

Remuneration of Executive Board of DMG MORI AKTIENGESELLSCHAFT

The Executive Board receives direct and indirect remuneration components. The indirect remuneration components consist mainly of pension contributions. The direct remuneration of the Executive Board members contains fixed and variable components.

The fixed component is the contractually agreed basic salary, which is paid monthly in equal instalments.

The variable components consist of the "Short-Term-Incentive" (STI), an individual and performance-based remuneration as well as a "Long-Term-Incentive" (LTI)". The remuneration components are set up such that they provide an incentive for board members to reach the objectives. This ensures that they support a sustainable and value-oriented business management. The criteria for the appropriateness of the remuneration are based in particular on the roles of the relevant board members, their personal performance, the performance of the Executive Board as a whole, as well as the financial situation, the success and the future prospects of the business within its competitive environment.

The STI takes into account business-related targets for each relevant financial year. The current benchmarks for the STI are order intake (volume) as well as EBIT ("Earnings Before Interest and Taxes"). To ensure that the Executive Board remuneration is sustainable, the STI is only paid out if the sustainability factor of the DMG MORI AKTIENGESELLSCHAFT group (sum of expenditures for R&D, communication incl. marketing as well as education and training as a proportion of total sales revenues) meets or exceeds a specified percentage value.

The individual and performance-based remuneration contains individual targets for each individual Executive Board member.

As a long-term remuneration component, the LTI has a measurement period of three years and takes into account the result of DMG MORI AKTIENGESELLSCHAFT as a central key figure including a lower limit for results.

Caps have been set (CAPs) on the total direct remuneration of the Executive Board.

Benefits in kind mainly arise according to the values of company vehicles and individual insurance contributions in accordance with the applicable tax rules. The benefits in kind are a contractual benefit for all Executive Board members, however will vary depending on personal situation and are subject to tax individually by each board member.

The pension arrangements for the Executive Board members is based on a contributory scheme model.

D&O insurance (Director liability insurance) and legal insurance exist within the group of DMG MORI AKTIENGESELLSCHAFT. Insured persons include all national and international supervisory board members, executive board members and managing directors. The D&O insurance is subject to the policy excess stipulated within the Corporate Governance Code or in the applicable statutory provisions.