when it becomes apparent how firmly a company is positioned and how flexibly it can react. Towards the end of the year, ProSiebenSat.1 again saw a clear improvement in revenues and earnings in comparison to the second quarter which was very much impacted by the pandemic. In this context, the Group not only reached, but even noticeably exceeded, the revised financial targets it had announced to the end of the third quarter.

We would like to express our thanks to the new Executive Board, which has been consisting of Rainer Beaujean, Wolfgang Link and Christine Scheffler since the end of March 2020. They steered the Group successfully through the COVID-19 pandemic and, as a team, also set an important course for the future of the Company. As a result, in 2020, ProSiebenSat.1 not only implemented strict cost and cash flow management, but the Group also made good progress with forward-looking portfolio measures. The Supervisory Board expressly supports this approach.

For example, with the ParshipMeet Group, ProSiebenSat.1 has a positioning in a highly profitable market, and has thus created a driver for future growth and diversification. In the Entertainment business, the Group is focused on the markets of Germany, Austria and Switzerland, also in close cooperation with Red Arrow Studios and the digital studio Studio71. In this way, ProSiebenSat.1 Group is strengthening its offer of local content, which can be better monetarized in sales. With a profitable Entertainment portfolio, ProSiebenSat.1 provides a basis to enable other divisions such as ParshipMeet Group or NuCom Group, areas in which substantial synergies are leveraged.

The Group's strategy, based on diversification and digitalization has proved itself, particularly in a difficult business environment. At the same time, it is focusing even more strongly on profitability and synergies within the Company. In the process, ProSiebenSat.1 Group regularly analyzes its portfolio in terms of possible growth and synergy potential. The aim is to further develop the value of companies that profit from advertising on the Group's entertainment platforms. Part of this portfolio strategy is to sell companies if the Group is no longer the right owner.

## COOPERATION BETWEEN THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD

We, the Supervisory Board of ProSiebenSat.1 Media SE, provide the Executive Board with comprehensive advice and ongoing support. In financial year 2020, the Supervisory Board again performed the tasks required of it by law, the Company's articles of incorporation, and the rules of procedure, taking into account the recommendations of the German Corporate Governance Code (Deutscher Corporate Governance Kodex).

In financial year 2020, the Supervisory Board regularly advised the Executive Board on its management of the Company in a spirit of close and trusting cooperation, and diligently and continuously oversaw the Executive Board in conducting the Company's business. Our work included a detailed examination of the Group's operating and strategic performance. The Supervisory Board received regular, prompt, and comprehensive information from the Executive Board regarding all issues relevant to the Company's strategy, planning, business performance, risk situation, risk management, and compliance, both at the Supervisory Board meetings and outside of meetings. The Executive Board explained to the Supervisory Board all deviations from the projected figures in detail and consulted with the Supervisory Board in that regard. We were therefore directly involved in all decisions of fundamental importance to the Company at an early stage.

The Supervisory Board meetings were characterized by an open, in-depth exchange between the Supervisory Board and Executive Board. Closed sessions, in which the members of the Supervisory Board meet without the Executive Board being present, are also an integral part of the meetings. Wherever specific actions required the consent of the Supervisory Board or one of its committees pursuant to the law, the articles of incorporation, or the rules of procedure, we consulted on the matter and adopted the requisite resolution. We were kept consistently and comprehensively informed of all matters requiring our approval, and the associated draft resolutions were promptly submitted for review by the Executive Board. The Supervisory Board was supported in this process by the competent Board committees, and it also discussed the proposals with the Executive Board.

In addition to the Supervisory Board meetings, the Executive Board kept us updated on the Company's key financial indicators in written monthly reports and also provided us with both financial information prepared during the financial year and annual financial information and reports. Information on events of significance was provided without delay also outside of meetings and the regular reporting process and, where necessary, we were asked to adopt resolutions by circular vote in consultation with myself as the Chairman of the Supervisory Board. In addition, I maintained an ongoing and close one-on-one dialog with the Chairman of the Executive Board, and, where necessary, also with the other Executive Board members.

Based on the reports submitted by the Executive Board, the Supervisory Board stayed up to date on the Company's situation at all times, was directly involved in upcoming decisions at an early stage, and was therefore able to perform its tasks in their entirety. There was hence no need for the Supervisory Board to examine the Company's books and other records beyond the documentation provided to us in the course of the Executive Board's reporting activities.

## FOCAL POINTS OF THE SUPERVISORY BOARD'S ADVISORY AND MONITORING ACTIVITIES

In financial year 2020, the Supervisory Board dealt with the Company's business and financial situation, fundamental questions of corporate policy and strategy, the general personnel situation, and specific investment projects – of course taking into account the COVID-19 pandemic and its implications. The Executive Board team coordinated at length with the Supervisory Board on all areas of the strategic alignment.

All in all, the Supervisory Board of ProSiebenSat.1 Media SE held six regular meetings and seven extraordinary meetings in 2020. Due to the COVID-19 pandemic, all meetings took place as videoconference sessions or by phone. With one exception, all members of the Supervisory Board attended all meetings. The table below provides an overview on meeting participation:

### INDIVIDUAL BREAKDOWN OF MEETING PARTICIPATION IN FINANCIAL YEAR 2020

	Plenary Supervisory Board Regular meetings	Plenary Supervisory Board Extraordinary meetings	Audit and Finance Committee	Compensation Committee	Capital Markets Committee
<b>Dr. Werner Brandt, Chairman</b>	6/6	7/7	6/6	4/4	1/1
<b>Dr. Marion Helmes, Vice Chairwoman</b>	6/6	7/7	6/6	4/4	1/1
<b>Lawrence Aidem</b>	6/6	7/7	—	3/3	—
<b>Adam Cahan</b>	5/6	7/7	—	—	—
<b>Angelika Gifford</b> (May 21, 2015 to January 13, 2020)	0/0	0/0	—	0/0	—
<b>Erik Adrianus Hubertus Huggers</b>	6/6	7/7	—	—	—
<b>Marjorie Kaplan</b>	6/6	7/7	—	—	—
<b>Ketan Mehta</b>	6/6	7/7	—	—	1/1
<b>Dr. Antonella Mei-Pochtler</b> (since April 13, 2020)	5/5	1/1	4/4	—	—
<b>Prof. Dr. Rolf Nonnenmacher</b>	6/6	7/7	6/6	4/4	1/1



Key topics of the individual meetings in 2020 were:

- In an extraordinary meeting on February 3, 2020, the Supervisory Board was given comprehensive information on the financial performance expected at the end of financial year 2019 and in the first quarter of financial year 2020, from which the outlines of the initial slightly negative trend as a result of the pandemic could be seen. We received an insight into strategic targets and measures determined for the Executive Board and the management for 2020. In addition, we were informed about the status of potential acquisitions and the sale of Red Arrow Studios which was considered at the time, but not realized. Christine Scheffler also informed us about personnel changes.

At the beginning of the year, Angelika Gifford informed me about a conflict of interest resulting for the exercise of her new activity. As a result, she resigned her mandate as member of the Supervisory Board of ProSiebenSat.1 Media SE with effect from January 13, 2020. In this extraordinary meeting, the Supervisory Board discussed the succession plan for Angelika Gifford and evaluated potential candidates.

- On February 27, 2020, there was a further extraordinary meeting in which we discussed extensively the planned acquisition of The Meet Group by Parship Group.
- At the financial statements meeting held on March 4, 2020, the Supervisory Board approved the Annual and Consolidated Financial Statements, the Management Report and Group Management Report, the Corporate Governance Report, the Report of the Supervisory Board and the Compensation Report for financial year 2019. With regard to the recommendation of the Audit and Finance Committee, the Supervisory Board also decided to propose the audit firm Ernst & Young GmbH

(Ernst & Young) Wirtschaftsprüfungsgesellschaft, with its registered office in Stuttgart, for election as the statutory auditor for the financial year 2020 and for the period until the next Annual General Meeting in 2021. We also approved the other agenda items for the Annual General Meeting on June 10, 2020, with the corresponding proposed resolutions, which the Audit and Finance Committee had extensively prepared in advance.

The Supervisory Board also followed the recommendations of the Compensation Committee and approved topics relating to the Executive Board, i.e. the payment of the performance bonus for financial year 2019 and the target achievement for the 2019 Performance Share Plan and for the 2016/2017 Group Share Plan.

At the financial statements meeting we also received a detailed overview on the current development of the Company and the financial implications of the start to the COVID-19 pandemic. In addition, the Supervisory Board dealt extensively with the planned acquisition of The Meet Group by Parship Group. Combining the two successful and complementary companies creates a leading global player in the dating market. In the meeting, we approved the takeover offer. The closed session of the Supervisory Board also took place on March 4, 2020.

- In two extraordinary meetings, which took place on March 10 and March 12, 2020, we dealt with the departure of Conrad Albert as Deputy CEO and General Counsel.
- In a further extraordinary meeting on March 26, 2020, the Supervisory Board dealt with the new lineup of the Executive Board and decided to transfer to Rainer Beaujean, in addition to his function as CFO, the Chairman of the Executive Board role and to appoint Wolfgang Link and Christine Scheffler to the Executive Board. The Supervisory Board also resolved to remove Max Conze as the Company's CEO.

With the new lineup of the Executive Board, ProSiebenSat.1 Group has returned the primary focus of its operating business to the Entertainment sector in the German-speaking region (Germany, Austria and Switzerland). The main emphasis is on local and live formats, in close cooperation with Red Arrow Studios and the digital studio Studio71.

- In an extraordinary meeting on April 6, 2020, the Supervisory Board dealt with the further increase in the share of voting rights held by Mediaset Group, which joined the Company as shareholder in May 2019, on March 30, 2020. In this meeting, the Supervisory Board also received a provisional outlook on business performance in the first quarter of 2020, particularly in respect to the potential business consequences of the COVID-19 pandemic. In addition, we were informed by the Executive Board that as a result of the pandemic an examination was taking place as to whether to postpone the Annual General Meeting planned for June 10, 2020. Furthermore, we announced the court appointment of Dr. Antonella Mei-Pochtler as new member of the Supervisory Board with effect from April 13, 2020.
- In an extraordinary meeting on April 22, 2020, the Supervisory Board followed the proposal of the Executive Board and resolved to hold this year's Annual General Meeting as planned on June 10, 2020 – but due to the pandemic on a virtual basis and without the physical presence of shareholders or their proxies. In doing so, the Company utilized the option which the German legislator had introduced on a temporary basis as a result of the COVID-19 pandemic. The Supervisory Board also resolved to concur with the Executive Board's proposal for the allocation of profits and to carry forward the full amount of the balance sheet profits to the new accounting period. Moreover, we welcomed Dr. Antonella Mei-Pochtler as a new member in the Supervisory Board of ProSiebenSat.1 Media SE.

In the subsequent closed session, the Supervisory Board thoroughly reviewed its performance on the basis of a detailed list of questions. The review extended primarily to the Supervisory Board's view of its mission, the organization of its activities, the independence of its members, the handling of potential conflicts of interest, and the composition of its committees.

- In our regular meeting on June 9, 2020, we were given a detailed report on issues relevant to the capital market and on the anticipated financial business performance in the second quarter of 2020. In this context the Executive Board informed us in detail on the planned strategic alignment of the

Group and its segments, also in the context of the COVID-19 pandemic. Furthermore, we obtained an insight into the strategic development of the Group and the individual segments. In this meeting we also approved the acquisition of the free-TV live rights package for the Bundesliga valid for four seasons. From the summer of 2021, nine games per season will be shown on free-TV in SAT.1 and on the relevant digital platforms. In addition, Dr. Antonella Mei-Pochtler was elected to the Presiding and Nomination Committee and to the Audit and Finance Committee.

- In the Annual General Meeting on June 10, 2020, the new Executive Board team – Rainer Beaujean, Wolfgang Link and Christine Scheffler – presented itself to the shareholders. In addition, Dr. Antonella Mei-Pochtler, proposed as new member of the Supervisory Board to the Annual General Meeting, also presented herself personally to the audience.

The Annual General Meeting agreed to the Executive Board's and Supervisory Board's proposal to carry forward the full amount of the balance sheet profits to the new accounting period and thus to suspend the dividend for the financial year 2019. At the same time, the Group confirmed its current dividend policy in principle. By a clear majority, the Annual General Meeting also elected Dr. Antonella Mei-Pochtler as member of the Supervisory Board. In addition, the Annual General Meeting granted discharge to the Executive Board and Supervisory Board for financial year 2019 by a clear majority. All other proposed resolutions were also adopted with a majority of over 90 percent.

- In a regular Supervisory Board meeting on September 9, 2020, the Executive Board provided an outlook for the third quarter of 2020 and informed us about the Group's business performance to the present date. We were also informed about the expected market situation in financial year 2021. We were provided with an extensive report on the strategy of the Group and its individual segments, which we discussed in detail with the Executive Board. Particularly the topics of digital strategy and its monetarization by extending reach were discussed in more detail. A comprehensive report on the Company's sustainability strategy was provided.
- At our regular Supervisory Board meeting on December 9, 2020, the Supervisory Board approved the 2021 budget for ProSiebenSat.1 Group, which had been presented and explained to us in detail. Furthermore, the Supervisory Board acknowledged and approved the multi-year plan and the strategic alignment. We were informed in full detail about the economic performance of the key business areas. At this meeting, we also approved the financial targets in the context of variable compensation for the Executive Board members for financial year 2021 as well as the annual Declaration of Compliance. At this meeting, we were informed that the random sampling by the German Financial Reporting Enforcement Panel (FREP) of the Consolidated Financial Statements of the Company as of December 31, 2019 including the Group Management Report and the Annual Financial Statements of the Company as of December 31, 2019 including Management Report did not result in any findings. In the closed session on the previous day, we had extensively discussed and prepared for this meeting.

In addition, the Supervisory Board – after extensive discussion at the regular Supervisory Board meetings – adopted eight resolutions by way of written circular vote in 2020, including the Executive Board's proposal to supplement the Supervisory Board on the basis of the court appointment of Dr. Antonella Mei-Pochtler and the targets of the Executive Board in respect to the components of its short-term incentives (STI) for 2020. Also, by way of written circular vote we approved the disposal of the Virtual Minds subsidiary, myLoc managed IT AG to the Italian cloud provider WIIT S.p.A. and approved the sale of WindStar Medical Holding by NuCom Group to the financial investor Oakley Capital. With these measures, the Group continued its active portfolio management strategy.

## REPORT ON THE WORK OF THE COMMITTEES

The Supervisory Board of the Company has formed various committees to support it in its work. In 2020, the Board had four committees to ensure efficient execution of its duties: the Presiding and Nominating Committee, the Compensation Committee, the Audit and Finance Committee, and the Capital Markets Committee. The committees reported to the Supervisory Board regularly and comprehensively on their activities in its plenary sessions. The main emphases of the committees' work are described below.



The **Presiding and Nominating Committee** coordinates the work of the Supervisory Board and prepares its meetings. In addition, it is responsible for the tasks of a nominating committee in accordance with the German Corporate Governance Code and adopts resolutions that have been delegated to it under the Supervisory Board's rules of procedure. This includes examining license agreements, distribution agreements, and sales agreements. The committee did not meet in 2020, but passed a total of five resolutions by way of circular vote, including extending the contract on "Germany's next Topmodel" with Heidi Klum, the successful acquisition of rights for the Formula E and contract extensions with the most important media agencies.

The **Compensation Committee** prepares resolutions on personnel-related Executive Board matters for plenary sessions of the Supervisory Board. In 2020, the committee held four meetings by teleconference and passed three resolutions by way of circular vote. At an initial meeting on February 8, 2020, the committee dealt with the provisional target achievement of Executive Board members under the 2016/2017 Group Share Plan and the 2018 and 2019 Performance Share Plan as well as the provisional individual degrees of target achievement for the 2019 performance bonus. In addition, together with the members of the committee, the performance bonus targets for the individual Executive Board members for financial year 2020 were discussed and a corresponding recommendation to the Supervisory Board was approved. Also approved was the draft of the 2019 Compensation Report for approval by the Supervisory Board.

In additional meetings, the Compensation Committee dealt intensively with possible adjustments to the compensation system for members of the Executive Board in response to the requirements of the German Act for the Implementation of the Second Shareholder Rights Directive (ARUG II). These meetings took place on September 7, 2020, on November 2, 2020 and on December 2, 2020.

The **Audit and Finance Committee** reviewed the Annual Financial Statements and the Consolidated Financial Statements, the Management Report and the Group Management Report, and the proposal for the allocation of profits in preparation for the Supervisory Board, discussing in particular depth the audit report and the auditor's verbal report on the main findings of the audit. The Audit and Finance Committee did not find any grounds for objections in its reviews of the Annual and Consolidated Financial Statements. In addition, the Audit and Finance Committee discussed the quarterly statements and the Half-Year Financial Report with the Executive Board prior to their publication, taking into account the auditor's report on the audit review. It is also the Audit and Finance Committee's task to prepare the Supervisory Board's review of the Company's non-financial reporting.

In the period under review, monitoring of the financial reporting focused on the potential impairment of goodwill and other intangible assets, the measurement of programming assets, accounting for acquisitions of companies and shareholdings, revenue recognition, hedge accounting, accounting for financial liabilities, progress of ongoing tax audits, and income taxes.

The Audit and Finance Committee monitored the accounting process and the effectiveness of the internal control system and the risk management system, also referring to the corresponding reports by the head of Internal Audit and the auditor. No significant weaknesses in the internal control system for the accounting process or in the early risk detection system were identified by the auditor.

In addition, the Audit and Finance Committee handled the preparation of the Supervisory Board's proposal for the appointment of the auditor for financial year 2020 by the Annual General Meeting, the engagement of the auditor, and the fee agreement with the auditor. It monitored the effectiveness of the audit of the financial statements and the independence of the auditor, as well as the services performed by the auditor in addition to auditing services. The Audit and Finance Committee submitted the Supervisory Board an appropriate recommendation to elect the audit firm Ernst & Young as auditor for financial year 2020 and for the period to the regular Annual General Meeting in 2021. In a meeting on December 14, 2020, the Audit and Finance Committee resolved to put to tender the statutory audit for financial year 2021. The Audit and Finance Committee continuously engaged in dialog with the auditor regarding the main audit risks and the required focus of the audit of the financial statements. It established an internal regulation on services by the auditor that are not related to the audit of the financial statements ("non-audit services") and ensured that the auditor and the Executive Board informed it at each meeting about corresponding contracts and the fees incurred in this context, which it approved.

In addition, the Audit and Finance Committee was regularly informed about the further development of the compliance management system, the handling of suspected compliance incidents, legal and regulatory risks, and the risk situation, risk identification, and risk monitoring at the Company. There were also regular reports on the risk assessment by the Internal Audit department, its resources, and audit planning.

The Executive Board regularly informed the Audit and Finance Committee of the status of various activities to finance and secure liquidity for the Company. The heads of the responsible departments also attended the Audit and Finance Committee's meetings for selected items of the agenda, providing reports and answering questions. In addition, the Chairman of the Audit and Finance Committee held discussions on important individual topics between the meetings, particularly with the Chairman of the Supervisory Board, the Chairman of the Executive Board & CFO, and the auditor. The main results of these discussions were regularly reported to the Audit and Finance Committee, as well as to the Supervisory Board where necessary.

In the reporting year, the Committee met six times in the presence of the Chairman of the Executive Board & CFO Rainer Beaujean and the statutory auditor. I attended all meetings as a guest. In financial year 2020, the Audit and Finance Committee adopted no resolutions by way of a circular vote.

The **Capital Markets Committee** has the authority to decide instead of the full Supervisory Board on whether to approve the use of the Company's Authorized Capital, to authorize the issue of conversion and/or option rights, to authorize the acquisition and use of treasury shares and/or the use of derivatives when acquiring treasury shares as well as on the associated measures in each case. In financial year 2020, there was one meeting of the Capital Markets Committee. This meeting dealt with the current economic situation of the Group.

## AUDIT OF THE ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2020

The Annual and Consolidated Financial Statements of ProSiebenSat.1 Media SE and the Management Report and Group Management Report for financial year 2020 were audited by the audit firm Ernst & Young, with its registered office in Stuttgart, and were issued an unqualified audit report on February 25, 2021.

All documents relating to the Financial Statements, the Risk Report, and the Ernst & Young audit reports were made available to the members of the Supervisory Board in due time and were subjected to a thorough review by us.

Another subject discussed was the Combined Separate Non-Financial Report which was discussed in the presence of the auditors, first at a meeting of the Audit and Finance Committee and then at a meeting of the Supervisory Board. At those meetings, the auditor reported on its significant audit findings. No accounting-related deficiencies were identified in either the internal control system or the risk management system, nor did any circumstances arise that could give cause for concern about the independence of the auditors.

The Supervisory Board acknowledged and approved the auditor's findings and, after completing its own examination, found no cause for objection on its part either. The Supervisory Board also approved the Annual and Consolidated Financial Statements prepared by the Executive Board and audited by the auditor as well as the Management Report and Group Management Report. The Annual Financial Statements are thus adopted. Finally, the Supervisory Board reviewed and concurred with the Executive Board's proposal for the allocation of profits.

In accordance with section 111(2) sentence 4 of the German Stock Corporation Act (Aktiengesetz – AktG), the Supervisory Board commissioned an external review of the content of the Combined Separate Non-Financial Report from Ernst & Young. Ernst & Young issued an unqualified audit opinion in this regard. This means that, according to the assessment by Ernst & Young, the Combined Separate Non-Financial Report of ProSiebenSat.1 Media SE was prepared in compliance with sections 315b and 315c in conjunction with sections 289b to 289e of the German Commercial Code in all material



respects. In its review, which was also based on the Audit and Finance Committee's report on its preparatory review and its recommendation and the review of Ernst & Young's report and its audit opinion, the Supervisory Board likewise did not identify any reasons to doubt the correctness and appropriateness of the Combined Separate Non-Financial Report.

## CONFLICTS OF INTEREST

The members of the Supervisory Board are required to disclose to the Presiding and Nominating Committee possible conflicts of interest without delay. In financial year 2020, due to one member of the Supervisory Board simultaneously having seats on corporate bodies of competitors or business partners of ProSiebenSat.1 Media SE, there was the following indications of a conflict of interest:

- Dr. Antonella Mei-Pochtler is a member of the Supervisory Board of Publicis Groupe SA (Paris, France) which is a customer of Seven.One Media GmbH. She did not participate in the resolution in the context of the contract extensions with the most important media agencies which was passed by way of circular vote.

Otherwise there were no indications for a conflict of interest.

## CORPORATE GOVERNANCE

Executive Board and Supervisory Board report on corporate governance in the form of the Management Declaration pursuant to sections 289f and 315d of the German Commercial Code which can be found online under → [www.prosiebensat1.com/en/investor-relations/corporate-governance/corporate-governance](http://www.prosiebensat1.com/en/investor-relations/corporate-governance/corporate-governance) or in the Annual Report. In accordance with the changed recommendation of the German Corporate Governance Code, no separate Corporate Governance Report was prepared for the financial year; the relevant information is now to be found in the Management Declaration.

The members of the Supervisory Board independently took the training measures necessary for their tasks. New Supervisory Board members receive a comprehensive induction. In doing so they have the opportunity to meet members of the Executive Board and specialist executives for a bilateral exchange on fundamental and current topics of the respective Executive Board responsibilities, thus obtaining an overview of the relevant topics of the Company and the governance structure.

## CHANGES IN THE COMPOSITION OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD

On March 13, 2020, the Company announced that Conrad Albert, Deputy CEO and General Counsel of ProSiebenSat.1 Media SE, would resign his Executive Board post by mutual agreement as of the end of April 30, 2020, and leave the Company on this date.

On March 26, 2020, the Supervisory Board of ProSiebenSat.1 Media SE resolved that CFO Rainer Beaujean would also take on the role of Chairman of the Executive Board and CEO Max Conze would leave the company with immediate effect. Wolfgang Link and Christine Scheffler were appointed to the Executive Board. In the reorganized Executive Board team, Rainer Beaujean is responsible for Strategy & M&A, Red Arrow Studios, NuCom Group and the newly created ParshipMeet Group as well as all financial functions and the holding divisions IT, Communications, Investor Relations, Legal, Governmental Affairs and Group Security. Wolfgang Link is responsible for the Entertainment business, which includes all areas from content and digital to sales and the streaming business with the platform Joyn. Christine Scheffler heads the Human Resources, Compliance, Sustainability and Organizational Development & Operational Excellence departments.

To integrate content, digital and sales businesses even closer together, thus offering viewers content across all platforms and media, the Entertainment activities of ProSiebenSat.1 Media SE are managed together under the umbrella brand Seven.One Entertainment Group. At the same time, the Group is strengthening its news expertise and from 2023 is planning to produce its news broadcasts itself. To do this, ProSiebenSat.1 is establishing a central news editorial team for its platforms.

In conjunction with the consistent restructuring of the Group in line with synergies and value creation, ProSiebenSat.1 is taking a further step. As of January 1, 2021, the Red Arrow Studios' production and distribution business and the digital studio Studio71 are being integrated into the Entertainment segment (previously: Seven.One Entertainment Group). ProSiebenSat.1 thus recognizes the strategic affinity of the two businesses. NuCom Group remains an important pillar. Together with the SevenVentures investment arm, from the financial year 2021 it constitutes the Commerce & Ventures segment. Together with ParshipMeet Group (from January 1, 2021: Dating segment), this reinforces the Group's diversification.

There were also personnel changes in the Supervisory Board in financial year 2020. With effect from April 13, 2020, on the basis of a court order, Dr. Antonella Mei-Pochtler became a member of the Supervisory Board of ProSiebenSat.1 Media SE until the end of the Annual General Meeting on June 10, 2020. A clear majority of the shareholders then elected her as Supervisory Board member at the Annual General Meeting on June 10, 2020. She succeeds Angelika Gifford, who resigned on January 13, 2020. Dr. Antonella Mei-Pochtler is an independent entrepreneur as well as senior advisor at the Boston Consulting Group and special advisor to the Austrian Chancellor. She has extensive experience as well as a global network in the areas of strategy, media and digital transformation.

## THANK YOU FROM THE SUPERVISORY BOARD

I would like to give a warm welcome to Dr. Antonella Mei-Pochtler and thank Angelika Gifford, who closely accompanied the Company as Supervisory Board member and who left the Supervisory Board last year.

On behalf of my Supervisory Board colleagues, I would like to thank the Executive Board in office – Rainer Beaujean, Wolfgang Link and Christine Scheffler have done outstanding work and guided ProSiebenSat.1 sovereign through the COVID-19 pandemic. Likewise, my special thanks go to all employees. In a very challenging year, against the backdrop of the pandemic everyone showed extraordinary commitment and as a result of their outstanding performance managed not only to secure, but to advance the Group's business.

In conclusion, I would like to convey our thanks to you, our esteemed shareholders, for your confidence in the Company and in the company stock of ProSiebenSat.1. 2020 was a year which presented us all with new challenges. But it was also a year in which the Group's strategic alignment showed its viability for the future. At the same time, ProSiebenSat.1 positioned itself to be even more synergistic, diversified and focused. In general, the reinforced focus of the Group on earnings is the foundation for improving cash flow, the ability to pay dividends, and leverage in a sustainable manner. We would be pleased if you, dear shareholders, continued to accompany ProSiebenSat.1 on this path.

**Unterföhring, March 2021**

**On behalf of the Supervisory Board**



**DR. WERNER BRANDT**  
CHAIRMAN OF THE SUPERVISORY BOARD

# MEMBERS OF THE SUPERVISORY BOARD

## MEMBERS OF THE SUPERVISORY BOARD OF PROSIEBENSAT.1 MEDIA SE AND THEIR MANDATES ON OTHER SUPERVISORY BOARDS<sup>1</sup>

Dr. Werner Brandt, Chairman	Member of the Supervisory Board of ProSiebenSat.1 Media AG since June 26, 2014/of ProSiebenSat.1 Media SE since May 21, 2015 Chairman of the Supervisory Board of RWE AG	Domestic Mandates: RWE AG, Essen, Siemens AG, Berlin/Munich
Dr. Marion Helmes, Vice Chairwoman	Member of the Supervisory Board of ProSiebenSat.1 Media AG since June 26, 2014/of ProSiebenSat.1 Media SE since May 21, 2015 Member in various Supervisory Boards	Domestic Mandates: Siemens Healthineers AG, Erlangen  Foreign Mandates: British American Tobacco p.l.c., London, United Kingdom, Heineken N.V., Amsterdam, Netherlands
Lawrence A. Aidem	Member of the Supervisory Board of ProSiebenSat.1 Media AG since June 26, 2014/of ProSiebenSat.1 Media SE since May 21, 2015 Reverb Advisors (Managing Partner)	Mandates: none
Adam Cahan	Member of the Supervisory Board of ProSiebenSat.1 Media AG since June 26, 2014/of ProSiebenSat.1 Media SE since May 21, 2015 Independent entrepreneur	Mandates: none
Angelika Gifford	Member of the Supervisory Board of ProSiebenSat.1 Media AG/of ProSiebenSat.1 Media SE from May 21, 2015 until January 13, 2020 Member of various supervisory boards	Domestic Mandates: TUI AG, Berlin/Hanover, Thyssenkrupp AG, Essen  Foreign Mandate: Rothschild & Co. S.C.A, Paris, France
Erik Adrianus Hubertus Huggers	Member of the Supervisory Board of ProSiebenSat.1 Media AG since June 26, 2014/of ProSiebenSat.1 Media SE since May 21, 2015 Independent entrepreneur	Foreign Mandate: WeTransfer B.V., Amsterdam, Netherlands
Marjorie Kaplan	Member of the Supervisory Board of ProSiebenSat.1 Media SE since May 16, 2018 Merryck & Co (Consultant & Mentor)	Foreign Mandate: ArtBnk, LLC, Newmarket, New Hampshire, USA
Ketan Mehta	Member of the Supervisory Board of ProSiebenSat.1 Media SE since November 24, 2015 Allen & Company LLC (Managing Director)	Mandates: none
Dr. Antonella Mei-Pochtler	Member of the Supervisory Board of ProSiebenSat.1 Media SE since June 13, 2020 Special advisor to the Federal Chancellor of Austria and head of ThinkAustria, the strategic and planning unit of the Austrian Federal Chancellery, Vienna, Austria	Domestic Mandates: Westwing Group AG, Munich  Foreign Mandates: Assicurazioni Generali SpA, Milan, Italy, Publicis Groupe S.A., Paris, France
Prof. Dr. Rolf Nonnenmacher	Member of the Supervisory Board of ProSiebenSat.1 Media SE since May 21, 2015 Member in various supervisory boards	Domestic Mandates: Continental AG, Hanover, Covestro AG, Leverkusen, Covestro Deutschland AG, Leverkusen

<sup>1</sup> The presentation of mandates describes the memberships in other supervisory boards required by German law as well as memberships in comparable domestic and foreign supervisory bodies of commercial enterprises.

# MEMBERS OF THE EXECUTIVE BOARD

## MEMBERS OF THE EXECUTIVE BOARD OF PROSIEBENSAT.1 MEDIA SE AND THEIR MANDATES ON OTHER SUPERVISORY BOARDS<sup>1</sup>

Member of the Executive Board		Executive Board responsibilities to 12/31/2020	Executive Board responsibilities from 01/01/2021	Mandates on other Supervisory Boards
Rainer Beaujean, Chairman of the Executive Board & CFO	CFO since July 1, 2019, Chairman of the Executive Board since March 26, 2020	Strategy & M&A, Red Arrow Studios (incl. Studio71), NuCom Group, ParshipMeet Group, Finances (IR, Treasury, Corporate Procurement & Real Estate, Accounting & Taxes, Shared Services, Corporate Security), Internal Audit, Controlling, IT, Communication, Legal, Regulatory & Governmental Affairs	Dating (e.g. ParshipMeet Group), Commerce & Ventures (e.g. NuCom Group, SevenVentures), Strategy, M&A, Controlling, Finances (IR, Treasury, Corporate Procurement & Real Estate, Accounting & Taxes, Shared Services, Corporate Security), Internal Audit, IT, Communication, Legal, Regulatory & Governmental Affairs	Domestic Mandates: NCG – NUCOM GROUP SE, Unterföhring (Member of the Supervisory Board since February 6, 2020 and Chairman of the Supervisory Board since April 14, 2020), Virtual Minds AG, Freiburg im Breisgau (Member of the Supervisory Board since April 24, 2020 and Chairman of the Supervisory Board since May 11, 2020), Joyn GmbH, Munich (Member of the Advisory Board since April 6, 2020), ParshipMeet Holding GmbH, Hamburg (member of the Advisory Board since August 17, 2020), Rheinisch-Bergische Verlagsgesellschaft mbH, Düsseldorf (Member of the Supervisory Board since March 31, 2020), Rheinische Post Verlagsgesellschaft mbH, Düsseldorf (Member of the Supervisory Board since March 31, 2020), Zeitschrift Controlling (Publisher Advisory Board)  Foreign Mandate: ProSiebenSat.1 Digital Content GP Ltd, London, United Kingdom (until December 23, 2020)
Wolfgang Link, Member of the Executive Board & CEO Seven.One Entertainment Group	Member of the Executive Board since March 26, 2020	Seven.One Entertainment Group (Content, Digital incl. Joyn, Sales, Distribution)	Entertainment: Content, Digital incl. Joyn, Sales, Distribution, Red Arrow Studios, Studio71	Domestic Mandates: Joyn GmbH, Munich (Member of the Advisory Board) ParshipMeet Holding GmbH, Hamburg (Member of the Advisory Board since August 17, 2020)  Foreign Mandate: ProSiebenSat.1 Puls 8 TV AG, Zurich, Switzerland (Vice President of the Board of Directors)
Christine Scheffler, Member of the Executive Board & CHRO	Member of the Executive Board since March 26, 2020	Human Resources, Compliance, Sustainability, Organizational Development & Operational Excellence	Human Resources, Compliance, Sustainability, Organizational Development & Operational Excellence	Domestic Mandate: JobUfo GmbH, Berlin (Member of the Advisory Board)
Max Conze, Chairman of the Executive Board (CEO)	Chairman of the Executive Board (CEO) from June 1, 2018 to March 26, 2020 (termination of the employment contract as of May 31, 2020)			Domestic Mandates: Joyn GmbH, Munich (Chairman of the Advisory Board) (until April 6, 2020) NCG – NUCOM GROUP SE, Unterföhring (Chairman of the Supervisory Board) (until April 7, 2020)
Conrad Albert, Deputy Chairman of the Executive Board, Group General Counsel	Member of the Executive Board member from October 1, 2011 to April 30, 2020, Deputy CEO from November 19, 2017 to April 30, 2020			Domestic Mandates: VG Media Gesellschaft zur Verwertung der Urheber- und Leistungsschutzrechte von Sendeunternehmen und Presseverlegern mbH, Berlin (Deputy Chairman) (until March 18, 2020) Bavaria Studios & Production Services GmbH, Grünwald

<sup>1</sup> The presentation of mandates describes the memberships in supervisory boards required by German law as well as memberships in comparable domestic and foreign supervisory bodies of commercial enterprises.

# MANAGEMENT DECLARATION

In this Management Declaration, the Executive Board and Supervisory Board report on corporate governance pursuant to sections 289f and 315d of the German Commercial Code (HGB). The Management Declaration includes information on relevant corporate governance practices and other aspects of corporate governance in addition to the annual Declaration of Compliance pursuant to section 161 of the German Stock Corporation Act (AktG). The Executive Board and Supervisory Board regard good corporate governance as an essential component of responsible, transparent management geared toward long-term value creation. With the German Corporate Governance Code (GCGC) a standard for transparent control and management of companies was established. In line with Principle 22 of the GCGC in the version of December 16, 2019, in the present Management Declaration the Executive Board and Supervisory Board report on the Company's corporate governance and give their views on the Code's recommendations and proposals. Information on Executive Board and Supervisory Board compensation can be found in the Compensation Report. In addition to the current Management Declaration and the current Declaration of Compliance, the declarations of the last five years are available on the Company's website.

## DECLARATION OF COMPLIANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE PURSUANT TO SECTION 161 OF THE GERMAN STOCK CORPORATION ACT

The Executive Board and the Supervisory Board of ProSiebenSat.1 Media SE hereby declare that ProSiebenSat.1 Media SE has complied with the recommendations of the "Government Commission on the German Corporate Governance Code" in the version of February 7, 2017, and published in the official section of the Federal Gazette (Bundesanzeiger) on April 24 and May 19, 2017 (previous GCGC) in the period since the issuance of the last declaration of compliance in December 2019 with the following exception:

The D&O insurance contracts concluded for the Executive Board and the Supervisory Board provide for payment of a deductible by the insured members of the Executive Board in the scope stipulated by law (section 93(2) sentence 3 of the Stock Corporation Act in conjunction with article 51 of the SE Regulation) and in their contracts of employment. However, neither the Executive Board nor the Supervisory Board regards a deductible as an effective way of enhancing Supervisory Board members' motivation or sense of responsibility. Therefore, no deductible is agreed for Supervisory Board members, contrary to the recommendations of item 3.8 of the previous German Corporate Governance Code.

The Executive Board and the Supervisory Board of ProSiebenSat.1 Media SE hereby further declare to comply in the future with the recommendations of the

"Government Commission on the German Corporate Governance Code" in the version of December 16, 2019 (GCGC), and published in the official section of the Federal Gazette (Bundesanzeiger) on March 20, 2020.

December 2020

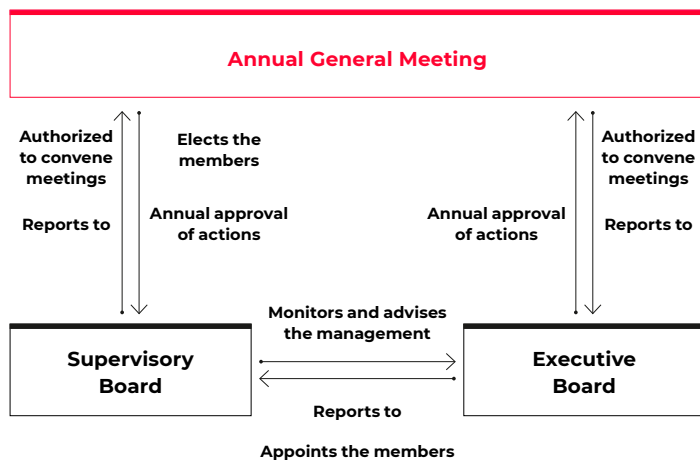
Executive Board and Supervisory Board of  
ProSiebenSat.1 Media SE

## CORPORATE GOVERNANCE AND THE COMPANY'S GOVERNING BODIES

ProSiebenSat.1 Media SE is a listed European Company (Societas Europaea – SE), with its registered office located in Germany. Thus, in addition to the German Corporate Governance Code (GCGC), the formal structure for corporate governance is derived from German and European law, notably the law governing European Companies (SEs), stock corporation and capital markets law, and the articles of incorporation of ProSiebenSat.1 Media SE.

As a European Company, ProSiebenSat.1 Media SE operates under a dual system via its three governing bodies: the Annual General Meeting, the Supervisory Board (supervisory body) and the Executive Board (managing body). Those bodies' duties and powers are governed by Council Regulation (EC) No. 2157/2001 of October 8, 2001, on the Statute for a European Company (SE Regulation), the SE Regulation Implementation Act (Gesetz zur Ausführung der SE-VO - SEAG), the German Stock Corporation Act (Aktiengesetz - AktG) and the articles of incorporation of ProSiebenSat.1 Media SE.

## CORPORATE GOVERNANCE STRUCTURE OF PROSIEBENSAT.1 MEDIA SE



A clear separation of powers is maintained between the management function and the supervisory function. The managing body is the Executive Board, which is overseen and advised by the Supervisory Board on management of the Company. All transactions and decisions of fundamental significance for the Company are undertaken by the Executive Board in close consultation with the Supervisory Board. Therefore, open communication and close cooperation between the two bodies are of particular importance.

## MANAGEMENT AND MONITORING

### Executive Board

The Executive Board of ProSiebenSat.1 Media SE is convinced that sustainable economic success in a competitive environment can be achieved only by ensuring that business practices comply with the applicable laws. In addition to preventing corruption, the Company particularly focuses on antitrust legislation and media law, as well as data protection. For this cause, ProSiebenSat.1 Group has implemented a compliance management system (CMS). The main objective of the CMS is to ensure that all employees consistently think and act with integrity and in accordance with company policies and the law, thus preventing law- and rule-breaking in advance.

In view of its Group structure, ProSiebenSat.1 Group has established both a central and a decentralized compliance organization. The central organization is made up of the Compliance Committee and the Group Compliance department headed by the Group's Chief Compliance Officer (CCO), which are assisted in the performance of their duties by experts from other areas, such as the Legal department. The Compliance Committee is made up of Executive Board member responsible for compliance, Christine Scheffler, the Deputy CFO and the Chief Compliance Officer, as well as the Group functions HR, Internal Audit, Risk Management and Legal as well as the Unit Compliance Officers of the different segments and the Group Data Protection Officer. The Compliance Committee and the CCO support

and advise the Executive Board in implementing, monitoring, and updating the CMS. The CCO, who is based in the Executive Board department covering HR, Compliance, Sustainability, Organizational Development & Operational Excellence, and is entrusted with implementing the CMS in the Group, carries out risk analyses and training, and advises the Executive Board on the development and implementation of appropriate measures to minimize risk. In addition, he or she monitors legal developments and makes proposals for updating the CMS.

The decentralized compliance organization is represented by Unit Compliance Officers (UCOs), who are appointed in Group entities. Overall responsibility for the CMS lies with the Executive Board of ProSiebenSat.1 Media SE as the parent company of ProSiebenSat.1 Group.

ProSiebenSat.1 Group has laid down basic guidelines and policies in its Code of Conduct. The guidelines define the general standards for conduct in business, legal and ethical matters and also govern how employees can report misconduct in the Company. They serve all members of the Executive Board, the management, and the employees of ProSiebenSat.1 Group as a binding reference and regulatory framework for dealing with each other and with business partners, customers, suppliers, and other third parties. The Code of Conduct can be viewed online at → [www.prosiebensat1.com/en/investor-relations/corporate-governance/code-of-conduct](http://www.prosiebensat1.com/en/investor-relations/corporate-governance/code-of-conduct).

Another central compliance instrument of ProSiebenSat.1 Group is the whistleblower system. In addition to internal reporting channels, it is also possible to report legal violations anonymously via an external ombudsman service. The ombudsman service accepts complaints and reports by telephone or e-mail, checks their plausibility and then forwards them to Group Compliance. In the event of reports of serious suspicions and after internal evaluation, the Chief Compliance Officer promptly informs the management.

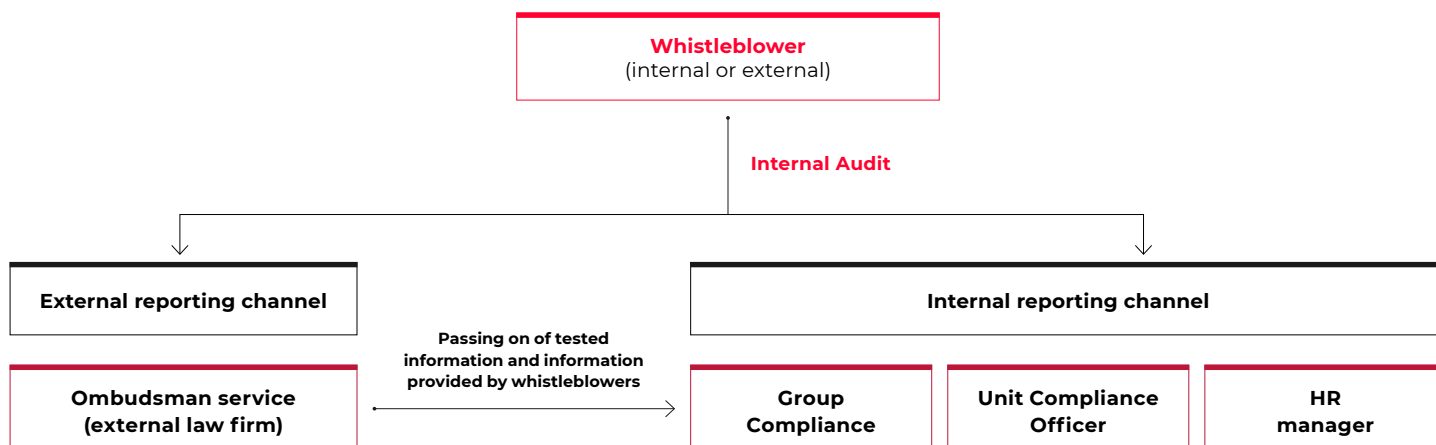
ProSiebenSat.1 Group values the diversity of individual characteristics, experience, and expertise that its employees and managers contribute to the Company, and regards diversity as an important success factor for the Group's development. In particular, the proportion of women in management positions is a key diversity aspect for ProSiebenSat.1 Group. In a resolution dated June 30, 2017, with reference to section 76(4) of the German Stock Corporation Act (AktG) in conjunction with article 9(1) lit. c) ii) of the SE Regulation (SE-VO), the Executive Board of ProSiebenSat.1 Media SE established the following targets – to be reached by June 30, 2022 – for the proportion of women at the two management levels below Executive Board level:

- First management level: 15%
- Second management level: 30%

At the end of the past financial year, the proportion of women at the first management level of ProSiebenSat.1 Media SE was 25.0% (previous year: 25.0%). At the second management level, the percentage of women was 30.4% (previous year: 34.2%). This means that both targets for the proportion of women at the two management levels below Executive Board level were exceeded in the reporting period.



## PROSIEBENSAT.1 GROUP'S WHISTLEBLOWER SYSTEM



### Supervisory Board

The Supervisory Board appoints and dismisses the members of the Executive Board, monitors and advises the Executive Board in managing the Company and is to be involved in all decisions of decisive importance for the Company. The Chairman of the Supervisory Board is elected by the Supervisory Board from among its members. He coordinates the work in the Supervisory Board and represents the Supervisory Board's interests externally. In this context the Chairman of the Supervisory Board talks to investors about topics specific to the Supervisory Board, within reasonable limits.

### Annual General Meeting

The Company's shareholders exercise their rights of co-administration and oversight at the Annual General Meeting, which is handled rapidly by the chair of the meeting and should be finished after four to six hours at the latest. Parts of the Annual General Meeting are also broadcast online. Each common share confers one vote at the Annual General Meeting. The shareholders of the Company are notified of the items on the agenda of the Annual General Meeting and the resolutions proposed by the Executive Board and the Supervisory Board in due time in the meeting invitation. The Executive Board ensures that a proxy is appointed to exercise shareholders' voting rights as per their instructions and thus make it easier for shareholders to exercise their rights. The proxy is present and available at the Annual General Meeting, and furthermore shareholders or their representatives who are not attending the Annual General Meeting in person are able to authorize and issue instructions to the proxy up until the day before or, if the online shareholder portal is being used, up until the end of the general debate of the respective Annual General Meeting.

As a result of the spreading of the new SARS-CoV-2 virus (known as COVID-19 pandemic), on June 10, 2020 on the basis of the German Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic of March 27, 2020, the Company's Executive Board,

with the consent of the Supervisory Board, resolved to hold the Annual General Meeting as virtual Annual General Meeting without the physical presence of the shareholders or their proxies. There was a live sound and video broadcast of the entire virtual Annual General Meeting via the online shareholder portal on the website. Shareholders or their proxies were able to submit their votes either in writing or on the basis of electronic communication (postal vote) as well as by authorizing a shareholder representative named by the Company. On the basis of electronic communication, shareholders were able to address questions to the Executive Board and to Supervisory Board using the online shareholder portal up to two days before the Annual General Meeting. Shareholders who exercised their voting right on the basis of a postal vote or via proxies were able to submit objections to the resolutions of the Annual General Meeting on the basis of electronic communication via the online shareholder portal from the start of the virtual Annual General Meeting until it ended.

### COMPOSITION OF THE EXECUTIVE BOARD

According to the Company's articles of incorporation, the Executive Board must be composed of one or more members. The number of Executive Board members is determined by the Supervisory Board. As of December 31, 2020, the Executive Board of ProSiebenSat.1 Media SE had three members (previous year: three members). Members of the Executive Board are appointed and removed by the Supervisory Board in accordance with article 39 (2) SE Regulation. In accordance with section 7 (2) sentence 1 of the articles of incorporation in conjunction with article 46 SE Regulation, Executive Board members can be appointed for a maximum period of five years. Initial appointments generally do not utilize the full maximum period, but are generally made for a period not exceeding three years. Reappointments are permitted for a maximum of five years. In accordance with the recommendation of the German Corporate Governance Code, the Supervisory Board has set an age limit for members of the Executive Board: Persons who would turn 65 years before the expiration of their intended term of office shall not be appointed to the Executive Board. In the past



year, the Supervisory Board again discussed issues of the long-term succession planning for the Executive Board, discussed the topic with the Executive Board and analyzed both the key focuses for future Executive Board work and also the executives currently available in the Company. → [Members of the Executive Board](#)

## Targets for Executive Board Composition

The Supervisory Board of ProSiebenSat.1 Media SE has established a target for the composition of the Executive Board with regard to the equal participation of women in accordance with section 111(5) of the German Stock Corporation Act (AktG) in conjunction with article 9(1) lit. c) ii) of the SE Regulation as well as deadlines for the respective target achievement.

On December 10, 2019, the Supervisory Board resolved to meet the target that was set by resolution dated May 12, 2017, for the equal participation of women on the Executive Board with the appointment of one woman. The deadline for implementing this target expires on December 31, 2024. With the appointment of Christine Scheffler as a member of the Executive Board of ProSiebenSat.1 Media SE in March 2020, this target for the equal participation of women on the Executive Board is already met during the reporting period. Besides the proportion of women, no further diversity aspects have yet been defined as targets for the Executive Board as the Supervisory Board does not currently deem it a requirement for the purposes of appointing suitable candidates to the Executive Board.

## WORKING PROCEDURES OF THE EXECUTIVE BOARD

Each member of the Executive Board is assigned an area of responsibility regarding which that member keeps his or her colleagues on the Executive Board continuously updated. Rules of procedure enacted by the Supervisory Board for the Executive Board and updated as necessary govern the cooperation between the Executive Board members and the Executive Board members' areas of responsibility. The working procedures also govern in particular the allocation of responsibilities and matters reserved for the full Executive Board. The Executive Board has not formed any committees.

Meetings of the full Executive Board generally took place on a weekly basis and are chaired by the Chairman of the Executive Board. One of the functions of the meetings is to adopt resolutions on measures and transactions that require the consent of the full Executive Board under the Executive Board's rules of procedure. When adopting resolutions, at least half of the Executive Board members must participate in the vote. Resolutions of the full Executive Board are adopted by simple majority. In the event of a tie, the Chairman of the Executive Board casts the deciding vote. When significant events occur, any Board member may call an extraordinary meeting of the full Executive Board; the Supervisory Board may likewise call such meetings. The Executive Board may also adopt resolutions outside of the meetings by casting votes verbally, by phone, in writing, or by text message.

Written minutes of every meeting of the full Executive Board and of every resolution adopted outside the meetings are

prepared and signed by the Chairman of the Executive Board or the chairman of the meeting. The minutes are then promptly forwarded to each member of the Executive Board in writing or by text message and presented for approval at the next Executive Board meeting. If none of the individuals who attended the meeting or took part in the resolution object to the content or the wording of the minutes, the minutes shall be deemed approved.

In addition to the regular Executive Board meetings, a strategy workshop is held at least once a year. The workshops serve to prioritize strategic targets across the Group and to define the strategy for the current financial year in cooperation with senior executives from the various business units.

## COMPOSITION OF THE SUPERVISORY BOARD

As of December 31, 2020, the Supervisory Board of ProSiebenSat.1 Media SE is made up of nine members as stipulated in the articles of incorporation (previous year: nine members), each of whom was elected by the Annual General Meeting. New Supervisory Board members take part in a structured onboarding process, in which they are familiarized with the Company and their tasks. → [Members of the Supervisory Board](#)

## Targets for the Composition of the Supervisory Board

Having thoroughly reviewed the recommendations of the German Corporate Governance Code in the version dated February 7, 2017 regarding the specific targets for its composition, the Supervisory Board set targets for its composition that take account of the specifics of the Company pursuant to section 111(5) of the German Stock Corporation Act (AktG) in conjunction with article 9(1) lit. c) ii) of the SE Regulation, on March 12, 2018. The Supervisory Board has accordingly set the following targets:

- the share of independent Supervisory Board members within the meaning of the German Corporate Governance Code should be at least 30%;
- the share of women should be at least 1/3 (one third), to be attained by no later than March 31, 2024;
- the members of the Supervisory Board should have specific international expertise and experience in the areas of broadcasting, media, and communication;
- the international activities of the Company should be taken into account. The Supervisory Board should be filled with members who, based on their origin or professional activities, represent regions or cultures in which the Company has significant business operations. In this context, diversity should also be taken into account when appointing members to the Supervisory Board, and the current level of diversity should be maintained. The Supervisory Board should be filled with members who, based on their origin, their personal background, their education, or professional activities, are able to contribute a wide range of experience and specific expertise;

- the Supervisory Board will continue to assess how it intends to handle potential or actual conflicts of interest in order to continue to guarantee unbiased supervision of and provision of advice to the Executive Board of the Company in the Company's best interests in each individual case within the legal framework and taking into account the German Corporate Governance Code;
- the age limit of 70 years at the time of appointment to the Supervisory Board, as stipulated in the rules of procedure adopted by the Supervisory Board, should continue to apply;
- individuals who have been members of the Company's Supervisory Board for three full consecutive terms, and thus generally for fifteen years, should as a rule no longer be nominated for reelection to the Supervisory Board.

The Supervisory Board already meets the aforementioned targets it has set for its composition pursuant to the German Corporate Governance Code and the German Stock Corporation Act. The Supervisory Board considers all Supervisory Board members independent for financial year 2020.

#### OVERVIEW OF THE TERMS OF OFFICE OF THE MEMBERS OF THE SUPERVISORY BOARD

Name	Date of appointment	End of the term of office [as of the end of the AGM of the year or resignation]
<b>Brandt, Dr. Werner (Chairman)</b>	06/12/2019	AGM 2022 [3 years]
<b>Helmes, Dr. Marion (Vice-Chairwoman)</b>	06/12/2019	AGM 2023 [4 years]
<b>Aidem, Lawrence</b>	06/12/2019	AGM 2023 [4 years]
<b>Cahan, Adam</b>	06/12/2019	AGM 2022 [3 years]
<b>Gifford, Angelika</b>	06/12/2019	AGM 2023 [4 years] [Resignation as of Jan 13, 2020]
<b>Huggers, Erik</b>	06/12/2019	AGM 2024 [5 years]
<b>Kaplan, Marjorie</b>	06/12/2019	AGM 2024 [5 years]
<b>Mehta, Ketan</b>	06/12/2019	AGM 2024 [5 years]
	06/10/2020 (Confirmed by the AGM)	AGM 2023
	04/13/2020 (Appointed by court)	[supplementary election for Angelika Gifford] AGM 2020
<b>Mei-Pochtler, Dr. Antonella</b>		
<b>Nonnenmacher, Prof. Dr. Rolf</b>	06/12/2019	AGM 2022 [3 years]

The described targets for the Supervisory Board's composition and stipulations concerning the equal participation of women on the Supervisory Board in accordance with section 111(5) of the German Stock Corporation Act (AktG) in conjunction with article 9(1) lit. c) ii) of the SE Regulation form part of the diversity concept for the Supervisory Board in accordance with sections 289f(2) no. 6 and 315d of the German Commercial Code (HGB). Another element of the Supervisory Board diversity concept is the skills profile for the Supervisory Board, which is described below.

#### Skills Profile for the Supervisory Board

In light of the recommendation of the German Corporate Governance Code in the version of December 16, 2019, under item note C.1 (Composition of the Supervisory Board), the Supervisory Board of ProSiebenSat.1 Media SE developed the skills profile described below for the Board as a whole and adopted this on March 12, 2018, so as to ensure qualified control and monitoring of the Company by the Supervisory Board. The Board as a whole already satisfies the requirements in its current composition.

Each member of the Supervisory Board should contribute essential general expertise, with the effect that the corresponding candidates are able to perform the tasks of the Supervisory Board in an international media/digital group based on their personality, independence, motivation, and integrity. In addition, it should be ensured that the subject of diversity is taken into account in the nomination of candidates by the Supervisory Board's Presiding and Nominating Committee to the Supervisory Board as a whole and subsequently to the Annual General Meeting.

The expertise and experience required for qualified and successful work by the Supervisory Board should – in keeping with the Supervisory Board's nature as a collegial body – be ensured by all members of the Supervisory Board.

Overall, the Supervisory Board of ProSiebenSat.1 Media SE should have the skills and expertise considered to be material in view of ProSiebenSat.1 Group's activities. This particularly includes in-depth knowledge with regard to:

- experience in the management of a listed, internationally operating company;
- in-depth understanding of ProSiebenSat.1 Group's different business areas – particularly content and broadcasting, distribution, digital entertainment, e-commerce, and production – and of the Group's market environment and media regulation/policy;
- in-depth knowledge in the field of digital business development, digital diversification and platform strategies (such as Addressable TV), data and advertising technology, and M&A;
- in-depth knowledge in the field of accounting, financial reporting, and auditing;
- in-depth knowledge in the fields of controlling and risk management;
- in-depth knowledge in the fields of human resources development and management;
- in-depth knowledge in the fields of governance and compliance.

In addition, at least one independent member of the Supervisory Board, who is the Chairman of the Audit and Finance Committee, must have specific expertise and experience in applying accounting principles and internal controlling

methods as well as being familiar with the audit of annual financial statements.

When putting forward nominations to the Annual General Meeting, particular attention should be paid to the personality, integrity, motivation, and independence of the candidates. In addition, Supervisory Board members should comply with the limit recommended in item C.4 of the German Corporate Governance Code with regard to mandates at listed companies outside the Group

With regard to nominations by the Supervisory Board to the Annual General Meeting all requirements should be met and the above targets should be taken into account so as to ensure overall fulfillment of the skills profile for the Supervisory Board.

Further information on the skills profile for the Supervisory Board is available at the ProSiebenSat.1 Media SE website at → [www.prosiebensat1.com/en/investor-relations/corporate-governance/corporate-bodies](http://www.prosiebensat1.com/en/investor-relations/corporate-governance/corporate-bodies).

## WORKING PROCEDURES OF THE SUPERVISORY BOARD

The Executive Board provides the Supervisory Board with prompt and complete information – both in writing and at the Supervisory Board's quarterly meetings – on planning, business performance, and the situation of the Company, including risk management and compliance matters. Where indicated, an extraordinary meeting of the Supervisory Board is called to address important events. The Executive Board includes the Supervisory Board in company planning and strategy as well as in all matters of fundamental importance to the Company. The Company's articles of incorporation and the rules of procedure for the Executive Board stipulate that all significant transactions must be approved by the Supervisory Board. Such significant transactions requiring the consent of the Supervisory Board include adopting the annual budget, making major acquisitions or divestments, and investing in program licenses. More information on cooperation between the Executive Board and the Supervisory Board and on the significant matters on which they consulted in financial year 2020 is available in the Report of the Supervisory Board. → [Report of the Supervisory Board](#)

The Supervisory Board holds a minimum of two meetings during the first half of the financial year and two meetings during the second half. To facilitate its work, the Supervisory Board has adopted rules of procedure to supplement the provisions of the articles of incorporation. These can be viewed on the Company's website → [www.prosiebensat1.com/en/investor-relations/corporate-governance/corporate-bodies](http://www.prosiebensat1.com/en/investor-relations/corporate-governance/corporate-bodies). The rules of procedure stipulate that the Chairman of the Supervisory Board is to coordinate the work of the Supervisory Board, chair the Supervisory Board meetings, and represent the Supervisory Board's interests externally. As a rule, the Supervisory Board adopts its resolutions at the Supervisory Board meetings. However, on instruction of the Chairman of the Supervisory Board, resolutions may also be adopted on conference calls, in videoconferencing sessions or outside of the meetings. Equally admissible is the adoption of resolutions via a combination of voting at meetings and voting via other methods.

The Supervisory Board is deemed to constitute a quorum if at least half of its members participate in the vote. Resolutions of the Supervisory Board are generally adopted by simple majority of the votes cast, unless otherwise prescribed by law. In the event of a tie, the deciding vote is cast by the Chairman of the Supervisory Board, or in his absence the Vice-Chairwoman.

The meetings of the Supervisory Board are recorded in minutes that are signed by the Chairman. A written record is also kept of resolutions adopted outside of the meetings. A copy of the minutes, or of resolutions adopted outside of meetings, is sent promptly to all members of the Supervisory Board. The Supervisory Board members participating in the meetings or voting on the resolutions may raise objections to the minutes. Objections must be made in writing to the Chairman of the Supervisory Board within one month of the minutes being sent out. Otherwise, the minutes shall be deemed approved.

Prof. Dr. Rolf Nonnenmacher, who is also Chairman of the Audit and Finance Committee, meets the requirements of sections 100(5) and 107(4) of the German Stock Corporation Act (AktG) in conjunction with article 9(1) lit. c) ii) of the SE Regulation and item D.4 of the German Corporate Governance Code as an independent, expert member. In other respects, the members of the Audit and Finance Committee are, as a whole, familiar with the sector in which the Company operates pursuant to sections 100(5) and 107(4) of the German Stock Corporation Act (AktG) in conjunction with article 9(1) lit. c) ii) of the SE Regulation.

The members of the full Supervisory Board are, as a whole, also familiar with the sector in which the Company operates pursuant to section 100(5) of the German Stock Corporation Act (AktG) in conjunction with article 9(1) lit. c) ii) of the SE Regulation. All Supervisory Board members must report any conflicts of interest without delay to the Supervisory Board's Presiding and Nominating Committee, particularly those conflicts that may arise from exercising an advisory or executive function vis-à-vis customers, suppliers, creditors, or other business partners.

The recommendation contained in item D.13 of the German Corporate Governance Code states that the Supervisory Board should regularly implement a self-assessment of its activities. The review extends primarily to the Supervisory Board's view of its mission, the organization of its activities, the independence of its members, the handling of potential conflicts of interest, and the composition of its committees. The last review of the efficiency of Supervisory Board work took place on April 22, 2020 in the context of a closed session on the basis of a detailed list of questions.

## COMPOSITION AND WORKING PROCEDURES OF THE SUPERVISORY BOARD COMMITTEES

In financial year 2020, the Supervisory Board formed four committees. The Supervisory Board decides on the composition of its committees. In selecting committee members, potential conflicts of interest involving Supervisory Board members are taken into account, as are their professional qualifications.

## COMPOSITION OF THE SUPERVISORY BOARD COMMITTEES AS OF DECEMBER 31, 2020

### PRESIDING AND NOMINATION COMMITTEE

Dr. Werner Brandt (Co-Chairman), Dr. Marion Helmes (Co-Chairwoman), Lawrence Aidem, Marjorie Kaplan, Ketan Mehta, Dr. Antonella Mei-Pochtler (since June 10, 2020)

### AUDIT AND FINANCE COMMITTEE

Prof. Dr. Rolf Nonnenmacher (Chairman and independent financial expert within the meaning of sections 100(5) and 107(4) of the Stock Corporation Act in conjunction with article 9(1) lit. c) ii) of the SE Regulation and the German Corporate Governance Code), Angelika Gifford (until January 13, 2020), Dr. Marion Helmes, Dr. Antonella Mei-Pochtler (since June 10, 2020)

### COMPENSATION COMMITTEE

Dr. Werner Brandt (Chairman), Angelika Gifford (until January 13, 2020), Dr. Marion Helmes, Lawrence Aidem (since April 1, 2020), Prof. Dr. Rolf Nonnenmacher

### CAPITAL MARKETS COMMITTEE

Dr. Werner Brandt (Chairman), Dr. Marion Helmes, Ketan Mehta, Prof. Dr. Rolf Nonnenmacher

The Supervisory Board committees generally meet on a quarterly basis or as required. To the extent permitted by law, the committees have been entrusted with adopting resolutions concerning various Supervisory Board tasks, especially approving certain management actions. A committee is deemed to constitute a quorum when at least half of its members participate in the vote. Committee resolutions are normally adopted by a simple majority vote. In the event of a tie, the committee chairman casts the deciding vote. Written minutes are prepared of each committee meeting and are signed by the committee chairman. Resolutions adopted outside the meetings are also recorded in writing. Minutes and the text of resolutions adopted are sent to all members of the committee concerned. These shall be deemed approved if no committee member who was present at the meeting, or who took part in the vote on the resolution, objects to the content within one month of dispatch. The committee chairmen report on the work of the committees at the meetings of the Supervisory Board.

The Chairman of the Executive Board & CFO and the independent auditor participate regularly in the meetings of the Audit and Finance Committee. In addition, the chairman of the Audit and Finance Committee invites in particular senior executives from the areas of finance and accounting to provide information at meetings if required. The Audit and Finance Committee meets without any Executive Board members being present at least once per financial year. The Supervisory Board has issued rules of procedure to govern the work of the Audit and Finance Committee. In addition, the Audit and Finance Committee and the auditors maintain a regular dialog between meetings.

The individual breakdown of participation at meetings of the Supervisory Board can be found in the → ["Report of the Supervisory Board"](#).

## TRANSPARENCY AND EXTERNAL REPORTING

We aim to strengthen trust among shareholders, capital providers, and other interested parties through openness and transparency. For that reason, ProSiebenSat.1 Media SE reports regularly on key business developments and changes within the Group. The Company generally provides information simultaneously to all shareholders, financial analysts, media representatives, and other interested parties. Given the international nature of our stakeholders, we provide reports in English as well.

The financial calendar presents the publication dates of financial reports and quarterly reports well in advance, along with other important dates such as the date of the Annual General Meeting. The calendar is available on the Company's website at → [www.prosiebensat1.com/en/investor-relations/presentations-events/financial-calendar](http://www.prosiebensat1.com/en/investor-relations/presentations-events/financial-calendar).

To ensure fair communication and prompt disclosure both in Germany and elsewhere, the Company makes use of the Internet as one of its main communication channels. All relevant corporate information is published on our website at → [www.prosiebensat1.com/en](http://www.prosiebensat1.com/en). Annual reports, half-yearly financial reports, quarterly statements, current stock price charts, and company presentations can be downloaded from the website at any time. The website includes a special section where the Group provides information on organizational and legal matters in connection with the Annual General Meeting. The meeting agenda can be found here, and the Chairman of the Executive Board's speech and the results of votes are made available after the meeting. In the Corporate Governance section, ProSiebenSat.1 Media SE also publishes the current Management Declaration pursuant to section 289f and sections 289f, 315d and 315e of the German Commercial Code (HGB), and the Declaration of Compliance with the German Corporate Governance Code (GCGC) in accordance with section 161 of the German Stock Corporation Act (AktG), which includes an archive with the declarations from the last five years and the Company's articles of incorporation.

Four times a year, ProSiebenSat.1 Group presents information on the Group's business performance as well as its financial position and earnings as part of the Company's annual and interim financial reporting. The Consolidated Financial Statements and the Group Management Report are made publicly available within 90 days after the end of the financial year, the mandatory financial information during the financial year within 45 days after the end of the reporting period at → [www.prosiebensat1.com/en/investor-relations/publications/results](http://www.prosiebensat1.com/en/investor-relations/publications/results).

As required by law, matters that could significantly influence the price of the Company's stock are announced immediately in ad-hoc disclosures outside of the scheduled reports and are made available at → [www.prosiebensat1.com/en/newsroom/press-releases/ad-hoc-disclosures](http://www.prosiebensat1.com/en/newsroom/press-releases/ad-hoc-disclosures).

Notifications of changes in significant voting rights pursuant to sections 33 et seq. of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) are published immediately upon receipt. Current information is available at → [www.prosiebensat1.com/en/investor-relations/publications/voting-rights-notifications](http://www.prosiebensat1.com/en/investor-relations/publications/voting-rights-notifications).

Directors' dealings notifications in accordance with article 19 of Regulation (EU) No. 596/2014 (Market Abuse Regulation – MAR) are likewise published at → [www.prosiebensat1.com/en/investor-relations/publications/directors-dealings](http://www.prosiebensat1.com/en/investor-relations/publications/directors-dealings) immediately upon receipt. In financial year 2020, nine transactions in company stock or in financial instruments relating to company stock were reported to ProSiebenSat.1 Media SE by management personnel or related parties in compliance with article 19 of the Market Abuse Regulation.

As of December 31, 2020, members of the Executive Board held a total of 131,102 shares (previous year: 413,107) and members of the Supervisory Board a total of 102,235 shares (previous year: 84,710) in ProSiebenSat.1 Media SE.

### INDIVIDUALIZED SHAREHOLDINGS OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD AS OF DECEMBER 31, 2020

	Number of shares	Share value on purchase (in EUR)	Share value as of Dec 31, 2020 (in EUR) <sup>2</sup>
<b>EXECUTIVE BOARD<sup>1</sup></b>			
Rainer Beaujean	131,102 <sup>3</sup>	1,501,567.44	1,803,963.52
Wolfgang Link	0	—	—
Christine Scheffler	0	—	—
<b>SUPERVISORY BOARD</b>			
Dr. Werner Brandt	47,800	775,769.93	657,728.00
Dr. Marion Helmes	9,205	190,892.78	126,660.80
Lawrence A. Aidem	4,155	107,529.97	57,172.80
Adam Cahan	6,257	109,044.97	86,096.32
Erik Huggers	3,707	100,012.01	51,008.32
Marjorie Kaplan	3,047	33,857.50	41,926.72
Dr. Antonella Mei-Pochtler	0	—	—
Ketan Mehta	15,000	240,983.00	206,400.00
Prof. Dr. Rolf Nonnenmacher	13,064	209,961.22	179,760.64

<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.

<sup>2</sup> Share price as of Dec 31, 2020: EUR 13.76.

<sup>3</sup> Thereof 1,102 before taking office.

Further information on ProSiebenSat.1 Media SE's share-based payment plans (Performance Share Plan and Group Share Plan) and the employee stock option plan (MyShares) can be found in the Group Management Report and in the Notes to the Consolidated Financial Statements. → [Compensation Report](#) → [Notes, note 26, "Shareholders' Equity"](#)

ProSiebenSat.1 Group's financial reporting conforms to the IFRSs (International Financial Reporting Standards) as adopted by the European Union. The Annual Financial Statements of ProSiebenSat.1 Media SE, the Group parent, are prepared

under the accounting principles of the German Commercial Code (HGB). Both the single-entity financial statements of ProSiebenSat.1 Media SE and the Consolidated Financial Statements are available on the Company's website at → [www.prosiebensat1.com/en](http://www.prosiebensat1.com/en) Both sets of financial statements are audited and issued an audit opinion by an independent accounting and auditing firm. The financial statements for financial year 2020 were duly audited by the audit firm Ernst & Young with Nathalie Mielke acting as the lead auditor. They were issued an unqualified audit opinion on February 25, 2021. Prof. Dr. Sven Hayn also signed the audit opinion. Nathalie Mielke has been working with the Company as lead auditor at Ernst & Young since financial year 2019. → [Report of the Supervisory Board](#)



# SUSTAINABILITY

## REPORTING STANDARDS AND MATERIAL TOPICS

This sustainability chapter summarizes the key environmental, societal and social developments at ProSiebenSat.1 Group. In combination with the other content of the Annual Report 2020, this provides a comprehensive description of ProSiebenSat.1 Group's performance on the basis of financial and non-financial information. The sustainability chapter comprises the ProSiebenSat.1 Group Sustainability Report prepared in accordance with the standards of the Global Reporting Initiative (GRI) "Core" option. The complete GRI content index can be found in the "Information" section in the Annual Report 2020. In addition, the sustainability chapter serves as the Communication on Progress (COP), which all companies participating in the UN Global Compact are obliged to publish annually.

The sustainability chapter contains the combined separate Non-financial Report (NFR) for ProSiebenSat.1 Media SE and ProSiebenSat.1 Group in accordance with section 289b (1) and (3) and section 315b (1) and (3) of the German Commercial Code (HGB). The content of the NFR is marked by a grey line on the left or right edge of the page next to the text. In preparing the NFR, we are guided by the GRI standards as an international framework for sustainability reporting. In the NFR for financial year 2020, ProSiebenSat.1 Group reports on the main non-financial aspects with the corresponding information needed in order to understand the parent company's and the Group's business development, results and position and the effects of the business activities in this regard. Material risks for individual non-financial aspects were not determined in this context. The non-financial Group report has been combined with the parent company's Non-financial Report within the meaning of section 315b (1) sentence 2 HGB. Unless stated otherwise, the disclosures in this report relate to both, the Group and the parent company.

In accordance with section 317 (2) sentence 4 HGB, the auditor checked that the NFR was presented in line with the legal requirements. The Supervisory Board also commissioned Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft to audit the content of the NFR with reasonable assurance. The audit opinion dated February 25, 2021, which describes the type, scope and findings of this audit, is reproduced in the "Information" section in the Annual Report 2020. The audit was conducted using the relevant auditing standards "Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000 revised)" in order to obtain reasonable assurance with regard to the legally required disclosures in accordance with sections 315b and 315c in conjunction with sections 289b to 289e HGB.

In 2017, we conducted a materiality analysis due to the first-time application of the CSR Directive Implementation Act, which complied with both the statutory requirements and the

definition of materiality according to GRI, and have validated it annually since then. We recently reviewed the definition of material topics in December 2020 in the form of a survey of the members of the ProSiebenSat.1 Group Sustainability Committee. To this end, the participants reevaluated the materiality of the sustainability issues classified as material to date from three perspectives (relevance to business success, impact of the Company, and importance for stakeholders). Compared to the NFR and Sustainability Report from 2019, there were no significant changes in the reported topics.

The topics reported are essentially the result of the regular validation of the materiality analysis, the implementation and development of the ProSiebenSat.1 sustainability strategy, and the continuous dialog with internal and external stakeholder groups. This particularly includes the dialog with employees on sustainability issues and with ESG analysts in the course of capital market ratings as well as responding to press inquiries and media monitoring.

### CONTENTS OF THE COMBINED NON-FINANCIAL REPORT (NFR)

Aspects and disclosures in accordance with section 289c HGB	Reported topics	Reporting in sustainability chapter
Environmental matters	Not material within the meaning of section 289c (3) HGB	n/a
Employee-related matters	Talent acquisition, employee retention and people development, diversity management	Employees, Diversity
Social matters	Social responsibility, product governance (data protection and media regulation)	Society, Governance & Compliance
Respect for human rights	Anti-discrimination	Society
Prevention of corruption and bribery	Anti-corruption and antitrust law	Governance & Compliance

For the required information on the business model in accordance with section 289c (1) HGB, please refer to the section "Organization and Group Structure" of ProSiebenSat.1 Group's Management Report. All other references to content outside this NFR are to be understood as additional information and not as part of this NFR.

According to the GRI definition, aspects that report on the key economic, environmental and social impacts of the organization or that significantly influence the assessments and decisions of stakeholders are classed as material. Based on this different definition of materiality as compared to the NFR, the Sustainability Report includes additional topics, including the environment and climate protection, which can also be found in the action areas of our sustainability strategy.

## ADDITIONAL CONTENTS OF THE SUSTAINABILITY REPORT

Reported topics	Reporting in sustainability chapter
Occupational health and safety	Employees
Accessible offerings	Diversity
Energy, emissions, waste	Environment

## REPORTING SCOPE AND DATA COLLECTION

The organizational reporting framework for the information on concepts and key figures for our sustainability performance as contained in the sustainability chapter essentially comprises all Group companies and corresponds to the scope of consolidation of ProSiebenSat.1 Group as of the end of the financial year 2020, which is managed centrally by ProSiebenSat.1 Media SE. The distinction of the scope of consolidation follows the control principle of IFRS 10. Exceptions and restrictions with regard to the scope of reporting for individual content and data collection for key figures are described below or are indicated accordingly in the information on the individual topics. Unless indicated otherwise, the statements and key figures in the section “Employees” as well as with regard to diversity management mainly relate to the HR management approach and the employees of the Group companies at the headquarters in Unterfoehring, which in addition to ProSiebenSat.1 Media SE (100% of the employees), includes in particular the largest segment Seven.One Entertainment Group (75% of the employees) and the segment Red Arrow Studios (32% of the employees) ProSiebenSat.1 Group’s portfolio companies often follow an independent HR management approach. The company agreements referred to in this report relate to the companies of the joint operation “Holding” Unterfoehring. The information on ProSiebenSat.1 Group’s social responsibility particularly relates to the Group’s business activities in

the Seven.One Entertainment Group segment. With the compliance management system (CMS), ProSiebenSat.1 Group covers Group-wide significant legal areas which are relevant for non-financial reporting (anti-corruption, antitrust law, data protection and media regulation). The media law concepts relate primarily to the companies of the Seven.One Entertainment Group segment in Germany due to different legal regulations in foreign countries and a lack of relevance to many companies, for example in the production sector.

## SUSTAINABILITY STRATEGY

The Group defines sustainable entrepreneurial activity as an integrated approach for improving its economic as well as environmental and social performance. We are aware of our corporate and social responsibility and see it as a comprehensive challenge. For ProSiebenSat.1, success not only means increasing ProSiebenSat.1 Group’s economic results long-term. It also means continuing to develop the Group’s sustainability strategy and adapting it to new challenges, improving the key non-financial figures, and reconciling the sometimes conflicting interests of our target groups, particularly those of employees, users of our offerings and platforms, shareholders and investors, and business partners. As a matter of priority, ProSiebenSat.1 pursues a dialog with stakeholders who strongly influence the Company’s financial and non-financial performance and the regulatory framework for this, and are significantly affected by the impact of the Company.

In 2018, ProSiebenSat.1 developed a Group-wide sustainability strategy. The strategy was approved by the Executive Board in 2019 and has been implemented gradually since then. The objective of the strategic process was to tie sustainability aspects more strongly to ProSiebenSat.1’s corporate strategy and to regard the Group’s economic, environmental, and social performance in a holistic way.

## ACTION AREAS AND PRINCIPLES



### Society

We form opinions and promote democracy.



### Diversity

We promote equal rights and equal opportunities.



### Environment

We are committed to ecological sustainability and climate protection.



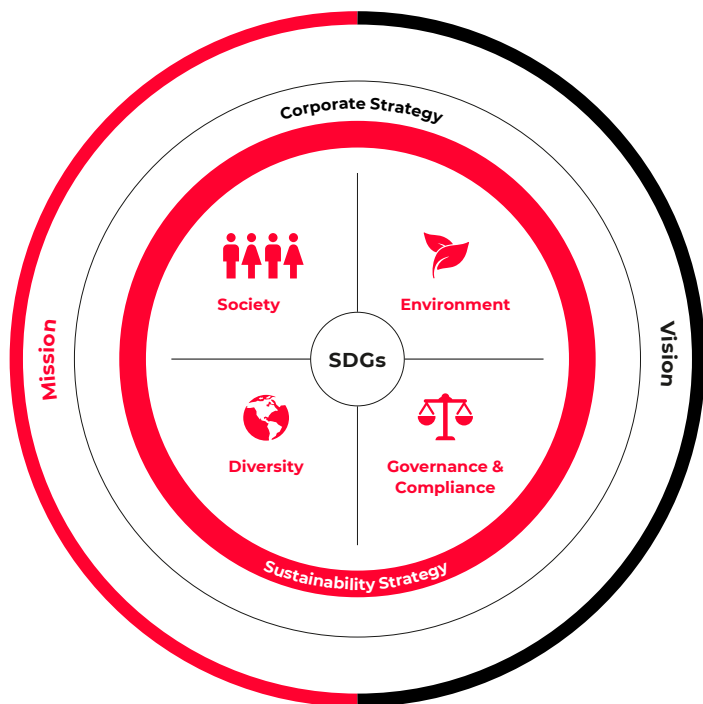
### Governance & Compliance

We stand for openness and honesty.



In addition to an analysis of the current situation and sector benchmarking, a review of the materiality analysis and a stakeholder survey also formed part of the development of the strategy. After defining priorities and selecting the relevant UN Sustainable Development Goals (SDGs), the sustainability strategy was formulated, which also included defining initial sustainability goals, strategic measures, and KPIs. In 2020, there was a particular focus on specifying and configuring the sustainability goals.

**SUSTAINABILITY STRATEGY**



Our sustainability strategy is based on the UN Sustainable Development Goals (SDGs). These define global priorities and sustainable development goals for 2030 and aim to mobilize global efforts to achieve a common set of goals and targets. ProSiebenSat.1 Group also wants to contribute to this transformation. As part of the development of the strategy, we have classified the following six goals as particularly relevant to our business activities and their contribution to the SDGs: quality education (SDG 4), gender equality (SDG 5), reduced inequalities (SDG 10), climate action (SDG 13), peace, justice and strong institutions (SDG 16), and partnerships for the goals (SDG 17). On this basis, we have transferred our sustainability management to four action areas in which we group our activities by topic area and formulate individual principles: society, diversity, environment, and governance and compliance.

Since January 2020, ProSiebenSat.1 has also been a signatory to the United Nations (UN) Global Compact and is thus explicitly committed to its ten principles in the areas of human rights, labor standards, environment and climate, and preventing

corruption. The specific goals of the sustainability strategy and their implementation in 2020 are described in the following sections on the respective topics reported.

**ORGANIZATION AND MANAGEMENT**

Executive-level responsibility for non-financial aspects, sustainability performance indicators, and ESG (environment, social, governance) information at ProSiebenSat.1 Group particularly lies with Christine Scheffler, whose responsibilities include HR, compliance, and sustainability. In implementing the sustainability strategy, the Group took further measures in the reporting period to expand the sustainability organization and enhance the governance structures. The Sustainability Committee (formerly: Sustainability Board) represents a centralized and interdisciplinary body for managing, monitoring, and developing of the sustainability strategy. It is made up of managers and specialists from relevant central functions and operating corporate divisions as well as a works council representative. In the past year, the Sustainability Committee held two meetings. Key topics at these meetings included the presentation and discussion of the sustainability goals for 2020, updates on various projects such as Seven.One Sports' involvement in Formula E, and the presentation of ProSiebenSat.1 Group's compliance goals. In January 2020, a separate sustainability department was established in the form of the Corporate Sustainability Office. The Corporate Sustainability Office is responsible for the coordination, implementation, and communication of sustainability activities as well as the stakeholder dialog. One focus in particular is on integrating subsidiaries outside the Entertainment segment even more closely into the ProSiebenSat.1 Group's sustainability management.

**EMPLOYEES**

In the period under review, ProSiebenSat.1 Group's average number of employees (calculated on the basis of full-time equivalents) fell by 2% to 7,128 (previous year: 7,265). In 2020, an average of 368 employees (previous year: 506) were employed at ProSiebenSat.1 Media SE, of which 127 (previous year: 136) worked at the strategic holding company. The average number of employees in the Seven.One Entertainment Group segment increased (by 3% to 3,256 employees) as a result of bundling the Group's entertainment business and the associated integration of individual business areas. Due to the merger with The Meet Group, the number of employees in the newly established ParshipMeet Group rose to 436 (up 62%). The number of employees at NuCom Group fell by 4% to 1,779, primarily at be Around and due to the sale of WindStar Medical. The headcount at Red Arrow Studios also decreased (by 13% to 1,289 employees), particularly due to the impact of the COVID-19 pandemic on production business. In Germany, Austria, and Switzerland, the Group had an average of 5,981 full-time equivalents in the reporting period (previous year: 6,071). As in the previous year, this amounts to 84% of the Group as a whole.

## GROUP EMPLOYEES BY SEGMENT

Average full-time equivalents (FTEs)

Segment	2020	2019
Seven.One Entertainment Group	3,256	3,152
ParshipMeet Group	436	270
NuCom Group	1,779	1,859
Red Arrow Studios	1,289	1,477

## GROUP EMPLOYEES BY REGION

Average full-time equivalents (FTEs)

Region	2020	2019
Germany	5,535	5,612
Austria/Switzerland	447	459
US	890	968
UK	85	79
Other	172	147

In a sector that is changing faster and more radically than many other industries as a result of advances in digitalization, our employees' creativity and pace of innovation make a key contribution to our Group's success. The success factors for the future also include transforming the ProSiebenSat.1 Group into a digitally successful and diversified company. Part of this transformation is adequate human resources management: It forms part of our self-conception as an employer to create personnel-related conditions through our HR work that support the transformation process and cater to the individual interests of our employees. With our overall offer, which includes compensation based on the market standard, additional company benefit and personal development opportunities, we aim to attract, retain, and develop talented employees.

In operational terms, employee matters are the responsibility of the HR department, which is managed by the Executive Board and Chief Human Resources Officer in personal union. With a business-oriented portfolio of products, guidelines and processes, the Human Resources department helps the Executive Board, managers and employees making ProSiebenSat.1 Group attractive and successful in business in the long term. Besides quarterly reporting on personnel risks as part of Group-wide risk management, internal HR reporting plays an important role. In the HR organization, the HR Business Partners in particular are closely connected to the operating business units and are thus made aware of specific challenges. Expert teams for all HR issues – from talent & management development, talent acquisition, compensation and benefits, to labor law – round off our strategic HR work, while diversity management is also shaped by the HR organization.

Detailed information on diversity management at ProSiebenSat.1 can be found in the "Diversity" section.

In 2020, we took extensive measures to support the best possible balance of professional, personal, and family needs during the COVID-19 pandemic. As well as making working hours and locations more flexible, we resolved further measures in the reporting period to make things easier for employees with particular family responsibilities as part of the "Pandemic" works agreement, which has been extended until March 31, 2021. These include the option to reduce their work time in the short term or to convert compensation into additional vacation. In addition, employees with care responsibilities who had already used up both, their annual vacation and their working time account and did not have any other care options available, were given up to five days of special vacation.

The employee survey conducted in Germany and Austria in summer 2020, "Speak Up for P7S1," provided extensive insights into the staff's needs, particularly in the context of the Corona-crisis. Around 2,500 employees, representing roughly 60% of those eligible to participate, took part in the company dialog and contributed almost 20,000 comments sharing the experiences they had gathered in the virtual working world since the start of the COVID-19 pandemic in spring. The results are to be incorporated in the process of designing a hybrid working world for the time after the pandemic.

## Talent acquisition

We are convinced that our employees make a key contribution to the Company's success with their knowledge. In order to acquire the right talents for ProSiebenSat.1, we use various employer branding measures. One key success factor is the dissemination of relevant content for all target groups to potential candidates, for example in the ProSiebenSat.1-careers blog. At the same time, it is essential to specifically address target groups that are critical to success, such as talented employees in the tech sector. For this reason, we have adapted the P7S1 Tech-Blog in line with the needs of our target group in order to offer interested parties insights into relevant topics such as artificial intelligence (AI), addressable TV or entertainment thinking, as well as the responsible teams at ProSiebenSat.1. Organizing virtual tech meet-ups provides us another platform for making contact with talented technology specialists.

In general, women represent an important target group for ProSiebenSat.1, which is why we address them in a special way. Through regular dialog with initiatives such as "PANDA – The Women Leadership Network" and our own employer branding events specifically for female target groups, we want to position ourselves as an attractive employer for women. Our careers page (→ [careers.prosiebensat1.com](https://careers.prosiebensat1.com)) serves as a central platform for all interested parties and applicants while combining careers information with specific job opportunities. Alongside sourcing channels such as social media, direct approach, and university partnerships, we also approach new candidates via an employee recommendation program.

In total, the Group Recruiting recorded an increase to around 34,400 applications in 2020 (previous year: around 31,300); at ProSiebenSat.1 Media SE, the number of applications came to around 4,300 (previous year: around 4,500). External employer rankings such as Universum or Trendence are an important tool for our HR marketing strategy in employer branding and recruitment. The target groups for these rankings are among others school pupils, students, and graduates in the humanities, economics, and IT. At Universum, for example, ProSiebenSat.1 ranked 37th in the IT Young Professionals Ranking (previous year: 41). In the Trendence student ranking, the Company was in first place in the media/advertising category, following second place in the previous year.

Our training concepts are aimed at acquiring talented young employees for ProSiebenSat.1 Group. With journalistic traineeships, trainee programs, apprenticeships recognized by the German Chamber of Commerce and Industry (IHK), internships, and positions for working students, we offer young people a wide variety of possibilities to join our company. In this way, we intend to create a strong foundation of qualified young talents with an extensive internal network and specific company and industry knowledge. As part of the Charter for Training Programs, we also identified specific criteria for each of our training programs in 2020. The defined requirements for the trainees, trainers, and instructors aim to ensure high-quality, modern training for our junior staff.

With the skills model implemented in the reporting period, we will focus even more on skills-based recruitment in the future. The "P7S1 Skills" in the categories "Reflect," "Cooperate," "Create," "Deliver," "Know How," and "Lead & Empower" provide an overview of all skills that are important for achieving our strategic corporate goals.

## Employee retention and people development

Especially when undergoing a transformation process, we believe it is crucial to motivate and retain qualified and dedicated employees within the Company. We are convinced that continuous training of our employees is key to their professional and personal development and a strong performance culture in the Group. To support our employees with today's professional tasks and prepare them for future challenges, for example through digitalization, ProSiebenSat.1 Group invested a total of EUR 2.4 million in education and training programs in the reporting period (previous year: EUR 4.5 million). The decrease was mainly due to the effects of the COVID-19 pandemic. Some of these investments were attributable to the courses offered by the P7S1 Academy, which offers the Group companies and their employees technical and personal training.

Due to the restrictions on contact during the COVID-19 pandemic, the majority of classroom training sessions could not be held as originally planned in the reporting period. The P7S1 Academy therefore increased its investment in the digitalization of its training offers and we plan to continue and expand this further in 2021. In addition, our employees can access many digital training offers on the LinkedIn Learning platform. We have also strengthened the Company's internal knowledge management with learning content produced in-house on Company-specific topics and launched an associated initiative at the P7S1 Academy. Moreover, we give employees the opportunity for further training with offers such as job rotation, job shadowing, and mentoring programs.

Our managers' skills are very important for our success. We want to use our manager development programs to strengthen the performance and development of managers at all levels. This includes mandatory training for new managers and seminars for managing directors. The virtual working world also poses new challenges for our managers in particular. To increase mutual dialog and make it easier to share best practices, we therefore launched a leadership community in the reporting period. We also dispose of an internal network for female managers ("LeadingWomen@P7S1").

We also aim to contribute to an attractive work environment with our work-life balance initiatives. This also includes the possibility of part-time work. The corresponding rate in the Group (not including international assets in the Red Arrow Studios segment except Studio71) came to 18.7% in 2020 (previous year: 18.8%). In Germany it was 18.4% after 18.5% in the previous year, while for ProSiebenSat.1 Media SE it increased to 20.3% (previous year: 18.4%). At the same time, we offer our staff many social benefits, sports programs and healthy meals in the campus canteens. A work-life training series, family-focused services and our in-house daycare center complete the offer, although they could only be used to a limited extent in the reporting period due to the COVID-19 pandemic.

The turnover rate in the Group (not including international assets in the Red Arrow Studios segment except Studio71) decreased to 13.6% in the reporting period (previous year: 15.6%). In Germany it was 13.2% after 14.9% in the previous year, while for ProSiebenSat.1 Media SE it came to 18.6% (previous year: 17.7%). For the calculation of the turnover rate, the number of former employees who left in the reporting period is divided by the number of employees as of December 31. Reasons for leaving are cancellations or termination agreements. Departures due to fixed-term contracts, the end of an apprenticeship, retirement or death are not taken into account. **GRI 401-1**

## OVERVIEW OF KEY EMPLOYEE FIGURES

### EMPLOYEES BY EMPLOYMENT CONTRACT, GENDER, AND REGION Employee headcount as of December 31, 2020 GRI 102-8

	Temporary		Permanent	
	2020	2019	2020	2019
<b>Gender</b>				
Women	624	703	2,839	2,716
Men	403	566	3,292	2,965
	<b>1,027</b>	<b>1,269</b>	<b>6,131</b>	<b>5,681</b>
<b>Region</b>				
Germany	1,008	1,245	5,065	4,803
Austria/Switzerland	15	24	531	505
US	3	0	360	219
UK	0	0	43	33
Other	1	0	133	121
	<b>1,027</b>	<b>1,269</b>	<b>6,132</b>	<b>5,681</b>

Not including international assets in the Red Arrow Studios segment (except Studio71).

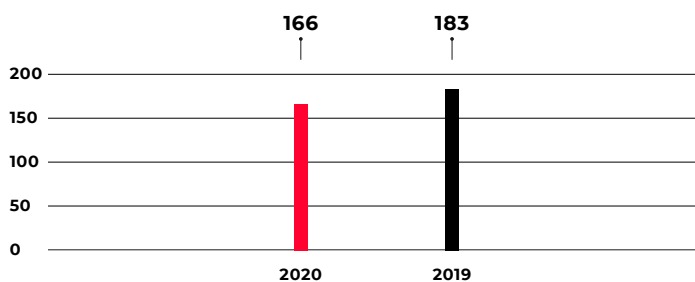
### NEW EMPLOYEE HIRES BY AGE GROUP, GENDER, AND REGION Employee headcount GRI 401-1

	New hires		New hire rate <sup>1</sup>	
	2020	2019	2020	2019
<b>Age group</b>				
<30 years	715	907	43.6%	53.9%
30–50 years	869	1,151	18.1%	25.0%
>50 years	66	71	9.3%	10.8%
	<b>1,650</b>	<b>2,129</b>	<b>23.0%</b>	<b>30.6%</b>
<b>Gender</b>				
Women	835	1,105	24.1%	32.3%
Men	815	1,024	22.1%	29.0%
	<b>1,650</b>	<b>2,129</b>	<b>23.0%</b>	<b>30.6%</b>
<b>Region</b>				
Germany	1,493	1,853	24.6%	30.6%
Austria/Switzerland	71	84	13.0%	15.9%
US	33	145	9.1%	66.2%
UK	24	16	55.8%	48.5%
Other	29	31	21.6%	25.6%
	<b>1,650</b>	<b>2,129</b>	<b>23.0%</b>	<b>30.6%</b>

<sup>1</sup> Proportion of new employees by headcount.

Not including international assets in the Red Arrow Studios segment (except Studio71).

## NUMBER OF YOUNG TALENTS



Journalistic traineeships, trainee programs, Chamber of Industry and Commerce apprenticeships and dual courses of study. Group companies primarily at the headquarters in Unterfoehring.

## TRAINING SESSIONS AT P7S1 ACADEMY

	2020	2019
Training sessions	223	492
Thereof manager trainings	15	58
Participants	2,871	5,849
Thereof manager trainings	96	371

Not including international assets in the Red Arrow Studios segment (except Studio71).

## HOURS OF TRAINING FOR EMPLOYEES

Employee headcount, average number of hours GRI 404-1

	2020	2019
<b>Gender</b>		
Women	4.5	8.6
Men	2.9	6.4
	<b>3.7</b>	<b>7.5</b>
<b>Management level</b>		
Top management	0.0	0.1
Senior management	2.2	2.6
Middle management	3.5	6.2
Team lead	4.2	9.9
No management level	3.7	7.3
	<b>3.7</b>	<b>7.5</b>
<b>Area</b>		
Production	3.1	4.7
Administration	3.7	10.2
Sales	5.4	11.9
	<b>3.7</b>	<b>7.5</b>

Group companies primarily at the headquarters in Unterfoehring.

**EMPLOYEES IN FULL-TIME AND PART-TIME EMPLOYMENT BY GENDER**

Employee headcount as of December 31, 2020 **GRI 102-8**

	2020			2019		
	Part-time	Full-time	Total	Part-time	Full-time	Total
Women	924	2,600	3,524	868	2,551	3,419
Men	426	3,209	3,635	407	3,124	3,531
	<b>1,350</b>	<b>5,809</b>	<b>7,159</b>	<b>1,275</b>	<b>5,675</b>	<b>6,950</b>

Not including international assets in the Red Arrow Studios segment (except Studio71).

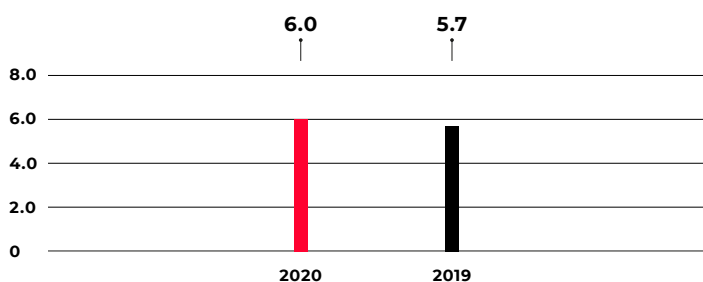
**EMPLOYEE TURNOVER BY AGE GROUP, GENDER, AND REGION** Employee headcount, in % **GRI 401-1**

	Turnover rate	
	2020	2019
<b>Age group</b>		
<30 years	17.6	18.5
30–50 years	13.0	14.7
>50 years	8.8	14.0
	<b>13.6</b>	<b>15.6</b>
<b>Gender</b>		
Women	13.0	15.2
Men	14.2	15.9
	<b>13.6</b>	<b>15.6</b>
<b>Region</b>		
Germany	13.2	14.9
Austria/Switzerland	9.0	14.0
US	26.7	38.4
UK	32.6	18.2
Other	11.9	11.6
	<b>13.6</b>	<b>15.6</b>

Not including international assets in the Red Arrow Studios segment (except Studio71).

**AVERAGE DURATION OF EMPLOYMENT**

In years



Not including international assets in the Red Arrow Studios segment (except Studio71).

**Occupational health and safety**

The health and safety of employees are a high priority for ProSiebenSat.1. In February, a dedicated crisis team was formed in the form of the “COVID-19 Taskforce,” which is working with Group Safety, Occupational Health and Safety and the works council to implement the SARS-CoV-2 Occupational Health and Safety Standard. Against the backdrop of the COVID-19 crisis, a majority of employees at the Unterfoehring site have been working from home on a mobile basis since mid-March. In addition to the employees absolutely necessary to maintain broadcasting operations, since the beginning of September the employees who have been working exclusively out of the office since March, have partly returned to Unterfoehring on a regular basis. With rising infection figures, the Group again strengthened its out-of-office arrangements in October. At the time this report was completed, the majority of employees is working from home on a mobile basis. We have made work processes as flexible as possible and, where necessary, also sought individual solutions for employees. In addition, a works agreement was concluded for the protection of employees and the maintenance of operations during the pandemic.

The majority of the Group’s employees do not work in a traditional production environment. They are therefore only exposed to risks related to their occupation to a minor degree. However, we are aware of other potential health risks that could arise from work-related stress or a lack of physical activity, for example. We therefore bundle numerous service offerings relating to occupational health management in our work-life program. We also offer flexible working hours, out-of-office work and the option to take a sabbatical. Through operational integration management, we ensure that sick employees overcome their incapacity to work, that their repeated incapacity is avoided, and that their job is retained. **GRI 403-3**



## SOCIETY

### Social responsibility

We can reach millions of viewers and users every day with our TV and digital offerings on all platforms. In 2020, ProSiebenSat.1 Group reached over 60 million people a month with its TV stations in its core market of Germany and achieved a combined audience share among 14- to 49-year-olds of 27.2% (previous year: 28.2%). At the end of 2020, the digital offerings managed by ProSiebenSat.1's marketer Seven.One Media also had a monthly reach of around 33 million unique users in the German market (previous year: 36 million). In addition, ProSiebenSat.1 Group's global digital studio Studio71 generated 10.9 billion video views a month with its web channels in 2020 (previous year: 9.9 billion). For a detailed description of the development of ProSiebenSat.1 Group's relevant market environments with corresponding reach figures and information on the sources, please refer to the section "Group Environment" of ProSiebenSat.1 Group's Management Report.

As a media company, we are aware of the increased attention and pursue the goal of using this reach responsibly. In addition to entertainment shows in its program, ProSiebenSat.1 therefore also aims to call public attention to socially relevant aspects with its own formats, issue films, and campaigns. The term "public value" is key here. This is generally understood to refer to the value and benefits that an organization brings for society. In the program principles of the German Interstate Media Agreement, it is already stipulated that private-sector broadcasters should express the diversity of opinions in their content and allow important political, ideological, and social players to have a say in an appropriate way. It is partly in this context that we have integrated shaping opinions and promoting democracy in the principles for our commitment to sustainability, within the action area of social responsibility. As a media company, we want to incorporate our sustainability goals in an even better way in our programming with our TV channels and in the influencer marketing of digital studio Studio71. We therefore want to focus increasingly on socio-politically relevant issues in terms of media and content and address these issues with the young target group. In particular, the Corporate Sustainability Office is committed to the expansion within the Group through the communication of the sustainability strategy and regular exchanges with station and program managers.

For example, Thilo Mischke took a look behind the facade of the right and the far-right scene in Germany in the documentary "Rechts.Deutsch.Radikal.", aired in September 2020 after 18 months of research. The investigative documentary achieved a 15.0% market share in the target group of 14- to 49-year-olds in prime time and without ad breaks, and was also the number 1 German Twitter trend while it was being broadcast. At the same time, the "ProSieben Spezial" formed the starting point for a nationwide debate about right-wing extremism. Another example of sociopolitically relevant content on ProSiebenSat.1 Group's stations was the 15-minute format "Joko und Klaas LIVE – A Short Story of Moria" about the situation for refugees on Lesbos, which drew around 1.43 million viewers in the target

group of 14- to 49-year olds. In December 2020, the Group also announced that it would produce cross-platform news for ProSieben, SAT.1, and Kabel Eins itself again. To this end, a central news team with around 60 employees is being set up.

For further information on journalistic due diligence and the independence of editorial work, please refer to the "Governance and compliance" section.

Since 2011, the Group has placed its public value activities in a larger social context and underscored their relevance for the Group by establishing an Advisory Board. The interdisciplinary body chaired by Bavaria's former minister-president Dr. Edmund Stoiber advises ProSiebenSat.1 Group on relevant social, ethical and media-policy issues and provides impetus on important topics such as education and culture. In 2020 the Advisory Board held four meetings, with the head of the Corporate Sustainability Office reporting on ProSiebenSat.1 Group's sustainability strategy at two meetings.

Detailed information on the program highlights with socio-political relevance and other examples of how ProSiebenSat.1 Group fulfills its social responsibility can be found in the "Taking responsibility" chapter of the Annual Report 2020.

### Anti-discrimination

Discrimination refers to unequal treatment of individuals or groups of people on the basis of certain characteristics. The prohibition of discrimination is defined as a human right and forms the basis for respectful interaction. We believe that at companies in particular it is very important to ensure equal treatment of all employees. ProSiebenSat.1 Group therefore does not tolerate discrimination on the basis of age, disability, ethnic background and nationality, sex and gender identity, religion and ideology, or sexual orientation and identity. We provide the workforce throughout Germany with mandatory training on the General Act on Equal Treatment (AGG). With our Code of Conduct, we also take a clear stand against any type of sexual violence or abuse of power.

All employees are encouraged to report discrimination or violations of other principles set out in the Code of Conduct. One central tool is the whistleblower system, with the associated communication on ProSiebenSat.1's intranet specifically focusing on discrimination alongside other violations of regulations and laws. In addition to internal reporting channels, it is also possible to report violations anonymously via an external Ombuds Office. This accepts reports by telephone or e-mail, checks their plausibility, and then forwards them to the Group Compliance division. In the event of reports of serious suspected cases that turn out to be justified after internal evaluation, the Chief Compliance Officer promptly informs the management. Via the private media association VAUNET, we also participate in the Themis advice center against sexual harassment and violence, which provides assistance for those affected in the film, television and theater industry. In 2020, there was one case (previous year: four) of violations in connection with discrimination, which was closed in the reporting period. **GRI 406-1**

## DIVERSITY

### Diversity management

For us, diversity means recognizing and valuing differences and individuality. Our goal is to create a working environment that is free of prejudice and shows all employees the same high level of appreciation – regardless of their age, disability, ethnic background and nationality, sex and gender identity, religion and ideology, or sexual orientation and identity. Only if all employees can freely develop their talents and feel motivated to live up to their potential will this give rise to a wide variety of ideas and thus sustainable success. Against this backdrop, ProSiebenSat.1 Group signed the Diversity Charter in 2014 and follows the guidelines specified in it. Our internal guidelines also stipulate that employees at all hierarchy levels should be hired exclusively according to objective criteria and promoted solely on the basis of their abilities. We aim to promote diversity within our workforce and champion equal rights and equal opportunities in accordance with the guiding principle for the action area of diversity. The HR department and the Corporate Sustainability Office in particular are responsible for the further development of diversity management, the more targeted focus, and the operational implementation of associated measures. This also includes improving the inclusivity concept, for example with the planned conclusion of an inclusivity agreement between the Group management, the works council, and the representative body for disabled employees.

Diversity is aided in particular by the best possible balance ratio of men and women in the workforce and in management positions. In 2020, 49.2% (previous year: 49.4%) of employees in the Group were female. The proportion of female managers increased from 34.8% to 35.4% in the reporting period. When filling management positions in the Group, know-how and personal aptitude should be equally important for men and women. In addition, we have integrated “gender equality” into ProSiebenSat.1 Group’s sustainability strategy as a United Nations Sustainable Development Goal (SDG) that is particularly relevant to us. The internal and external communication of this goal sends a clear signal both to potential managers and to decision-makers at all management levels in the selection process. **GRI 405-1**

### SHARE OF MEN AND WOMEN

Employee headcount (annual average), in %

	Employees		Managers	
	2020	2019	2020	2019
<b>Group</b>				
Women	49.2	49.4	35.4	34.8
Men	50.8	50.6	64.6	65.2
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Germany</b>				
Women	49.4	49.6	34.7	33.9
Men	50.6	50.4	65.3	66.1
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>ProSiebenSat.1 Media SE</b>				
Women	60.6	62.5	34.2	39.0
Men	39.4	37.5	65.8	61.0
	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Not including international assets in the Red Arrow Studios segment (except Studio71).

An open-minded working climate with regard to sexual orientation and gender identity is a key criteria for us to be perceived as a modern employer. That is why we specifically support initiatives aimed at promoting diversity and inclusivity. The LGBTIQ network PROUD@ProSiebenSat.1, founded by employees in 2020, has set itself the goal of making diversity more visible within the Group. In addition to weekly project meetings and a series of internal events, the network has also launched the interview series “Queer at Work,” which is published both internally and externally on the ProSiebenSat.1 careers blog.

Since 2019, there has also been a “Diversity Day” training session as part of the training program for journalistic trainees in order to raise awareness of the different aspects of diversity among our junior staff in the editorial teams. This includes diversity among employees as well as in TV programming. In the reporting period, our journalistic trainees therefore completed training with the MaLisa Foundation on audiovisual diversity as part of their theoretical training block. In this context, ProSiebenSat.1 supported the follow-up study by the MaLisa Foundation and the University of Rostock on gender representation in film and TV in Germany in 2020. The results will be published in 2021.

ProSiebenSat.1 Group also makes use of its reach and wants to set an example for diversity with its TV stations and digital services. With the campaign #ranGEGENrassismus in 2020, ran called on all American football, soccer, motor sports and other sports fans to speak up for respectful interaction and against discrimination of any kind. ProSieben also sent a signal on tolerance and a diverse society in the reporting period, supporting Christopher Street Day (Gay Pride) – which could only be held virtually for the first time due to the COVID-19 pandemic – in cooperation with Instagram.



## OVERVIEW OF KEY DIVERSITY FIGURES

### DIVERSITY OF EMPLOYEES

As of December 31, 2020 (headcount), in % GRI 405-1

		2020	2019
Top management <sup>1</sup>	Women	0	29
	Men	100	71
Senior management	Women	17	17
	Men	83	83
Middle management	Women	26	27
	Men	74	73
Team lead	Women	36	36
	Men	64	64
No management level	Women	54	54
	Men	46	46
Top management	<30 years	0	0
	30–50 years	50	57
	>50 years	50	43
Senior management	<30 years	0	0
	30–50 years	52	61
	>50 years	48	39
Middle management	<30 years	1	0
	30–50 years	66	72
	>50 years	33	28
Team lead	<30 years	2	3
	30–50 years	83	83
	>50 years	15	14
No management level	<30 years	21	22
	30–50 years	66	66
	>50 years	13	12
Production	Women	44	44
	Men	56	56
Administration	Women	57	59
	Men	43	41
Sales	Women	55	54
	Men	45	46
Production	<30 years	18	19
	30–50 years	65	66
	>50 years	17	15
Administration	<30 years	16	17
	30–50 years	71	72
	>50 years	13	11
Sales	<30 years	17	17
	30–50 years	71	71
	>50 years	12	12

<sup>1</sup> All female managers included in top management in 2019 have moved to Executive positions in 2020. Group companies primarily at the headquarters in Unterfoehring.

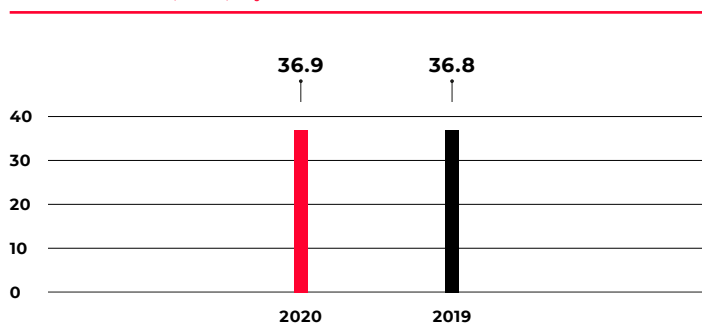
### DIVERSITY OF GOVERNANCE BODIES AT PROSIEBENSAT.1 MEDIA SE

As of December 31, 2020 (headcount), in % GRI 405-1

	Executive Board		Supervisory Board	
	2020	2019	2020	2019
<b>Gender</b>				
Women	33	0	33	33
Men	67	100	67	67
	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Age group</b>				
<30 years	0	0	0	0
30–50 years	0	33	33	33
>50 years	100	67	67	67
	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

### AVERAGE AGE OF EMPLOYEES

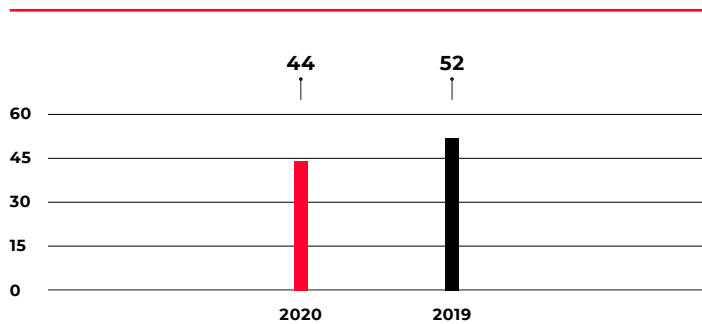
As of December 31, 2020, in years



Not including international assets in the Red Arrow Studios segment (except Studio71).

### NUMBER OF NATIONALITIES OF EMPLOYEES

As of December 31, 2020 (headcount)



Group companies primarily at the headquarters in Unterfoehring.

## Accessible offerings

ProSiebenSat.1 Group is committed to barrier-free access to its offerings. For this reason, we offer subtitled programming areas and audio descriptions for deaf and hard of hearing people on our channels, among others, in order to improve the dissemination of information. Back in 2000, ProSieben introduced the first regular subtitle service for the deaf on private television. Accessible content is broadcast on nearly all of the Group's stations, with the amount steadily increasing. For example, in 2020 the Superbowl, documentaries such as "Rechts.Deutsch.Radikal." or "Diagnose Trump", and entertainment formats such as "The Fame Maker" and "Pretty in Plüsch" were broadcasted with subtitles. In addition, the range of shows with live audio description was expanded in 2020. We will endeavor to increase our accessible offerings in the future, too.

Moreover, the new German Interstate Media Treaty of broadcasters of nationwide programs also promotes the expansion of accessible offerings within the limits of technical and financial possibility. Individual states and the German government have published action plans to implement the UN Convention on the Rights of Persons with Disabilities, which also aim to include more accessible formats on television. The state media authorities regularly monitor this expansion. Subtitles are currently included in the programming on five German ProSiebenSat.1 stations: SAT.1, ProSieben, Kabel Eins, sixx, and ProSieben MAXX. In the current reference period on which the state media authorities' monitoring is based, the number of subtitled shows and the broadcast time were once again increased significantly. The number of subtitled shows within the broadcasting group increased by 29% (September to December 2020: 4,452 shows; previous year: 3,458). The corresponding broadcast time in 2020 went up by 33%.

## ENVIRONMENT

Although ProSiebenSat.1 Group as a media group does not operate in an industrial sector with high resource consumption and energy intensity, we are aware of our ecological responsibility. Working with our employees and in dialog with our external stakeholders, we want to contribute to mitigating climate change and protecting our environment, for example through the careful and efficient use of natural resources and by reducing our energy consumption and CO<sub>2</sub> emissions. However, we consider the environmental impact of our business activities to be limited and have therefore not identified environmental matters as a key non-financial aspect in accordance with section 289c (3) HGB.

In connection with the publication of the Sustainability Report 2019, we announced in June 2020 that we intend to reduce ProSiebenSat.1 Group's operating CO<sub>2</sub> emissions to zero by 2030, thus becoming climate-neutral. We are aiming to achieve this goal primarily by means of lower energy consumption and purchasing electricity from renewable energy sources. Furthermore, we have identified potential CO<sub>2</sub> savings in areas such as "green productions", business trips, and employee mobility. To this end, CO<sub>2</sub> offsetting with climate protection projects is also planned. The Corporate Sustainability Office works closely with the departments and in close consultation with the Executive

Board on the further development of the climate strategy and the implementation of specific measures.

In this context, the Group adjusted its travel policy in the reporting period. Among other changes, this included standardizing the rules for employees and management, introducing restrictions on flights, and expanding rail travel as an environmentally friendly alternative. In addition, we have been partly offsetting emissions from business trips by airplane since 2020. At the locations Unterfoehring and Berlin, we supply our office buildings, production studios, and computer centers exclusively with green electricity. ProSiebenSat.1 has successively expanded the environmentally friendly heating supply and has switched entirely to geothermal energy for the buildings at the headquarters. We also use the waste heat from our computer centers to heat our office buildings. The gradual conversion to LED lighting also contributes to increasing energy efficiency. In addition, the measures for waste separation and reduction are being optimized on an ongoing basis. For example, the canteens on the ProSiebenSat.1 campus have already completely eliminated single-use plastics. In addition, sustainability certification in accordance with the LEED model (Leadership in Energy and Environmental Design) is planned for the new campus in Unterfoehring, which is currently under construction.

As a media company, ProSiebenSat.1 also wants to live up to its environmental responsibilities in production, and on the basis of this sense of identity it developed the "Sauber gedreht!" initiative in 2019. The first result was a catalogue with four action areas comprising measures for TV productions that range from reducing CO<sub>2</sub> emissions to protecting natural resources to avoiding environmentally harmful substances, as well as reduced use of plastic and a general reduction in waste. In 2020, the package of measures was sent to producers as part of a pilot phase. The growing importance of green productions is also underscored by the "Joint industry declaration for sustainability in film and series production," in which ProSiebenSat.1 was among the signatories in February 2020. In its annual "Green Seven Week", ProSieben uses its reach to raise awareness of environmental sustainability among young viewers in particular. The "Green Seven Week" was held for the twelfth time in September 2020 and drew attention to the global consequences of forest fires and forest dieback with the motto "Our forest is burning!"

Operational responsibility for recording and consolidating environmental activity data lies with the Corporate Procurement & Real Estate department for the headquarters and with the respective management teams for the ProSiebenSat.1 investments. The Corporate Communications and Corporate Sustainability central functions are responsible for CO<sub>2</sub> accounting, determining other reported environmental performance indicators, and reporting and communicating these.

## Energy

ProSiebenSat.1's energy consumption mainly involves the purchase of electricity and heating. The total energy consumption (incl. electricity) within the Group fell to approximately 37 GWh in the reporting period (previous year: approximately 41 GWh), primarily due to lower electricity consumption and significantly restricted employee mobility as a result of the COVID-19 pandemic. The material energy consumption outside the Group is indicated indirectly in the carbon footprint through the Scope 3 emissions. The total consumption of electricity at the headquarters in Unterfoehring was around 15 GWh in 2020, representing a slight decrease as against the previous year (16 GWh). For the generation of heat, environmentally friendly geothermal energy was largely used rather than fuel oil or natural gas. In total, ProSiebenSat.1's energy consumption for heating and cooling in Unterfoehring amounted to around 7 GWh, as in the previous year. In 2020, the energy consumption of company cars in Germany was 4.7 GWh (previous year: 6.2 GWh), a decline of around 25 percent compared to the previous year. **GRI 302-1, GRI 302-2**

### ENERGY INTENSITY GRI 302-3

	2020	2019	2018
Energy consumption in GWh	36.67	40.72	44.64
Revenues in EUR m	4,047	4,135	4,009
Average FTEs	7,128	7,265	6,239
<b>Energy consumption/revenues</b> in MWh/EUR m	<b>9.06</b>	<b>9.85</b>	<b>11.13</b>
<b>Energy consumption/average FTE</b> in MWh/average FTE	<b>5.14</b>	<b>5.60</b>	<b>7.15</b>

## Emissions

We have been recording the Group's greenhouse gas emissions since 2015 and are continually working to improve the data quality of our carbon footprint and to ensure that the measurement data has the highest possible coverage rate. Our carbon footprint includes direct greenhouse gas emissions (Scope 1), indirect greenhouse gas emissions (Scope 2) and greenhouse gas emissions from upstream and downstream stages in the value chain (Scope 3). The coverage with measurement data is at least 78% for Scope 1 (previous year: 78%) and 79% for Scope 2 (previous year: 75%). Detailed information on the reporting of greenhouse gas emissions can be found in the → [„Explanatory notes on the Carbon Footprint“](#).

In 2020, as in the previous year, ProSiebenSat.1 Group's direct emissions resulted almost entirely from ProSiebenSat.1's vehicle fleet. The substantial decrease was due to reduced mobility as a result of the restrictions arising from the COVID-19 pandemic. Scope 2 emissions also decreased year-on-year, albeit less significantly. At around 44%, commuting by employees is responsible for the majority of the reported greenhouse gas emissions from upstream and downstream stages in the value chain. Overall, the reduction in Scope 3 emissions – and thus also in total emissions – is mainly due to reduced employee mobility as a direct impact of the COVID-19 pandemic.

### CARBON FOOTPRINT OF PROSIEBENSAT.1 GROUP GRI 305-1, GRI 305-2, GRI 305-3

Greenhouse gas emissions (CO <sub>2</sub> equivalent) in metric tons <sup>1</sup>	2020	Change	2019	Change	2018	2017	2016
<b>Scope 1 – Direct greenhouse gas emissions</b>	<b>1,599</b>	<b>-24%</b>	<b>2,110</b>	<b>10%</b>	<b>1,910</b>	<b>2,456</b>	<b>2,371</b>
– Vehicle fleet <sup>2</sup>	1,560	-24%	2,064	19%	1,736		
– Fuel oil	40	-13%	46	-21%	58		
– Gas	–	–	–	–	116		
<b>Scope 2 – Indirect greenhouse gas emissions<sup>3</sup></b>	<b>2,188</b>	<b>-24%</b>	<b>2,882</b>	<b>-72%</b>	<b>10,460</b>	<b>4,035</b>	<b>3,471</b>
– Electricity <sup>4</sup>	1,054	-9%	1,163	-87%	8,662		
– District heating and geothermal energy <sup>5</sup>	1,134	-34%	1,719	-4%	1,798		
<b>Scope 3 – Greenhouse gas emissions from upstream and downstream stages of the value chain</b>	<b>5,797</b>	<b>-64%</b>	<b>16,292</b>	<b>-21%</b>	<b>20,605</b>	<b>17,356</b>	<b>15,130</b>
– Fuels and energy-related activities not included in Scope 1 or 2	1,898 <sup>6</sup>	-4%	1,974	-17%	2,385		
– Waste from operating processes	23	-50%	47	-18%	57		
– Employee commuting	2,529	-61%	6,474	-33%	9,659		
– Business travel (plane, train, rental car and taxi)	1,347 <sup>7</sup>	-83%	7,797	-8%	8,504		
<b>Total emissions from Scope 1, 2 and 3<sup>8</sup></b>	<b>9,584<sup>9</sup></b>	<b>-55%</b>	<b>21,284</b>	<b>-35%</b>	<b>32,975</b>	<b>23,847</b>	<b>20,973</b>

<sup>1</sup> When calculating the carbon footprint, we were guided by the criteria and definitions of the Sustainability Reporting Guidelines (Standards) of the Global Reporting Initiative (GRI). The data was collected on the basis of internal guidelines. In addition, we aligned the calculation of our carbon footprint and selected data on indirect CO<sub>2</sub> emissions (Scope 3) to the following standards: the Greenhouse Gas (GHG) Protocol – Corporate Accounting and Reporting Standard, the Corporate Value Chain Accounting and Reporting Protocol of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). All of ProSiebenSat.1 Group's own sites and employees were included in the carbon footprint. The market-based method was used for the calculation.

<sup>2</sup> Without hybrid and electric vehicles.

<sup>3</sup> Energy consumption by the production studios and computer centers outside of the Unterfoehring and Berlin sites is not included. Scope 2 emissions according to the location-based method amounted to 9,577 metric tons of CO<sub>2</sub>e in the reporting period (previous year: 10,557t CO<sub>2</sub>e).

<sup>4</sup> Location-based emissions in the category electricity amounted to 7,401 metric tons of CO<sub>2</sub>e in the reporting period (previous year: 8,340 metric tons of CO<sub>2</sub>e).

<sup>5</sup> Location-based emissions in the category of district heating and geothermal energy amounted to 2,176 metric tons of CO<sub>2</sub>e in the reporting period (previous year: 2,217 metric tons of CO<sub>2</sub>e).

<sup>6</sup> Due to adjustments in the calculation methodology, a comparison with the previous year's development is only possible to a limited extent.

<sup>7</sup> In the category business travel 355 metric tons of CO<sub>2</sub>e were compensated.

<sup>8</sup> Total emissions according to the location-based method amounted to 16,973 metric tons of CO<sub>2</sub>e in the reporting period (previous year: 28,959 metric tons of CO<sub>2</sub>e).

<sup>9</sup> The amount of remaining non-reduced and non-compensated emissions was 9,229 metric tons of CO<sub>2</sub>e.

## GHG EMISSIONS INTENSITY GRI 305-4

	2020	2019	2018
GHG emissions in metric tons	9,584	21,284	32,975
Revenues in EUR m	4,047	4,135	4,009
Average FTEs	7,128	7,265	6,239
<b>GHG emissions/revenues</b> in metric tons/EUR m	<b>2.37</b>	<b>5.15</b>	<b>8.23</b>
<b>GHG emissions/average FTE</b> in metric tons/average FTE	<b>1.34</b>	<b>2.93</b>	<b>5.29</b>

## Waste

Waste generated at the Unterfoehring site in 2020 decreased significantly to 615 metric tons (previous year: 4,028 metric tons). In the waste balance, 188 metric tons (previous year: 3,228 metric tons) were directly attributable to demolition work in connection with the "New Campus" construction project. Any waste that cannot be reclaimed is disposed of in an environmentally responsible manner. When doing so, ProSiebenSat.1 complies with the local regulations and classifies waste as hazardous or non-hazardous in accordance with the relevant national legislation. The volume of hazardous waste (e.g. insulating material and construction materials containing asbestos) fell from 46 to 29 metric tons in 2020 on account of the construction progress. Municipal waste (domestic-type waste produced by trade and industry) decreased due to out-of-office-regulations in the wake of the COVID-19 pandemic to 69 metric tons (previous year: 122 metric tons). **GRI 306-2**

## GOVERNANCE & COMPLIANCE

The Executive Board and Supervisory Board regard good corporate governance as an essential component of responsible, transparent management geared toward long-term value creation. Further information can be found in particular in the Management Declaration in accordance with sections 289f and 315d of the German Commercial Code (HGB). In addition

to the annual Declaration of Compliance pursuant to section 161 of the German Stock Corporation Act (AktG), this includes other relevant information on ProSiebenSat.1 Group's corporate governance practices.

The Executive Board of ProSiebenSat.1 Media SE is also convinced that sustainable economic success in a competitive environment can be achieved only by ensuring that business practices comply with the applicable laws. In addition to preventing corruption, the Company particularly focuses on anti-trust legislation and media law, as well as legal provisions on data protection. ProSiebenSat.1 Group has implemented a compliance management system (CMS) to monitor compliance with the law. The main objective of the CMS is to ensure that all employees always think and act with integrity and in accordance with the guidelines and regulations, and thus to prevent law- and rule-breaking. The central compliance organization is made up of the Compliance Committee and the Group Compliance department headed by the Chief Compliance Officer (CCO), which are assisted in the performance of their duties by experts from other areas, such as the Legal department. In addition, Unit Compliance Officers (UCOs) have been appointed who are responsible for the CMS at Group entities and are in direct contact with the respective subject experts. The CCO is entrusted with implementing the CMS in the Group, carries out risk analyses and training, and advises the Executive Board on the development and implementation of appropriate measures to minimize risks.

ProSiebenSat.1 Group has laid down basic guidelines and policies in its Code of Conduct. These guidelines define the general standards for conduct in business, legal and ethical matters and also govern how employees can report misconduct in the Company. They serve all members of the Executive Board, the management, and the employees of ProSiebenSat.1 Group as a binding reference and regulatory framework for dealing both with each other and with business partners, customers, suppliers, and other third parties. Another central compliance instrument for ProSiebenSat.1 Group is the whistleblower system. In addition to internal reporting channels, it is also possible to report legal violations anonymously via an external Ombuds Office.

## COMPLIANCE TRAINING

Topic	2020			2019		
	Classroom trainings (live)	Participants (live)	Online trainings	Classroom trainings (live)	Participants (live)	Online trainings
Media, copyright, advertising law, German Unfair Competition Act	1	3	3,448	9	247	4,235
Compliance Antitrust law	7	295	—	13	250	—
General Act on Equal Treatment (AGG), labour law	—	—	2,338	—	—	2,469
Data protection	—	—	2,304	6	77	2,621
Information Security	—	—	6,500	6	146	2,205
Youth protection	2	26	477	6	84	536
Occupational health and safety	—	—	6,213	4	171	5,820
Tax law	2	42	—	9	79	—
Management seminars	2	18	—	3	22	—

In the financial year 2020, some classroom training sessions were held virtually instead.

Further information, particularly on the compliance organization and the whistleblower system, is provided in the Management Declaration in accordance with sections 289f and 315d HGB.

In addition, ProSiebenSat.1 Group has implemented a compliance training program that includes both online and classroom training. The online training, which is offered in English and German on a two- to three-year cycle and is mandatory for all employees, is intended to provide a basic understanding of the main compliance risks. The classroom training is targeted at “risk groups” and is carried out by Legal Affairs, Group Compliance, HR Law, Taxes, Corporate Information Security, the Data Protection Officer and the Youth Protection Officers for their individual areas. In addition, ProSiebenSat.1 Group offers seminars for the managers of German affiliated companies at its P7S1 Academy in order to give them a comprehensive overview of their rights and obligations as well as the relevant legal bases.

### Anti-corruption and antitrust law

Legally compliant conduct and the prevention of violations of laws and regulations are a prerequisite for a company’s sustainable success. Therefore, preventing corruption and anti-competitive behavior in connection with antitrust law is highly relevant to business and represents an important success factor for achieving our corporate goals. Free competition is a key pillar of our economic system and is given special protection by antitrust laws. Violations of competition laws may result in high fines and claims for damages that may affect not only the company but also employees personally. The corresponding Group-wide guidelines on avoiding corruption and on competitive conduct were revised in 2020. In 2020, as in the previous year, we were not aware of any investigations against the Group, its subsidiaries or employees of ProSiebenSat.1 Group with regard to corruption offenses or antitrust violations.

**GRI 205-3, GRI 206-1**

### Product governance

We see product governance, with its central components of data protection provisions and media regulation, not only as a legal requirement but also as an important competitive factor with a lasting impact on trust in ProSiebenSat.1 Group’s products, offerings and brands and thus also on the economic success of the Group. Data protection and media law provisions are thereby covered by the compliance management system (CMS).

### DATA PROTECTION

In the digital world, more and more personal data is being generated by new business models and processed in a wide variety of ways. This also applies to ProSiebenSat.1 Group with its wide variety of entertainment services and commerce companies in the portfolio. In this context, data protection protects the right to privacy and to information control, i.e. the right of each individual to control the disclosure and use of his or her own personal data. Our goal is to handle personal data carefully and protect it from misuse. The Group Data Protection Officer is responsible for cooperation and coordination on all major data protection matters. He is assigned to the Group Compliance

division in organizational terms and is supported by data protection law specialists when it comes to legal issues. By way of mandatory training and assessments by the Group Data Protection Officer, violations of privacy are to be prevented and compliance with data protection law ensured.

In doing so, we aim to ensure compliance with data protection on the basis of a risk-oriented data protection management system and to protect personal and other sensitive data from loss, destruction, unauthorized access or unauthorized use, processing, or disclosure. Specific measures are based on the legal regulations, particularly the EU General Data Protection Regulation (GDPR) and the German Federal Data Protection Act (BDSG), as well as our own data protection guidelines. The data protection law requirements form part of our CMS. ProSiebenSat.1 Group has implemented processes to protect personal data against misuse. These relate to the preparation of agreements under data protection law in order to meet the requirements of Articles 26 and 28 GDPR and to the disclosure of personal data to public authorities. The data protection processes also cover the information required to be provided, the rights of the data subject, and the reporting of data breaches, i.e. third parties unlawfully obtaining personal data, pursuant to Articles 33 and 34 GDPR.

In 2020, there were 18 cases (previous year: eight) of substantiated complaints regarding the violation of customers’ privacy at companies of ProSiebenSat.1 Group in Germany, of which 15 were from external parties and three from regulatory authorities. Furthermore, there were six cases (previous year: 12) of data leaks, data theft, or data loss that had to be reported in accordance with the General Data Protection Regulation (GDPR).

**GRI 418-1**

### MEDIA REGULATION

Among other aspects, the media law provisions of the CMS deal with journalistic independence, the principles of the separation of advertising and programming, and the requirements for the protection of young people. These issues also form part of the Code of Conduct. For 2020, we recorded a total of 12 violations (previous year: 11) of journalistic due diligence, program principles, and provisions for the protection of minors and personal rights. **GRI 416-2**

In all our activities, we are committed to a free and democratic order, which is based in particular on the fundamental right to freedom of opinion. The central editorial team of Seven. One Entertainment Group is responsible at operational level for ensuring journalistic independence in the editorial work of all stations. In daily conferences with the editorial teams and programming managers, the focus areas for the content of reporting and programming are discussed. The fundamental dual-control principle applies when approving editorial content. In addition, the Group has formulated guidelines which all journalists and editorial staff are required to follow. The “Guidelines for Ensuring Journalistic Independence” specify the understanding of the journalistic principles set forth in the Press Code of the German Press Council. According to these principles, they are essentially free to form their editorial content as they see fit and should report independently of social, economic or political interests. In addition, topics such as press law and



the protection of minors are trained and deepened in internal training courses.

ProSiebenSat.1 Group is committed to differentiating between editorial reporting and broadcasts for advertising purposes. In substantiated individual cases where the use of surreptitious advertising is suspected, an ad-hoc Supervisory committee can take action. In Germany, the Group is also committed to following the provisions of the German Interstate Broadcasting Agreement and the “Common Guidelines of the State Media Authorities for advertising, for ensuring separation of advertising and programming, and for sponsorship on television and radio,” or rather the provisions of the German Interstate Media Agreement that have replaced these since November 2020. The ProSiebenSat.1 Group guidelines on the separation of advertising and programming include specific explanations regarding bans on the placement of particular products and services on the basis of the German Interstate Broadcasting Agreement. They provide employees of the German companies of ProSiebenSat.1 Group with binding guidelines as part of their employment contract in order to prevent violations of program principles as far as possible. For the German stations, the guidelines serve the preservation of journalistic credibility and aim to safeguard the independence of the content from third-party influences as the top-level programming guidelines.

Provisions for the protection of young people are also covered by the CMS in the context of media regulation. A key role is played by the youth protection officers at ProSiebenSat.1 Group, who are tasked with making sure that all TV and online content for which the Group is responsible is offered in an age-appropriate way. The goal is to make it difficult for children and young people to gain access to content that is unsuitable for their age group. The German Interstate Agreement on Youth Protection in the Media (JMStV) stipulates clear requirements for this. For example, providers must check their telemedia content for any aspects that could have a harmful effect on the development of children and young people. The youth protection officers are autonomous in their work and are responsible for ensuring that content that is unsuitable for children and young people is broadcasted only at the legally stipulated times. At the same time, they are expected to use technical means (e.g. PIN procedures) to ensure the protection of young people from the dissemination of content on the Group's websites that could potentially harm their development. To this end, the youth protection officers are involved in the production and purchasing of programs at an early stage, if possible. Their tasks include assessing scripts in advance, supporting productions, and preparing expert reports on them. Independently from the work of the youth protection officers, TV and online editors receive regular training on youth protection regulations. As well as providing employee training and internal guidelines, we support the protection of young people via various organizations, such as the Voluntary Self-Regulation of Television Association (Freiwillige Selbstkontrolle Fernsehen, FSF) and the Voluntary Self-Monitoring of Multimedia Service Providers Association (Freiwillige Selbstkontrolle Multimedia-Diensteanbieter, FSM).



# 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**

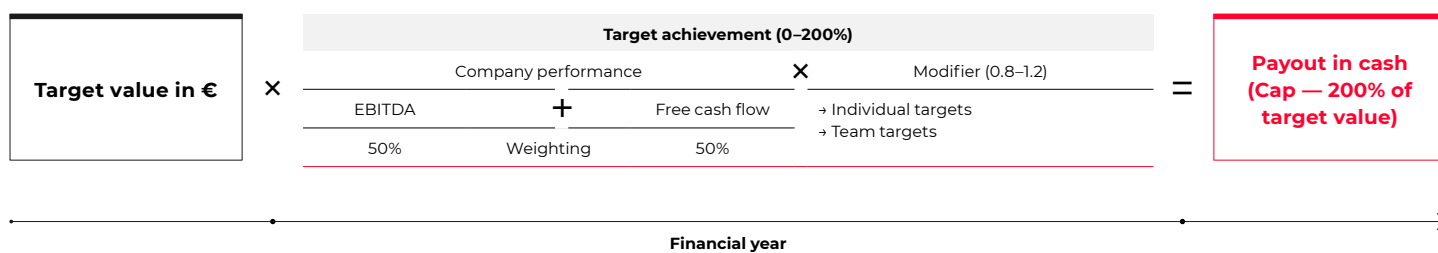
Variable compensation comprises two elements: annual variable compensation (Short-Term Incentive) in the form of an annual bonus payment (performance bonus) and multi-year variable compensation (Long-Term Incentive) in the form of virtual shares in ProSiebenSat.1 Media SE (Performance Share Plan).

**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.

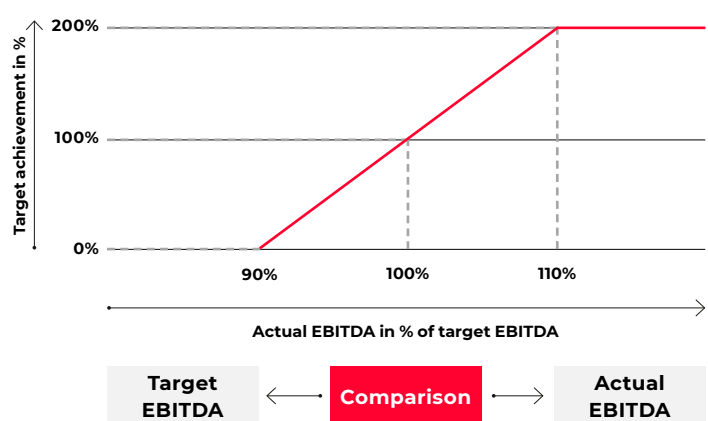
The EBITDA target value is set annually by the Supervisory Board in EUR and is derived from budget planning for ProSiebenSat.1 Group. The financial effects of operational and strategic measures are reflected in the budget planning.

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.

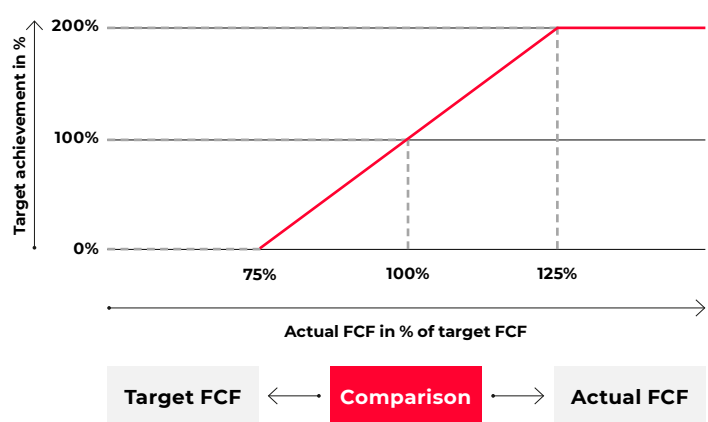
The FCF target value is set annually by the Supervisory Board in EUR and is derived from budget planning for ProSiebenSat.1 Group. The financial effects of operational and strategic measures are reflected in the budget planning.

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

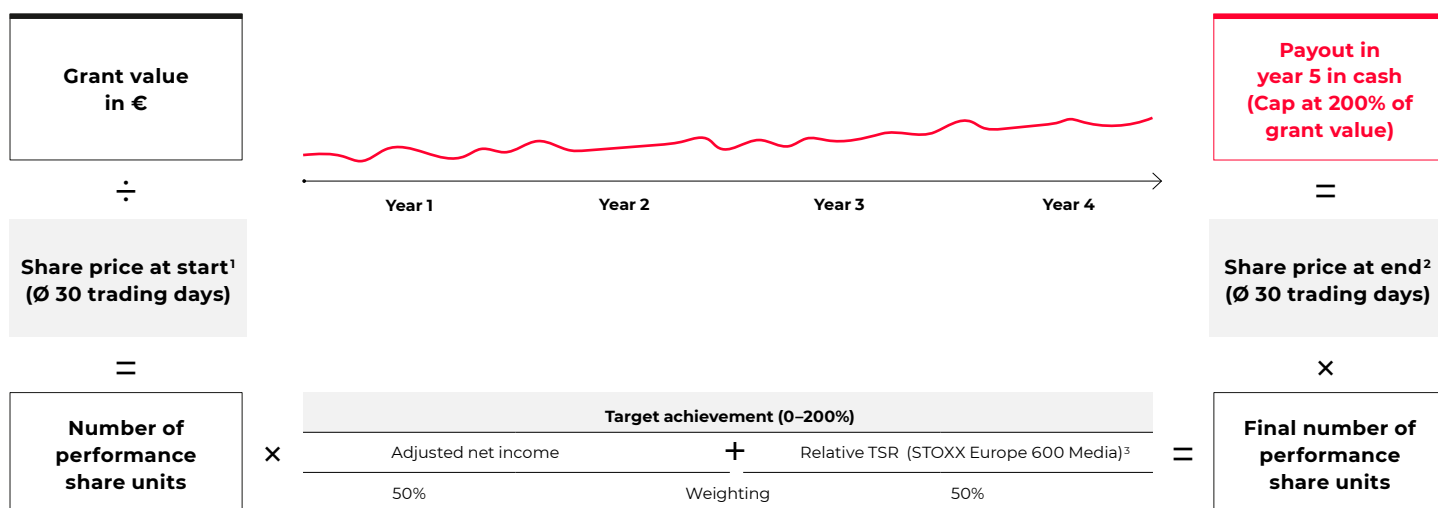
performance period. Payment is made in cash in year five, the year after the end of the performance period. The Company has the right to choose equity settlement rather than cash settlement and to deliver a corresponding number of own shares for this purpose.

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.

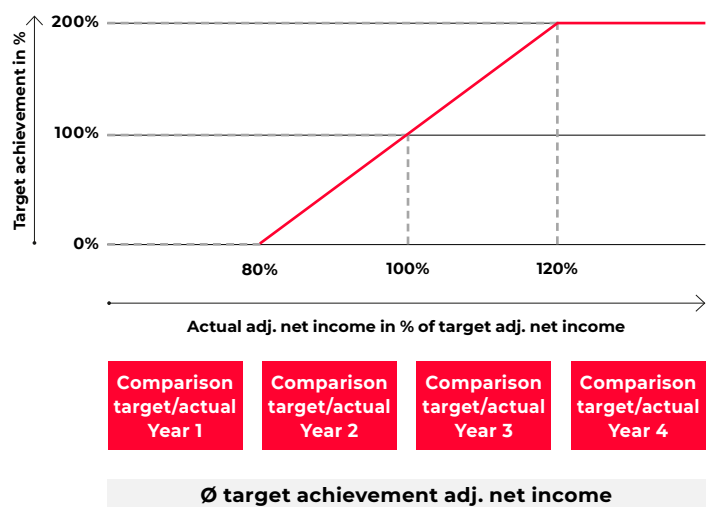
If required, the Group's actual adjusted net income reported by ProSiebenSat.1 Media SE is adjusted to determine the target achievement, adjustments being made e.g. for effects from significant changes in IFRS accounting and from the effects of M&A transactions (including related financing effects) carried 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**



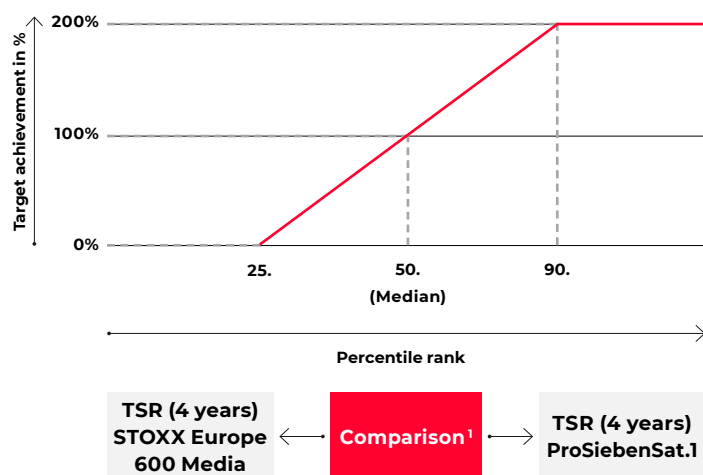
**RELATIVE TOTAL SHAREHOLDER RETURN (TSR)**

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	1,075.2	86.7	61.9	50.9	317.0	1,591.7
	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.



# TAKEOVER-RELATED DISCLOSURES<sup>1</sup>

As a publicly traded company whose voting shares are listed in an organized market as defined by Section 2 (7) of the German Securities Acquisitions and Takeover Act (WpÜG), ProSiebenSat.1 Media SE is obliged to disclose the information stipulated in Section 315a (1) of the German Commercial Code (HGB) in the Group Management Report. The disclosures are intended to enable a third party interested in taking over a publicly traded company to inform itself about the company, its structure, and any obstacles to the takeover. In addition to these statutory disclosures, the following section also includes the related explanations in accordance with Section 176 (1) Sentence 1 of the German Stock Corporation Act (AktG) in conjunction with Article 9 (1) lit. c) ii) SE Regulation.

## COMPOSITION OF THE SUBSCRIBED CAPITAL

As of December 31, 2020, the share capital of ProSiebenSat.1 Media SE amounted to EUR 233,000,000. It is divided into 233,000,000 no-par registered common shares with a pro rata share in the share capital of EUR 1.00 per share. All shares entail the same rights and obligations. Each share in ProSiebenSat.1 Media SE grants one vote at the Annual General Meeting and an identical share in profits. → [Organization and Group Structure](#)

As of December 31, 2020, the total number of treasury shares held by the Company was 6,771,747; this corresponds to 2.9% of the share capital. → [Financial Performance of the Group](#)

## RESTRICTIONS AFFECTING VOTING RIGHTS OR THE TRANSFER OF SHARES, AND SHAREHOLDINGS THAT EXCEED 10% OF THE VOTING RIGHTS

The Executive Board has no information on any restrictions on the exercise of voting rights or the transferability of shares that go beyond the legal requirements of the law governing the capital market and the German Interstate Broadcasting Treaty (Rundfunkstaatsvertrag).

On the basis of the voting rights notifications according to Sections 33 and 34 of the German Securities Trading Act (WpHG) received by the Company by December 31, 2020, there are no investments in the Company that exceed 10% of the voting rights.

## SHARES WITH SPECIAL RIGHTS THAT CONFER CONTROLLING POWERS AND VOTING CONTROL IF EMPLOYEES HOLD A CAPITAL SHARE

No shares with special rights that confer controlling powers have been issued.

There is no control over voting rights in the event that employees hold a capital share of ProSiebenSat.1 Media SE and do not exercise their controlling rights directly.

## APPOINTMENT AND REMOVAL OF EXECUTIVE BOARD MEMBERS

In accordance with Section 7 (1) Sentence 1 of the Company's articles of incorporation, the Executive Board of ProSiebenSat.1 Media SE comprises one or several people. The exact number is determined by the Supervisory Board in accordance with Section 7 (1) Sentence 2 of the articles of incorporation. Members of the Executive Board are in principal appointed and removed by the Supervisory Board in accordance with Article 39 (2) SE Regulation. In accordance with Section 7 (2) Sentence 1 of the articles of incorporation in conjunction with Article 46 SE Regulation, Executive Board members are appointed for a maximum period of five years. Reappointments are permitted for a maximum of five years respectively. Executive Board members can be removed by the Supervisory Board prematurely for major cause. The appointment and removal of Executive Board members require a simple majority of the votes cast in the Supervisory Board. In the event of a tie, the vote of the Supervisory Board Chairman shall prevail (Article 12 (1) Sentence 3 of the Company's articles of incorporation). In urgent cases, the court shall appoint a member at the request of one of the parties involved if the Executive Board does not have the required number of members (Section 85 (1) Sentence 1 AktG in conjunction with Article 9 (1) lit. c) ii) SE Regulation).

## AMENDMENTS OF THE ARTICLES OF INCORPORATION

The Annual General Meeting must decide on changes to the articles of incorporation (Article 59 (1) SE Regulation). In the case of ProSiebenSat.1 Media SE, a resolution by the Annual General Meeting to change the articles of incorporation requires the simple majority of the votes cast if at least half of the share capital entitled to vote is represented when the resolution is being passed (Article 59 (2) SE Regulation, Section 51 Sentence 1 of the German SE Implementation Act (SEAG)). Otherwise, this requires a majority of two thirds of the votes cast (Section 59 (1) SE Regulation) unless the articles of incorporation or the law require a greater majority. For example, this is the case for changing the purpose of the Company (Section 179

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

(2) Sentence 1 AktG in conjunction with Article 59 (1) and (2) SE Regulation and Section 51 Sentence 2 of the German SE Implementation Act) and creating Contingent Capital (Section 193 (1) Sentences 1 and 2 AktG in conjunction with Article 57 SE Regulation, Section 51 Sentence 2 of the German SE Implementation Act) or Authorized Capital (Section 202 (2) Sentences 2 and 3 AktG in conjunction with Article 57 SE Regulation, Section 51 Sentence 2 of the German SE Implementation Act) for which a majority of at least three quarters of the valid votes cast is required respectively. The Supervisory Board is authorized to pass amendments that relate solely to the wording of the articles of incorporation (Section 179 (1) Sentence 2 AktG in conjunction with Article 9 (1) lit. c) ii) SE Regulation and Section 13 of the Company's articles of incorporation).

## EXECUTIVE BOARD'S POWERS TO ISSUE OR REPURCHASE SHARES

In accordance with section 71 (1) no. 8 of the German Stock Corporation Act (AktG), the Annual General Meeting of June 12, 2019, authorized the Company, with the approval of the Supervisory Board, to acquire, in accordance with the more detailed conditions of the authorization, its treasury shares on or before June 11, 2024, in the total amount of up to 10.0% of the Company's share capital on the date the authorization was granted or – if this figure is lower – on the date the authorization is exercised, and to use these, also under exclusion of preemptive rights in the cases described in more detail in the authorization. Treasury shares may also be acquired using derivatives up to a total of 5.0% of the share capital on the date the authorization was granted or – if this figure is lower – on the date the authorization is exercised in accordance with the more detailed conditions of the authorization. No treasury shares were acquired in financial year 2020.

By resolution of the Annual General Meeting of June 30, 2016, the Executive Board was authorized, subject to the consent of the Supervisory Board, to increase the share capital of ProSiebenSat.1 Media SE on one or more occasions on or before June 30, 2021, by not more than EUR 87,518,880 in return for contributions in cash and/or in kind by issuing new registered no-par value shares (Authorized Capital 2016). Following the capital increase in November 2016 resulting from the partial utilization of Authorized Capital in the amount of EUR 14,202,800, Authorized Capital 2016 currently amounts to EUR 73,316,080. Subject to the consent of the Supervisory Board, the Executive Board is also authorized to determine the further content of the share rights and the conditions of the share issue. Shareholders generally have a legal preemptive right when new shares are issued.

By resolution of the Annual General Meeting of June 30, 2016, the Executive Board is also authorized, subject to the consent of the Supervisory Board, to issue bearer and/or registered convertible and/or warrant-linked bonds in the total nominal amount of up to EUR 1.5 billion with a limited or unlimited term, on one or more occasions on or before June 29, 2021, and to grant conversion or option rights to the holders or creditors of such bonds in order to acquire up to 21,879,720 new registered no-par value shares in the Company in the pro rata amount of up to EUR 21,879,720 of the Company's share capital

as specified in more detail in the terms and conditions of the bonds and/or to stipulate the corresponding conversion rights of the Company.

By resolution of the Annual General Meeting on June 30, 2016, there was a contingent increase in share capital by up to EUR 21,879,720 due to the issuance of up to 21,879,720 new registered no-par value shares (Contingent Capital 2016). The Contingent Capital increase serves to grant shares to holders or creditors of convertible bonds in addition to holders of option rights attached to warrant-linked bonds to be issued before June 29, 2021, as a result of the authorization granted by resolution of the Annual General Meeting of June 30, 2016, by the Company or a German/foreign entity in which the Company either directly or indirectly holds the majority of votes and capital.

## SIGNIFICANT AGREEMENTS OF THE COMPANY SUBJECT TO A CHANGE OF CONTROL

ProSiebenSat.1 Media SE concluded the following significant agreements that entail regulations for the event of a change of control, which could result from a takeover bid:

- ProSiebenSat.1 Media SE has an syndicated facilities agreement which, as of December 31, 2020, includes a term loan of EUR 2.1 billion and a revolving credit facility with an amount of EUR 750 million. In the event of a change of control over ProSiebenSat.1 Media SE due to the direct or indirect acquisition of more than 50% of the voting rights in ProSiebenSat.1 Media SE by a third party, the lenders are entitled to terminate their participation in the facility and to demand repayment of outstanding amounts allocable to them within a certain period after the change of control takes place. → [Borrowings and Financing Structure](#)
- As of December 31, 2020, ProSiebenSat.1 Media SE also had outstanding notes of EUR 600 million maturing in April 2021. On December 11, 2020, ProSiebenSat.1 Media SE exercised its termination right under the terms and conditions of the notes and repaid the bond at nominal value (plus interest accrued up to this repayment date) on January 15, 2021. In the event of a change of control over ProSiebenSat.1 Media SE due to the direct or indirect acquisition of more than 50% of the voting rights in ProSiebenSat.1 Media SE by a third party and a negative rating event occurs following such a change of control, the note creditors would have been entitled to call in their notes and demand repayment. → [Notes, note 33 "Notes on financial risk management and financial instruments"](#)
- In addition, ProSiebenSat.1 Media SE issued three syndicated promissory notes totaling EUR 500 million with maturity ranges of seven years (EUR 225 million at a fixed interest rate and EUR 50 million at a variable interest rate) and ten years (EUR 225 million at a fixed interest rate). In the event of a change of control over ProSiebenSat.1 Media SE due to the direct or indirect acquisition of more than 50% of the voting rights in ProSiebenSat.1 Media SE by a third party, the lenders are entitled to call in their loan participation and demand repayment. → [Borrowings and Financing Structure](#)

- In addition, some license agreements for films, TV series and other programs that are important for the Company include regulations that, in the event of a change of control, entitle the provider of the program content to terminate the corresponding license agreement prematurely. In the event of a change of control, individual format license agreements grant the contract partner the right to terminate the respective agreement. In addition, individual contracts with cable network operators also grant the contract partner the right to terminate the respective agreements in the event of a change of control.

## **COMPANY'S COMPENSATION AGREEMENTS WITH EXECUTIVE BOARD MEMBERS OR EMPLOYEES FOR THE EVENT OF A CHANGE OF CONTROL**

The employment contracts of Executive Board members contain a change of control clause in the event that, among other things, control over the Company is acquired by one or multiple third parties as defined in Section 29 (2) and Section 30 of the German Securities Acquisitions and Takeover Act (WpÜG). More information can be found in the Compensation Report. In this case, under the current Executive Board employment contracts, which run until June 30, 2022 (Rainer Beaujean) and March 31, 2023 (Wolfgang Link and Christine Scheffler), the Executive Board member has the right to terminate his or her employment contract up to and including September 30, 2021 with three months' notice and resign if the change of control significantly impairs the position of the Executive Board. On effective exercise of the right to terminate, the Executive Board member shall receive a cash severance payment equating to up to three – two in the case of Wolfgang Link and Christine Scheffler – years' compensation, but no more than the compensation for the remaining term of the Executive Board employment agreement. → [Compensation Report](#)

Apart from that, the employment contracts of ProSiebenSat.1 Media SE employees only rarely include change of control clauses.

# PROSIEBENSAT.1 MEDIA SE SHARE

## PROSIEBENSAT.1 MEDIA SE ON THE CAPITAL MARKET

The COVID-19 pandemic is having a global impact on economic development, and there are also far-reaching consequences in Germany. Governments and central banks have provided billions in aid to mitigate the inestimable effects of the pandemic. Against this backdrop, the capital markets were also characterized by sharp ups and downs in 2020.

The rising infection rates and associated restrictions on public and economic life led to a sharp downturn in the German stock market in spring 2020. In March, the DAX alone lost more than a third of its value versus the end of 2019. As the year progressed, the stock markets recovered, and when an economic stimulus package for Germany was announced at the beginning of June, the DAX was only three percentage points below the 2019 closing price. After comparatively stable development in the summer months, share prices nevertheless declined again in the face of concern over rapidly rising COVID-19 infection rates; in particular, the announcement of a “partial lockdown” at the end of October led to a fall in prices on the German stock market. In November and December, stock values trended significantly upward again. The approval of a vaccine against the COVID-19 virus inspires hope for an improvement in macroeconomic development in the months to come.

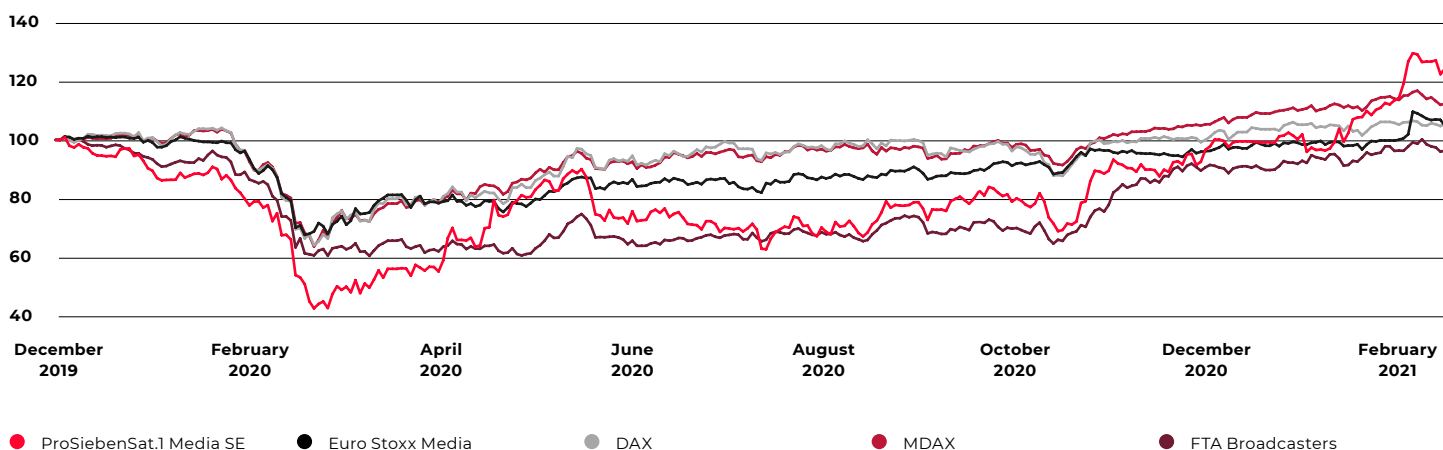
The DAX closed 2020 up 3.5% compared to the end of the previous year, while the MDAX was up by as much as 8.8%. On

the other hand, the relevant sector index for European media stocks, the EURO STOXX Media, which also includes other types of media apart from TV companies, was down at the end of the year (-2.3% compared to December 31, 2019). In Spain, Italy and France in particular, TV companies’ share values fell considerably short of the previous year due to the pandemic’s effects on advertising revenues.

As a broadly diversified media company, ProSiebenSat.1 Group navigated the crisis better than many of its competitors. Although the reduction in our advertising revenues in the first nine months was average among the competition, Group revenues declined less sharply than at most peer companies in light of the partly significantly positive development in other business areas. Our diversification strategy has paid off. At the same time, the change on ProSiebenSat.1 Group’s Executive Board at the end of March has made us more focused and synergistic. Against this backdrop, the ProSiebenSat.1 share price also rose significantly during the second half of the year and closed the final trading day of 2020 close to the previous year’s level at EUR 13.76 (previous year: EUR 13.91). Thus, the share ended the 2020 stock market year weaker overall than the DAX and MDAX benchmark indices, but significantly better than the international benchmark companies, whose share price was almost 13% below the closing price of the previous year.

Since the end of 2020, the share price of ProSiebenSat.1 Media SE has continued to develop positively up to the eve of the date of the audit opinion on February 24, 2021, and has recorded an

## PROSIEBENSAT.1 MEDIA SE SHARE PRICE PERFORMANCE



Base: Xetra closing prices, Index 100 = Last trading day 2019; Source: Reuters.

## KEY FIGURES FOR THE PROSIEBENSAT.1 MEDIA SE SHARE IN A MULTI-YEAR COMPARISON

		2020	2019	2018	2017	2016
Share capital at closing date	EUR	233,000,000	233,000,000	233,000,000	233,000,000	233,000,000
Number of shares as of closing date <sup>1</sup>	Shares	233,000,000	233,000,000	233,000,000	233,000,000	233,000,000
Free float market capitalization at end of financial year (according to Deutsche Börse)	EUR m	78.31	2,900	3,734	6,502	8,149
Close at end of financial year (XETRA)	EUR	13.76	13.91	15.55	28.71	36.61
High (XETRA)	EUR	14.04	16.58	32.78	41.51	48.66
Low (XETRA)	EUR	5.89	10.76	15.16	24.28	31.80
Dividend per entitled share	EUR	-/- <sup>2</sup>	0.0 <sup>3</sup>	1.19	1.93	1.90
Total dividend	EUR m	-/- <sup>2</sup>	0 <sup>3</sup>	269	442	435
Adjusted earnings per share	EUR	0.98	1.71	2.36	2.40 <sup>4</sup>	2.47 <sup>4</sup>
Adjusted net income <sup>5</sup>	EUR m	221	387	541	550	536
Weighted average number of shares issued	Shares	226,147,133	226,088,493	228,702,815	228,854,304	216,755,645
Dividend yield per share on basis of closing price	%	-/- <sup>2</sup>	0.0 <sup>3</sup>	7.7	6.7	5.2
Total XETRA trading volume	Million shares	462.3	377.8	357.4	348.0	231.2

<sup>1</sup> Including treasury shares.

<sup>2</sup> Dividend proposal, please refer to Company Outlook.

<sup>3</sup> At the Annual General Meeting on June 10, 2020, the shareholders of ProSiebenSat.1 Media SE agreed to the Executive Board's and Supervisory Board's proposal to carry forward the full amount of the balance sheet profits of financial year 2019 to the new accounting period. This measure was part of stringent financial management in an environment affected by COVID-19. The Group thus secured additional liquidity of EUR 192 million, which was originally earmarked for the dividend distribution.

<sup>4</sup> For the financial year 2017, basic earnings per share were determined on the basis of adjusted net income from continuing operations. For reasons of comparison, the previous year's figure 2016 has been adjusted accordingly (previously: EUR 2.37). Further information on reporting and accounting policies is contained in the Strategy and Management System section of the Annual Report.

<sup>5</sup> Underlying net income renamed as adjusted net income since January 1, 2018.

increase of 25.5% up to EUR 17.27. Our share price performance thus significantly outperformed the German DAX and MDAX indices, which also developed positively, but more weakly, by 1.9% and 3.1% respectively compared to the end of 2020. The share price performance of the international peer companies was also lower than the increase in ProSiebenSat.1 shares, at 12.3%.

The ad-hoc disclosure of January 21, 2021 contributed to the good performance of the ProSiebenSat.1 share: After a strong fourth quarter of 2020, the Group informed the capital market that it had significantly exceeded its most recently published revenue and earnings expectations. In response to the positive business figures, most analysts raised their price target and strengthened their confidence in the share. Thus, the average target price (median) was EUR 16.25 on February 24, 2021, on the eve of the date of the audit opinion. In addition, the successful IPO of Bumble, a US dating platform, gave the share a positive impulse; the ProSiebenSat.1 Group is also planning to list its dating segment on the stock exchange.

At the end of the year, the value was still EUR 14.00. 63% of analysts recommended the share as a buy, while 26% were in favor of holding it and 11% issued a sell recommendation. At the end of the reporting period, a total of 19 brokerage houses and financial institutions actively valued ProSiebenSat.1 Media SE's share and published research reports.

## SHAREHOLDER STRUCTURE OF PROSIEBENSAT.1 MEDIA SE

ProSiebenSat.1 Media SE's shares are mostly held by institutional investors in the US and Europe. The largest individual

shareholder as of December 31, 2020 is Czech Media Invest, a.s., Prague, Czech Republic ("CMI"), which according to the voting rights notification dated June 9, 2020 holds 9.8% of the shares via its investment company RUBY Equity Investment S.à r.l., Luxembourg, Luxembourg ("RUBY"). Mediaset S.p.A., Milan, Italy, and Mediaset España Comunicación, S.A., Madrid, Spain, hold shares together, which, according to the voting rights notification dated June 15, 2020, consist of 8.9% of shares with voting rights and 15.2% of instruments within the meaning of Section 38 (1) No. 1 and No. 2 of the German Securities Trading Act (WpHG). According to the voting rights notification dated June 22, 2020, another major investor was Kohlberg Kravis Roberts & Co. L.P., New York City, USA ("KKR"), with a voting rights share of 6.6% on December 31, 2020.

In total, 78.3% of ProSiebenSat.1 shares were held in free float as of December 31, 2020 (December 31, 2019: 89.7%); this includes 24.7% that were held by private shareholders (December 31, 2019: 24.0%). 9.8% were held by CMI, and 8.9% were held by Mediaset. The remaining 2.9% were held by the ProSiebenSat.1 Group (December 31, 2019: 2.9%).

According to the voting rights notification of January 14, 2021, KKR still holds 0.3% of shares in ProSiebenSat.1 Media SE; the financial investor sold 11 million shares on January 12, 2021. Mediaset, on the other hand, has increased its holdings through the exercise of instruments. The group acquired an additional 3.4% and now holds a total of 12.4% of shares with voting rights and 11.2% of voting rights from instruments, according to a voting rights notification dated January 21, 2021. CMI reduced its shareholding by 5.0% according to voting rights notifications of January 29, 2021 and February 17, 2021 and now holds a share of 4.8%. As of February 24, 2021, the eve of the audit opinion, the free float therefore amounted to 79.9%.



## ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2019

The Annual General Meeting of ProSiebenSat.1 Media SE for financial year 2019 was held as a virtual event on June 10, 2020. The event was held without the physical presence of the shareholders or their proxies in compliance with the COVID-19 Act passed by the German legislator<sup>1</sup>.

The Group livestreamed the public part of the Annual General Meeting on the company's website. As in the past, the Executive Board and Supervisory Board faced the shareholders' questions. The discussion itself took place via the online shareholder portal for which shareholders could register. Prior to the Annual General Meeting, the shareholders had submitted a total of 115 questions, some of which comprised several separate questions.

All proposed resolutions requiring approval were accepted by a clear majority: The shareholders agreed to the Executive Board's and Supervisory Board's proposal to carry forward the full amount of the balance sheet profits to the new accounting period and thus to not pay out a dividend for financial year 2019. This measure secured the Group additional liquidity of EUR 192 million, which was originally intended for the dividend distribution, in the uncertain environment caused by COVID-19. At the same time, the Group confirmed its current dividend policy. The general aim is a payout ratio of 50% of the Group's adjusted net income. In another agenda item, the Annual General Meeting elected Dr. Antonella Mei-Pochtler as a new Supervisory Board member by a clear majority. Antonella Mei-Pochtler is an independent entrepreneur as well as senior advisor at the Boston Consulting Group and special advisor to the Austrian Chancellor. She was already appointed as a member of the Supervisory Board by court order with effect from April 13, 2020, taking over from Angelika Gifford, who had resigned with effect from January 13, 2020. In addition, the Annual General Meeting granted discharge to the Executive Board and Supervisory Board for financial year 2019 by a clear majority.

## CAPITAL MARKET COMMUNICATION

In 2020, we again provided investors, analysts and private shareholders with extensive information about the Company's economic performance at numerous meetings, including roadshows and conferences. As a result of the COVID-19 pandemic, dialog mostly took place virtually after March 2020. Key points under discussion – besides the business performance of ProSiebenSat.1 and the impact of the pandemic – were the Group's portfolio changes. Investors also focused increasingly on ESG (environment, social, governance) issues.

All relevant company information is published on the website at [www.ProSiebenSat1.com](http://www.ProSiebenSat1.com) in German and English in due time and on an ad hoc basis if necessary. In addition, the Group provides capital market participants with audio recordings on the quarterly reporting; these can be found at → <https://www.prosiebensat1.com/en/investor-relations/publications/results>.

## ESG RATINGS

We are aware of our corporate and social responsibility and see it as a holistic challenge. For ProSiebenSat.1 Group, success does not only mean increasing the economic results of the Group in the long term. For us, success also means consistently developing the Group's sustainability performance and non-financial performance indicators. In doing so, we have a special responsibility as a media group: We want to portray a cosmopolitan and democratic society and promote it above all through our programs.

Since March 2020, the ProSiebenSat.1 share has been part of the DAX® 50 ESG. This index tracks the performance of the 50 largest, most liquid German market stocks that are deemed to be particularly sustainable. The stocks are assessed according to standardized ESG criteria in accordance with the Global Standards Screening. ProSiebenSat.1's non-financial performance in the environmental, social and governance fields is analyzed by various rating agencies. In 2020, we were assessed as part of the ESG ratings by ISS, MSCI and Sustainalytics, among others.

We are continuously working to further develop the Group's sustainability strategy, improve the non-financial key figures and increase transparency towards our stakeholders. Against this background, the Supervisory Board has commissioned Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft to audit the content of the Combined Separate Non-Financial Report in order to obtain reasonable assurance regarding the legally required disclosures pursuant to §§ 315b, 315c in conjunction with 289b to 289e of the German Commercial Code (HGB). → [Sustainability](#)

<sup>1</sup> German Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic of March 27, 2020.