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Remuneration and remuneration system for
Supervisory Board members
of
Berentzen-Gruppe Aktiengesellschaft

Haselünne (Emsland)

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Remuneration and remuneration system for Supervisory Board members of Berentzen-Gruppe Aktiengesellschaft

Publication pursuant to Sections 113 (3) sentence 6 and 120a (2) of the German Stock Corporation Act (Aktiengesetz - AktG)

Resolution of the Annual General Meeting of Berentzen-Gruppe Aktiengesellschaft on confirmation of the remuneration and remuneration system for Supervisory Board members

The Act Implementing the Second Shareholders' Rights Directive of December 12, 2019, (ARUG II) has also resulted in a change in the provisions applicable to the remuneration of Supervisory Board members. Pursuant to Section 113 (3) sentences 1 and 2 AktG as amended by ARUG II, the annual general meeting of a stock exchange-listed company must vote to approve the remuneration of Supervisory Board members at least every four years; a vote confirming the current remuneration is acceptable. An initial resolution on the remuneration of Supervisory Board members pursuant to Section 113 (3) AktG must be passed by the end of the first annual general meeting following December 31, 2020.

The current remuneration of the Supervisory Board was laid down in Article 14 of the Articles of Association by a resolution of the annual general meeting on May 19, 2017.

The Executive Board and the Supervisory Board have submitted the remuneration of Supervisory Board members governed by Article 14 of the Articles of Association of Berentzen-Gruppe Aktiengesellschaft, including the system on which this remuneration is based, to the Annual General Meeting of Berentzen-Gruppe Aktiengesellschaft on May 11, 2021, for confirmation under agenda item 7.

The Annual General Meeting confirmed the remuneration and remuneration system of Supervisory Board members with the following result:

	Number	in % of registered capital stock
Validly cast votes	2,697,174	28.10 %

	Number	in % of validly cast votes
Yes-Votes	2,386,201	88.47 %
No-Votes	310,973	11.53 %

The wording of the resolution and the remuneration of Supervisory Board members governed by Section 14 of the Articles of Association of Berentzen-Gruppe Aktiengesellschaft, including the system on which this compensation is based, can be found in agenda item 7 and in the description of the remuneration of Supervisory Board members of the convening notice and agenda of the Annual General Meeting of Berentzen-Gruppe Aktiengesellschaft on May 11, 2021, published in the Federal Gazette (Bundesanzeiger) of March 30, 2021.

The proposed resolution and the description of the remuneration are reproduced in full below.



Proposed resolution on confirmation of the remuneration and remuneration system for Supervisory Board members to the Annual General Meeting of Berentzen-Gruppe Aktiengesellschaft on May 11, 2021

7. Resolution on confirmation of the remuneration and remuneration system for Supervisory Board members

The Act Implementing the Second Shareholders' Rights Directive of December 12, 2019, (ARUG II) has also resulted in a change in the provisions applicable to the remuneration of Supervisory Board members. Pursuant to Section 113 (3) sentences 1 and 2 AktG as amended by ARUG II, the annual general meeting of a stock exchange-listed company must vote to approve the remuneration of Supervisory Board members at least every four years; a vote confirming the current remuneration is acceptable. An initial resolution on the remuneration of Supervisory Board members pursuant to Section 113 (3) AktG must be passed by the end of the first annual general meeting following December 31, 2020.

The current remuneration of the Supervisory Board was laid down in Article 14 of the Articles of Association by a resolution of the annual general meeting on May 19, 2017.

The remuneration of the Supervisory Board consists solely of fixed remuneration paid entirely in cash in accordance with Recommendation G.18 sentence 1 of the German Corporate Governance Code.

The Executive Board and Supervisory Board are of the opinion that the amount of the remuneration and the specifics of the remuneration system for the Supervisory Board are appropriate with regard to the duties of Supervisory Board members and the situation of the Company.

The Executive Board and the Supervisory Board therefore propose to adopt the following resolution:

The remuneration of Supervisory Board members, including the system on which this remuneration is based, governed by Article 14 of the Articles of Association of Berentzen-Gruppe Aktiengesellschaft is hereby confirmed.

The wording of Article 14 of the Articles of Association and the disclosures pursuant to Sections 113 (3) sentence 3, 87a (1) sentence 2 AktG are presented below following agenda item 7 under "Description of the remuneration of Supervisory Board members (agenda item 7)."



Description of the remuneration of Supervisory Board members (agenda item 7)

1. Legal basis for the remuneration of Supervisory Board members

The basis for the remuneration of members of the Supervisory Board is Article 14 of the Articles of Association of Berentzen-Gruppe Aktiengesellschaft, according to which the Supervisory Board members receive fixed remuneration for their service, the amount of which depends on their Supervisory Board or committee responsibilities. The Supervisory Board members do not receive variable remuneration dependent on certain achievements or targets.

Article 14 of the Articles of Association of Berentzen-Gruppe Aktiengesellschaft currently reads as follows:

„Article 14 Remuneration

- (1) Each member of the Supervisory Board receives EUR 17,000.00 as remuneration for each full financial year. The annual remuneration for the Chairman of the Supervisory Board is twice the figure stated in Clause 1 and one-and-a-half times this amount for the Deputy Chairman. In addition to the remuneration defined in Clause 1, members receive a quarter of the aforementioned amount for each committee membership and half of the aforementioned amount for each committee chairmanship for each full financial year.
- (2) The remuneration is due after the end of the respective financial year.
- (3) Supervisory Board members who did not serve for the entire financial year receive one-twelfth of the remuneration amount for each month or fraction thereof in office.
- (4) Supervisory Board members additionally receive reimbursement of their expenses and of the VAT charged on their remuneration.”

2. Outline of the remuneration system for Supervisory Board members

The remuneration system for members of the Supervisory Board of Berentzen-Gruppe Aktiengesellschaft based on Article 14 of the Articles of Association is outlined below in accordance with Sections 113 (3), 87a (1) sentence 2 AktG.

2.1 Content

The remuneration system is designed to be straightforward, clear and comprehensible. The Supervisory Board members receive the fixed remuneration specified in the Articles of Association. The Supervisory Board Chairman receives double and the Deputy Chairman one-and-a-half times this amount. Additional remuneration is paid for membership in committees totalling one-fourth of this amount for individual committee members. Committee chairs receive half of the annual remuneration for each full financial year.



Unlike the Executive Board, the Supervisory Board is not involved in operations and does not make any decisions on business strategy. Instead, through its monitoring activities, the Supervisory Board makes a contribution to the long-term development of the Company (Section 87a (1) sentence 2 No. 2 AktG).

The granting of fixed remuneration without variable components has proven effective and is in line with standard practice at other listed companies. Paying only fixed remuneration to members of the Supervisory Board is optimally suitable for ensuring that the Supervisory Board exercises its control function independently of the Company's business performance. Within the framework of this remuneration system, the Supervisory Board can make decisions in the interests of the Company that are therefore aligned with the long-term business strategy and sustainable development of the Company without pursuing other motives possibly stemming from performance-related remuneration. The Supervisory Board's remuneration therefore contains no variable remuneration components (Section 87a (1) sentence 2 Nos. 3, 4, and 6 AktG) and no share-based components (Section 87a (1) sentence 2 No. 7 AktG).

The remuneration is payable at the end of the respective financial year pursuant to Article 14 (2) of the Articles of Association. There is no deferral period for the payment of remuneration components (Section 87a (1) sentence 2 No. 5 AktG).

All provisions pertaining to Supervisory Board remuneration are contained in the Articles of Association; there are no supplementary agreements. The remuneration is linked to the duration of the member's appointment. No commitments to pay severance, pension or early retirement benefits have been made (Section 87a (1) sentence 2 No. 8 AktG).

2.2 Process

The Supervisory Board reviews the appropriateness of the structure and amount of its remuneration regularly, but no less frequently than every four years.

To this end, the Supervisory Board – if necessary, with the help of third-party remuneration experts – evaluates the Supervisory Board remuneration at comparable companies and compares this with the remuneration of the Supervisory Board of Berentzen-Gruppe Aktiengesellschaft, both in terms of the components included and the amount of the remuneration (horizontal comparison). The peer group of companies is determined according to industry, size and country criteria. The metrics regarding company size are material for determining the appropriate remuneration amount and were therefore established as an assessment criterion for the purpose of comparing remuneration. Revenue and headcount are the specific criteria used to build the peer group. In order to take the Company's industry into account in the remuneration comparison, companies in the food and beverage industry were preferred. These were supplemented with other companies of a comparable size to create a sufficiently large, relevant peer group. Sixteen listed German companies were included for the horizontal comparison completed in the fourth quarter of 2020. These companies are comparable with Berentzen-Gruppe Aktiengesellschaft in terms of revenue, EBIT and headcount.



Due to the particular nature of the Supervisory Board's remuneration which is paid for activities that differ fundamentally from the responsibilities of employees of Berentzen-Gruppe Aktiengesellschaft, this remuneration is not reviewed and determined based on a vertical comparison with the remuneration of employees of Berentzen-Gruppe Aktiengesellschaft (Section 87a (1) sentence 2 No. 9 AktG). The Supervisory Board uses this analysis to determine whether changes to its remuneration are necessary.

If so, the Executive Board and Supervisory Board will present the remuneration system for approval to the annual general meeting (Section 113 (3) sentence 1 AktG). If there is cause to modify the remuneration system for the Supervisory Board, the Executive Board and Supervisory Board will also present a proposed resolution to the annual general meeting for a corresponding amendment of Article 14 of the Articles of Association of Berentzen-Gruppe Aktiengesellschaft.

The nature of the matter requires the members of the Supervisory Board to be involved in working out the specifics of their own remuneration system. However, the inherent conflicts of interest are countered by the fact that the decision about the ultimate structure of the remuneration system is delegated by law to the annual general meeting, which receives a proposed resolution from both the Supervisory Board and the Executive Board.

Haselünne, May 2021

Berentzen-Gruppe Aktiengesellschaft

The Executive Board