



# HENSOLDT Aktiengesellschaft

Taufkirchen, Germany

ISIN: DE000HAG0005

German Securities Identification Number (*Wertpapierkennnummer*): HAG000

Notice of the 2021 General Meeting of HENSOLDT AG on May 18, 2021

## Overview containing the information pursuant to Section 125 of the German Stock Corporation Act (*Aktiengesetz*) in conjunction with Table 3 of Implementing Regulation (EU) 2018/1212

### A. Specification of the message

1. Unique identifier of the event: Virtual Annual General Meeting of HENSOLDT AG 2021  
**(Formal specification pursuant to the EU Implementing Regulation: GMETHAG121BS)**
2. Type of message: Convening of the Annual General Meeting  
**(Formal specification pursuant to the EU Implementing Regulation: NEWM)**

### B. Specification of the issuer

1. ISIN: DE000HAG0005
2. Name of issuer: HENSOLDT AG

### C. Specification of the meeting

1. Date of the General Meeting: Tuesday, May 18, 2021  
**(Formal specification pursuant to the EU Implementing Regulation: 20210518)**
2. Time of the General Meeting (commencement): 10:00 hrs (CEST)  
**(Formal specification pursuant to the EU Implementing Regulation: 8:00 hrs UTC)**
3. Type of General Meeting: Annual General Meeting as a virtual event without the physical presence of shareholders or their proxies  
**(Formal specification pursuant to the EU Implementing Regulation: GMET)**
4. Location of the general meeting:  
URL to the Online Service of the company for following the Annual General Meeting via video and audio stream and for exercising shareholder rights: [hensoldt.net/agm](https://hensoldt.net/agm)  
Location of the general meeting within the meaning of the German Stock Corporation Act (*Aktiengesetz*): Willy-Messerschmitt-Strasse 3, 82024 Taufkirchen, Germany  
**(Formal specification pursuant to the EU Implementing Regulation: hensoldt.net/agm)**
5. Record date: Tuesday, April 27, 2021, 0:00 hrs (CEST)  
**(Formal specification pursuant to the EU Implementing Regulation: 20210427, 0:00 hrs CEST)**

6. Website to the general meeting/ Uniform Resource Locator (URL): [hensoldt.net/agm](https://hensoldt.net/agm)

**Additional information concerning the convening of the general meeting (blocks D to F of Table 3 of the Annex to Implementing Regulation (EU) 2018/1212):**

Additional information about the participation in the general meeting (block D), the agenda (block E) and the specification of the deadlines regarding the exercise of other shareholder rights (block F) can be found on the following website: [hensoldt.net/agm](https://hensoldt.net/agm)

## Overview of the agenda

TOP 1	Presentation of the adopted annual financial statements, the approved consolidated financial statements and the combined management report for HENSOLDT AG and the group for fiscal year 2020 as well as the report of the Supervisory Board for fiscal year 2020 .....	5
TOP 2	Appropriation of the net profit ( <i>Bilanzgewinn</i> ) .....	5
TOP 3	Approval of the acts of the members of the Management Board .....	6
TOP 4	Approval of the acts of the members of the Supervisory Board .....	6
TOP 5	Resolution on the appointment of the auditor of the annual financial statements and the consolidated financial statements as well as the auditor for the review of the interim financial report for fiscal year 2021 .....	6
TOP 6	Resolution on the approval of the remuneration system for the members of the Management Board.....	6
TOP 7	Resolution on the confirmation of the remuneration and on the remuneration system for the members of the Supervisory Board .....	7

## Notice of the 2021 General Meeting of HENSOLDT AG on May 18, 2021

### **Dear shareholders,**

We hereby invite you to the **annual general meeting of HENSOLDT AG**, which will take place on **Tuesday, May 18, 2021, at 10:00 a.m. (CEST)** as a **virtual general meeting** without the shareholders or their authorized proxies being physically present.

The general meeting will be broadcast in its entire duration on the internet in a live video and audio stream for duly registered shareholders and their representatives. The shareholders will be able to exercise their voting rights exclusively by postal vote or by proxy vote, i.e., by granting authorization to the proxies designated by the company (*Stimmrechtsvertreter*). The location of the general meeting within the meaning of the German Stock Corporation Act (*Aktiengesetz*, "AktG") will be the registered office of the company, i.e., Willy-Messerschmitt-Strasse 3, 82024 Taufkirchen, Germany.

## I. Agenda

**TOP 1** Presentation of the adopted annual financial statements, the approved consolidated financial statements and the combined management report for HENSOLDT AG and the group for fiscal year 2020 as well as the report of the Supervisory Board for fiscal year 2020

The aforementioned documents will be explained in detail during the general meeting.

The aforementioned documents contain the remuneration report and the explanatory report on the information required pursuant to Section 289a and Section 315a of the German Commercial Code (*Handelsgesetzbuch*, "HGB") in the version applicable for fiscal year 2020 as well as the corporate governance statement including the report on corporate governance and the non-financial Group statement for HENSOLDT AG and the Group according to Sections 315b, 315c in connection with Sections 289c to 289e HGB. The specified documents can be found on our website at [hensoldt.net/agm](https://www.hensoldt.net/agm)

The Supervisory Board has approved the annual financial statements as prepared by the Management Board and the consolidated financial statements. The annual financial statements have thus been adopted pursuant to Section 172 sentence 1 AktG. The general meeting is consequently not required to adopt a resolution on agenda item 1.

**TOP 2** Appropriation of the net profit (*Bilanzgewinn*)

The Supervisory Board and the Management Board propose that from the unappropriated profit of HENSOLDT AG of EUR 16,774,423.65 for the expired fiscal year 2020 be used in an amount of EUR 13,650,000.00 in total to pay a dividend of

**EUR 0.13 per eligible no-par-value share**

and to carry forward the remaining amount to new account.

This results in the following appropriation of the net profit:

Distribution to shareholders:	13,650,000.00 EUR
Profits carried forward:	3,124,423.65 EUR
<b>Net profit:</b>	<b>16,774,423.65 EUR</b>

At the time of convening the meeting, the company does not hold any treasury shares that are not entitled to a dividend pursuant to Section 71b AktG and would therefore be required to be taken into account with regard to the proposal for the appropriation of the net profit. Should there be any change in the number of no-par-value shares entitled to a dividend for expired fiscal year 2020 before the date of the general meeting, the above proposal will be amended accordingly and presented for resolution at the general meeting, with an unchanged dividend of EUR 0.13 per no-

par-value share entitled to a dividend as well as accordingly adjusted amounts for the sum to be distributed and profit to be carried forward.

In accordance with Section 58 (4) sentence 2 AktG, the dividend is due on the third business day following the date of the resolution of the general meeting, i.e., the entitlement falls due on Friday, May 21, 2021.

### TOP 3 Approval of the acts of the members of the Management Board

The Supervisory Board and the Management Board propose that the acts of the members of the Management Board who held office in fiscal year 2020 be approved for that period.

### TOP 4 Approval of the acts of the members of the Supervisory Board

The Supervisory Board and the Management Board propose that the acts of the members of the Supervisory Board who held office in fiscal year 2020 be approved for that period.

### TOP 5 Resolution on the appointment of the auditor of the annual financial statements and the consolidated financial statements as well as the auditor for the review of the interim financial report for fiscal year 2021

The Supervisory Board proposes that KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, be appointed as the auditor of the annual financial statements and the consolidated financial statements for fiscal year 2021 and as auditor for the review of the interim financial report for the first half of fiscal year 2021.

The Supervisory Board's proposal is based on the recommendation of its audit committee. Both the recommendation of the audit committee to the Supervisory Board and the proposal of the Supervisory Board are free from improper influence by a third party. Furthermore, there were no rules imposing restrictions on the selection of a particular auditor or a particular audit firm to conduct the audit.

### TOP 6 Resolution on the approval of the remuneration system for the members of the Management Board

In accordance with Section 120a (1) AktG, the general meeting of a listed company resolves on the approval of the remuneration system for the members of the company's management board upon every material change to the system, but at least once every four years.

On March 19, 2021, the Supervisory Board approved by resolution the remuneration system for the members of the Management Board, which complies with the requirements of ARUG II and takes into account the recommendations of the German Corporate Governance Code. The Supervisory Board proposes that the remuneration system for the members of the Management Board set out as an annex with respect to this agenda item 6 at the end of this agenda and approved by resolution of the Supervisory Board on March 19, 2021 be approved.

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

In accordance with Section 113 (3) AktG, the general meeting of a listed company must resolve to approve the remuneration and the remuneration system for the members of the company's supervisory board at least every four years.

The Supervisory Board members' currently applicable remuneration is provided for in § 12 of the Articles of Association of HENSOLDT AG.

§ 12 of the Articles of Association of HENSOLDT AG reads as follows:

### § 12

#### *Remuneration of Supervisory Board Members*

- (1) *Each member of the Supervisory Board shall receive fixed annual remuneration of EUR 40,000.00 (in words: forty thousand Euros) (the "Fixed Remuneration"). The chairperson shall receive two times and the deputy chairperson one and a half times the Fixed Remuneration.*
- (2) *For membership in the committees of the Supervisory Board listed below, each respective member shall additionally receive:*
  - (i.) *as chairperson of the executive committee (Präsidium), fixed annual remuneration of EUR 15,000.00 (in words: fifteen thousand Euros), each other member of the executive committee, fixed annual remuneration of EUR 10,000.00 (in words: ten thousand Euros);*
  - (ii.) *as chairperson of the nomination committee (Nominierungsausschuss), fixed annual remuneration of EUR 15,000.00 (in words: fifteen thousand Euros), each other member of the nomination committee, fixed annual remuneration of EUR 10,000.00 (in words: ten thousand Euros);*
  - (iii.) *as chairperson of the audit committee (Prüfungsausschuss), fixed annual remuneration of EUR 15,000.00 (in words: fifteen thousand Euros), each other member of the audit committee, fixed annual remuneration of EUR 10,000.00 (in words: ten thousand Euros);*
  - (iv.) *as chairperson of the compliance committee (Complianceausschuss), fixed annual remuneration of EUR 15,000.00 (in words: fifteen thousand Euros), each other member of the compliance committee, fixed annual remuneration of EUR 10,000.00 (in words: ten thousand Euros).*
- (3) *The total annual remuneration of each member of the Supervisory Board pursuant to paragraphs 1 and 2 is limited to twice the amount of the Fixed Remuneration.*
- (4) *The Fixed Remuneration pursuant to paragraph 1 and remuneration pursuant to paragraph 2 are payable four weeks after the end of the fiscal year. Supervisory Board members who are members of the Supervisory Board or a committee for only part of the fiscal year or who have chaired a committee for only part of the fiscal year shall receive remuneration that is lower in proportion to time; this applies to each remuneration within the meaning of paragraphs 1 and 2.*
- (5) *All remuneration within the meaning of paragraphs 1 and 2 shall be exclusive of value-added tax in the amount legally owed by the Supervisory Board member.*

- (6) *The Company shall reimburse members of the Supervisory Board for any expenses incurred in the performance of their duties, including any value-added tax attributable to the reimbursement of such expenses.*
- (7) *The Company may take out liability insurance for the benefit of members of the Supervisory Board which covers statutory liability arising from their activities on the Supervisory Board.*

After thorough review, the Management Board and the Supervisory Board have reached the conclusion that the remuneration scheme for the members of the Supervisory Board serves the interests of HENSOLDT AG and is appropriate.

The Management Board and the Supervisory Board therefore propose to the general meeting that the existing remuneration scheme for the members of the Supervisory Board be confirmed and that the remuneration system for the members of the Supervisory Board, as set out as an annex with respect to this agenda item 7 at the end of this agenda, be approved.

## II. Annexes with respect to agenda items 6 and 7

### Annex with respect to agenda item 6 – System for the remuneration of the members of the Management Board of HENSOLDT AG

HENSOLDT AG (hereinafter "HENSOLDT AG" or the "company") pursues the goal of cementing its position as a high-tech pioneer and specialized provider of electronic sensor solutions in the defense and security sector with a portfolio focus on high-quality sensors in the areas of radar, electronic warfare, avionics, and optronics in Europe, and of continuing its course for growth. This ambitious goal requires the commitment and the ardor of all employees and, most of all, the Management Board's strategic and dedicated leadership of the company. The Supervisory Board endorses the Management Board's corporate strategy and proposes to the general meeting a remuneration system for the members of the Management Board that is in line with those strategic goals. Furthermore, the remuneration system proposed here meets the new legal requirements and implements the recommendations of the German Corporate Governance Code in the version adopted by the Commission on December 16, 2019 (the "GCGC").

#### I. Promoting the corporate strategy and long-term development of the company

The new system for remunerating the members of the Management Board (the "remuneration system") of HENSOLDT AG aims at promoting the corporate strategy and long-term development of the company and its affiliated companies. This is achieved primarily by giving the remuneration system a simple design with a clear incentive structure for the Management Board members. The remuneration system is structured such that it appropriately rewards the performance of the Management Board members and, simultaneously, conforms with all regulatory requirements, the recommendations of the GCGC and market practice. The variable remuneration is designed such that it rewards the achievement of not only short-term, one-year targets (the short term incentive or STI), but also long-term targets measured over periods lasting several years. This is to prevent the Management Board from making decisions that do not promise any sustainable business success for reasons of optimizing its income in the short term. Among the long-term remuneration



component (the long term incentive or LTI), apart from financial performance targets and the strong focus on the price of the company's share, there are also performance parameters taken from the environmental, social and governance areas known as ESG targets. In the Management Board members' current service contracts, these ESG targets are "diversity," which focuses on the achievement of a certain percentage of women at different levels within the company, and "climate impact," which aims at increasing the share of renewable energy of all the energy consumed by the HENSOLDT group, reducing CO2 emissions and decreasing the use of volatile organic compounds (VOCs).

Lastly, the new remuneration system includes another incentive to further the long-term development of the company in the form of an obligation to acquire and hold shares in the company (known as the share ownership guidelines or SOG). Under the SOG, the Management Board members are obligated to invest a certain amount in shares of the company within four years and to hold those shares until their service contract terminates and, to an extent, to hold shares after that as well.

With this approach, the remuneration system acknowledges the Management Board members' demanding task of implementing the group strategy and leading an enterprise with operations around the world offering innovative and flexible solutions amidst global competition. At the same time, the Management Board members' remuneration is to be conform with market conditions and competitive so that the company can attract competent and dynamic Management Board members. The remuneration system is to therefore give the Supervisory Board the ability within a defined framework to respond flexibly to a changing market and competitive environment.

The remuneration system satisfies the requirements of the German Stock Corporation Act for a clear and comprehensible remuneration system and follows the recommendations of the GCGC, as illustrated below.

## Principles of the remuneration system



The remuneration system helps in the implementation of the group strategy and in leading an enterprise with operations around the world that offers innovative and flexible solutions amidst global competition.



The remuneration system for the Management Board members has a simple and clear design and follows the recommendations of the German Corporate Governance Code (GCGC).



Management Board members' performance is appropriately rewarded in accordance with regulatory requirements and in line with market practice.



The variable remuneration comprises not only short-term, one-year targets, but also long-term targets measured over periods lasting several years in order to ensure the company's sustainable success.



Apart from the financial performance targets and the strong focus on the price of the company's share, the long-term remuneration component (LTI) concentrates on so-called ESG targets.



The Share Ownership Guidelines (SOG) are another incentive to further the company's long-term development in the form of an obligation for the Management Board members to acquire and hold company shares.

## II. Procedure for the determination, implementation and review of the remuneration system

The Supervisory Board sets the remuneration of the individual members of the Management Board on the basis of the remuneration system approved by the general meeting.

The Supervisory Board approved the new remuneration system by resolution in its meeting on March 19, 2021, after the Executive Committee of the Supervisory Board had previously concerned itself with the new remuneration system and possible alternatives. In its preparations, the Supervisory Board also obtained the advice and support of an external remuneration expert that is independent of the Management Board and the company. At the instruction of the Supervisory Board, the external remuneration expert also reviewed and confirmed that the Management Board members' remuneration is in line with usual levels.

The general meeting resolves whether or not to approve the remuneration system submitted by the Supervisory Board. In the event that the general meeting does not approve the remuneration system, the Supervisory Board must submit a revised remuneration system for adoption by resolution no later than at the next annual general meeting. Upon every material change to the remuneration system, but at least once every four years, the general meeting of HENSOLDT AG resolves once again whether or not to approve the remuneration system for the Management Board members submitted by the Supervisory Board. Based on a motion by shareholders whose combined shareholdings reach 5% of the share capital or the nominal amount of EUR 500,000, the general meeting may reduce the specified maximum remuneration.

Applicable law allows the Supervisory Board to deviate temporarily from the remuneration system if it is necessary in the interest of the company's long-term prosperity and if the remuneration system lays down the deviation procedure and specifies the elements of the remuneration system from which may be deviated. Such a deviation may be implemented only if there is an express resolution adopted by the Supervisory Board that adequately describes specifically the duration of the deviation and the deviation as such and also the reason for the deviation (i.e., why the deviation is necessary for the company's long-term prosperity). The Supervisory Board may deviate from all of the elements of the remuneration, i.e., both from the relative share and the conditions of each individual remuneration component. In individual cases, the Supervisory Board may also temporarily set the fixed salary differently if it is in the interest of the company's long-term prosperity, but not at a level exceeding the maximum remuneration set by the general meeting.

Consistent with the recommendation of the GCGC, the Supervisory Board shall have the possibility to account for extraordinary developments to an appropriate extent. It shall be permitted to retain or reclaim variable remuneration, if justified. The company will establish the basis for implementing these recommendations through provisions in the service contracts that lay down the conditions to that end, in particular through a clawback clause (see X. and XI. below for more information in this regard).

The Executive Committee of the Supervisory Board will also regularly review the appropriateness and structure of the remuneration system after the general meeting resolves to confirm it and will deliberate on this subject in connection with the annual determination of the actual achievement of targets. As needed, the Executive Committee of the Supervisory Board will propose adjustments to the Supervisory Board.

The Supervisory Board does not consider there to be any conflicts of interest to which individual members of the Supervisory Board are subject to in connection with the remuneration system and the Management Board members' remuneration. In particular, the Supervisory Board members' remuneration provided for in HENSOLDT AG's Articles of Association is unrelated to the Management Board members' remuneration. To avoid any conflicts of interest, the Supervisory Board will also take care that any external remuneration consultant is engaged directly by the Supervisory Board and that the remuneration consultant is thereby independent of the Management Board and of the company.

### III. Effective date of the new remuneration system

The new remuneration system takes effect immediately. Modifications of the currently applicable service contracts of the Management Board members are not necessary as the provisions concerning remuneration in the service contracts already conform with the provisions of the remuneration system.

### IV. Structure of the new remuneration system

#### Remuneration components and their relative share of the remuneration

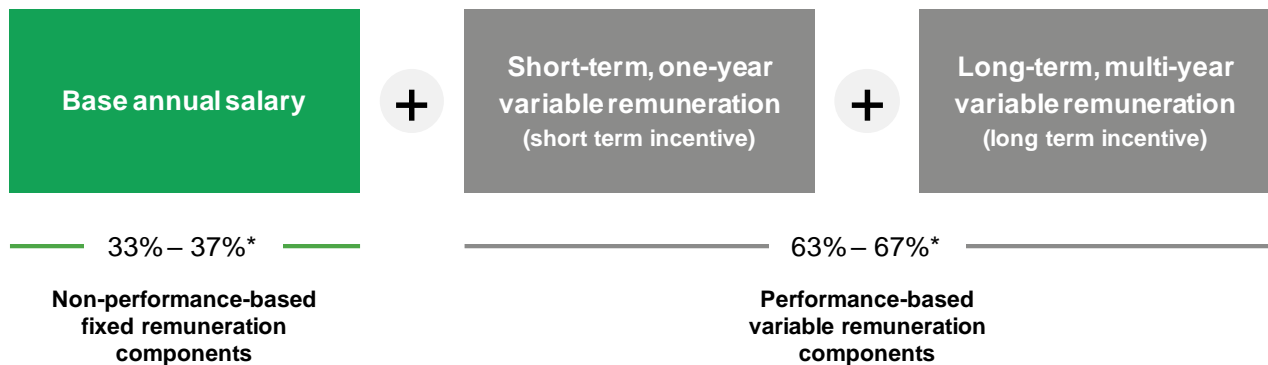
The remuneration system consists of non-performance-based (fixed) and performance-based (variable) remuneration components.

- The non-performance-based remuneration consists of a fixed base annual salary, fringe benefits (namely, insurance premiums, a company car, costs for journeys home and, under certain circumstances, an allowance for the costs of a secondary residence near the company's registered office) and participation in the company pension plan.
- The performance-based remuneration consists of short-term, one-year remuneration (the STI annual bonus) and long-term, multi-year remuneration (the LTI bonus). In the case of new appointments, the Supervisory Board may guarantee a reasonable amount of variable remuneration to new members of the Management Board for a limited period of time.

Within the bounds of the maximum remuneration set by the general meeting, the Supervisory Board sets for each member of the Management Board the amounts of the fixed base annual salary, the STI annual bonus and the LTI bonus, in each case assuming that targets will be fully met, i.e., 100% (the sum of the fixed base annual salary, the STI annual bonus and the LTI bonus assuming in each case that targets will be fully reached (100%) is known as the "target direct remuneration"). In this respect, the new remuneration system provides that the performance-based, variable remuneration for the Management Board members will make up 63% to 67% (rounded in each case) of the entire target direct remuneration. The long-term remuneration component makes up 35% to 36% (rounded in each case) of the Management Board members' entire target direct remuneration. The short-term remuneration component makes up 28% to 31% (rounded in each case) of the Management Board members' entire target direct remuneration. By weighting the long-term, multi-year remuneration (the LTI) more heavily than the short-term, one-year remuneration (the STI), the remuneration structure is aligned with the company's sustainable development and its long-term increase in value. The LTI target amount amounts to 54% to 57%

(rounded in each case) of the variable remuneration, while the STI target amount amounts to 43% to 46% (rounded in each case).

### Target direct remuneration



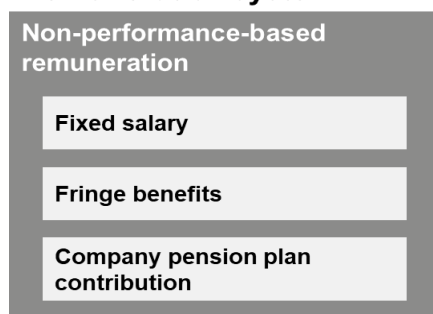
\*All values are rounded.

The target total remuneration is the sum of the target direct remuneration, plus fringe benefits and the contribution to the company pension plan, the amounts of which are not specified by the remuneration system, however. Mathematically speaking, the relative share of the fixed remuneration and the performance-based variable remuneration components is therefore less than the aforementioned relative shares (percentages) in the target direct remuneration. Going forward, the precise amounts will be reported in the annual remuneration report.

## V. Non-performance-based fixed remuneration components

The non-performance-based remuneration consists of a fixed salary, fringe benefits and a contribution to the company pension plan.

### Remuneration system



- **Fixed salary:** The fixed base annual salary is paid in arrears in twelve equal monthly installments less the deductions provided for by law at the end of each month. If a member of the Management Board joins or leaves that body during the year, the fixed salary is granted on a *pro rata temporis* basis.

- Fringe benefits:** The contractually guaranteed fringe benefits primarily include customary ancillary benefits such as the payment of insurance premiums (e.g., for group occupational accident insurance, term life insurance and health/long-term care insurance) and the provision of a company car, which can also be used for private purposes. As part of a security concept for the Management Board members, security costs (including the costs of structural measures implemented at their private residences) are also borne by the company as a fringe benefit. Further fringe benefits may also be the assumption of costs for a Management Board member's journeys home to his or her principal residence and an accommodation cost allowance for a secondary residence near HENSOLDT AG's registered office. The maximum amount of the fringe benefits is set for an upcoming financial year by the Supervisory Board.
- Contribution to the company pension plan:** During the term of his or her service contract, a Management Board member participates in the company pension plan in accordance with the provisions of the pension commitments applicable to senior staff and executives. The company pension is granted in the form of a direct commitment. (*Direktusage*). Apart from paying term life insurance premiums, which is part of the fringe benefits, the company does not grant any further retirement, surviving dependent or disability pension benefits, including any further performance-based pension commitments for which provisions would need to be set up. The remuneration system does not provide for any transitional allowance or other forms of an early retirement scheme.

## VI. Performance-based variable remuneration components

The performance-based variable remuneration consists of the STI annual bonus and the LTI bonus.

### Remuneration system

#### Performance-based remuneration

**STI (short term incentive)**  
Short-term, one-year remuneration

**LTI (long term incentive)**  
Long-term, multi-year remuneration

- Short-term, one-year variable remuneration (the STI annual bonus):** All Management Board members are entitled to short-term, one-year performance-based remuneration (the "STI annual bonus"). The basis for determining the amount of the STI annual bonus is the target amount (the "STI target amount"). The STI target amount is the amount to which a Management Board member is entitled if his or her achievement of the STI annual targets is exactly 100%.

The STI target amount, which is agreed upon in the Management Board members' service contracts, may be adjusted appropriately for the financial year concerned by the Supervisory Board at its due discretion. If a member of the Management Board joins or leaves that body during a financial year, the STI target amount is calculated and set *pro rata temporis*. If the STI annual targets are exceeded, the disbursement amount of the annual bonus may be higher than

the STI target amount. The disbursement amount of the annual bonus is limited, however, to a maximum of 150% of the STI target amount.

The STI annual bonus is calculated for each financial year and is depending upon the achievement of target values for the three STI bonus components, i.e., free cash flow, EBITDA and revenue, in each case on the consolidated basis for the HENSOLDT group. The Supervisory Board adopts the target values annually using its reasonable discretion before or at the beginning of a financial year in connection with the setting of the annual budget.

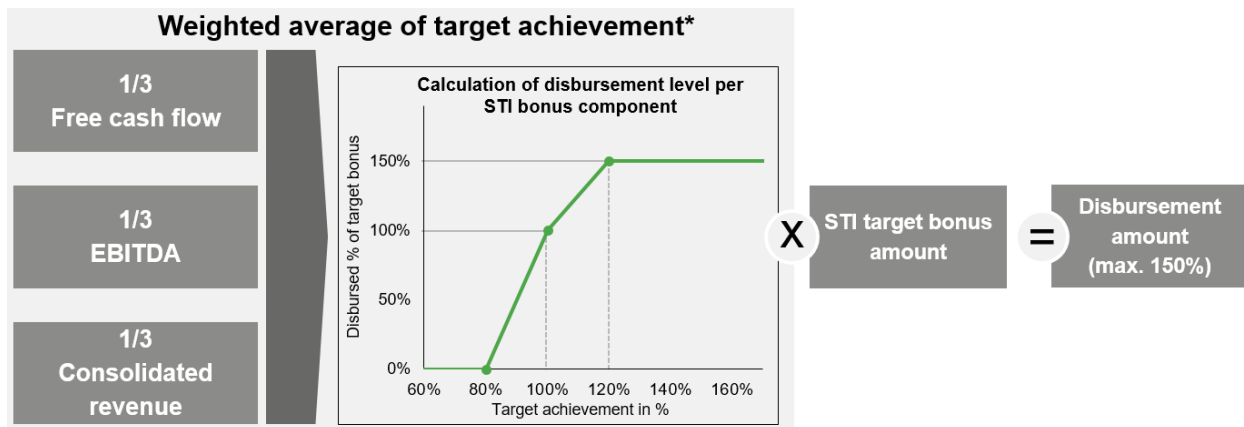
- The free cash flow is the operating cash flow net of capital expenditure plus divestitures. Operating cash flow is defined as EBITDA net of payout amounts for the purchase of property, plant and equipment and net of changes in working capital in a narrower sense (inventories, trade receivables and trade payables).
- EBITDA is earnings before interest, taxes, depreciation and amortization of intangible assets.
- Consolidated revenue is the sum of supplied goods and services reported (and certified) as such according to the pertinent accounting rules (in particular IFRS).

The three STI bonus components are each weighted equally, i.e., each constitutes one third in the calculation of the target achievement for the STI annual bonus.

After a financial year ends, the Supervisory Board determines the level of STI target achievement based on the actual values derived from the audited consolidated financial statements and then sets the disbursement amount of the STI annual bonus. In that context, the Supervisory Board is entitled, but not obligated, to adjust for exceptional and non-recurring effects following discussion with the relevant Management Board member. The Supervisory Board or one of its committees may establish general principles regarding such normalization.

Calculating the level of target achievement for each STI bonus component is governed by the following rules:

- If the target value for an STI bonus component is not achieved, the corresponding bonus share decreases linearly in the proportion of 1:5, i.e., the relevant bonus share decreases by five percentage points for each percentage point by which the relevant target value is missed. If only 80% or less of the target value of an STI bonus component is reached, there will be no bonus share at all for this STI bonus component.
- If the target value for an STI bonus component is exceeded, the corresponding bonus share increases linearly in the proportion of 1:2.5, i.e., the relevant bonus share increases by 2.5 percentage points for each percentage point by which the relevant target value is exceeded. If 120% or more of the target value of an STI bonus component is reached, the corresponding bonus share is 150%; i.e., each STI bonus component may increase by no more than 1.5 times the bonus share. This linear increase in the bonus share occurs only if the target achievement level for each of the three STI bonus components is more than 80%. If only 80% or less of the target value is reached for at least one STI bonus component, the maximum bonus share for each of the other STI bonus components is 100%.



\*An excess achievement of the individual STI bonus components is possible only if the target achievement level for each of the three STI bonus components is more than 80%.

All of a Management Board member's claims to an STI annual bonus lapse if the service relationship terminates for a cause (*wichtiger Grund*) for which the Management Board member is responsible within the meaning of Section 626 of the German Civil Code (*Bürgerliches Gesetzbuch*). Where a Management Board member otherwise ceases to hold that office during a financial year, the STI annual bonus will be granted *pro rata temporis* as of the due date stipulated in his or her service contract, provided that the relevant targets have been reached at the end of that financial year.

- **Long-term, multi-year variable remuneration (the LTI bonus):** All Management Board members are entitled to multi-year performance-based remuneration (the "LTI bonus"). The basis for determining the amount of the LTI bonus is the target amount (the "LTI target amount"), i.e., the amount to which a Management Board member is entitled if his or her achievement of the multi-year targets is 100%. The LTI bonus may not exceed 200% of the LTI target amount (the cap). The performance period of the LTI bonus is four years.

At the beginning of each four-year assessment period of an LTI bonus tranche – by no later than the end of the first quarter of the relevant award year – the Supervisory Board uses its reasonable discretion to set the target values for each of the four LTI bonus components of the relevant LTI bonus tranche uniformly for all Management Board members. The target values for the four LTI bonus components are thereby reviewed and adjusted annually, in each case relating to the next LTI bonus tranche to be issued.

The LTI bonus is calculated based on the following LTI bonus components: (i) 40% based on the company's relative total shareholder return (TSR) compared to the MDAX, (ii) 30% based on the HENSOLDT group's order intake and (iii) 15% apiece based on two ESG targets. In addition, the LTI bonus is tied to the development of the price of the company's share during the performance period (performance share plan).

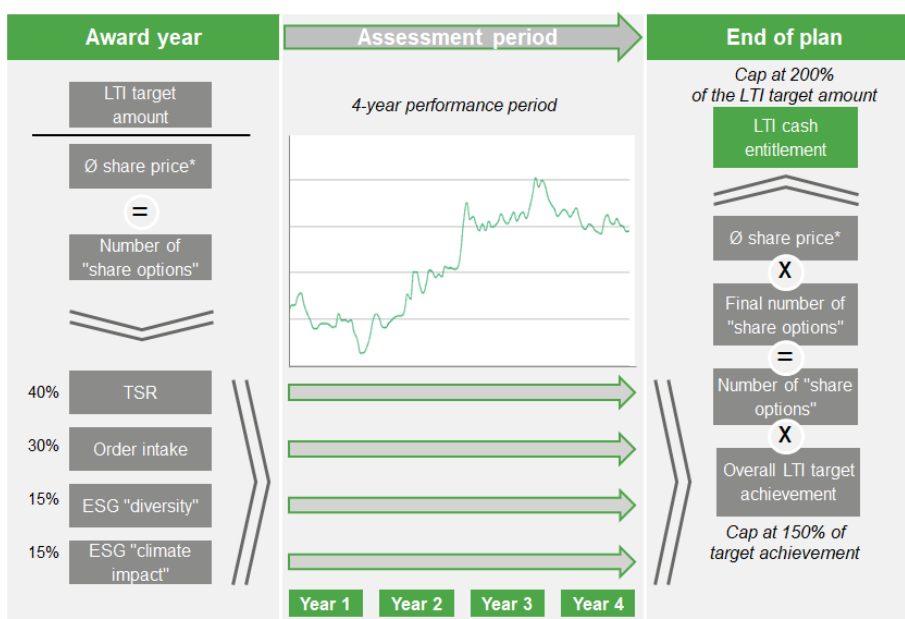
After the four-year performance period ends, the level of target achievement for the aforementioned LTI bonus components is calculated based on the actual values reported in the consolidated financial statements and/or the management report (the "overall LTI target achievement"). The overall LTI target achievement is expressed as a percentage. The level of target achievement for each of the LTI bonus components and the overall LTI target achievement derived from the individual target achievement values may not exceed 150%.

Furthermore, the performance share plan applicable to the LTI bonus ensures that the amount of the LTI bonus depends even greater on the price of HENSOLDT AG's share. The remuneration system provides for the following:

- At the beginning of each assessment period, the Management Board member receives a number of virtual shares ("share options") equal to the target amount divided by the average price of the HENSOLDT AG share in the XETRA trading system on the Frankfurt Stock Exchange (or a comparable successor system) during the first 60 trading days after the relevant assessment period began (for example, if the LTI target amount is EUR 400,000 and the average price of the company's share is EUR 20, the Management Board member will receive 20,000 share options).
- After an assessment period ends, the number of share options calculated at the beginning of that assessment period is multiplied by the overall target achievement of the LTI bonus components calculated based on the target achievement of the individual LTI bonus components (for example, if the number of share options is 20,000 and the overall target achievement is 150%, the result is 30,000 share options).
- The payable LTI bonus, i.e., the cash entitlement, is calculated by multiplying the number of shares calculated on the basis of the target achievement level by the average price of the HENSOLDT AG share in the XETRA trading system on the Frankfurt Stock Exchange (or a comparable successor system) during the last 60 trading days before the last year of an assessment period ended (for example, if the number of share options is 30,000 and the average price of the company's share is EUR 25, the Management Board member receives subject to the cap EUR 750,000 (gross)).

Because of the overall target achievement cap of 150%, the number of share options after an assessment period ends also cannot be more than 150% of the share options at the start of that assessment period. In all cases, the disbursement amount of the LTI bonus is limited to 200% of the LTI target amount.

How the LTI bonus works can be illustrated graphically as follows:



\*of HENSOLDT AG in the XETRA trading system on the Frankfurt Stock Exchange (or a comparable successor system) during the first 60 trading days after the relevant assessment period begins or during the last 60 trading days before the relevant assessment period ends.



Where a Management Board member exits the company as a so-called "good leaver" before a performance period ends, the LTI bonus will be paid on a *pro rata temporis* basis for the year of departure as of the due date stipulated in that Management Board member's service contract, provided that the relevant targets have been reached at the end of the performance period. For the years preceding the year of departure the assessment periods of which are still running, however, the LTI bonus will be paid to the full extent (according to the level of target achievement). If a Management Board member exits the company as a so-called "bad leaver," all entitlements to amounts of the LTI bonus not yet paid as of that point in time are forfeited. A Management Board member is a bad leaver within the meaning of the provisions concerning the LTI bonus if the company terminates his or her service contract for cause within the meaning of Section 626 of the German Civil Code, the Management Board member resigns from office without cause, the Management Board member's service contract is terminated by a separation agreement or the Management Board member is released from the obligation to render the services under his or her service contract where it could have been terminated for cause.

The Supervisory Board may alter the weighting and composition of the LTI bonus components at its due discretion. Subject to such an alteration, the following applies:

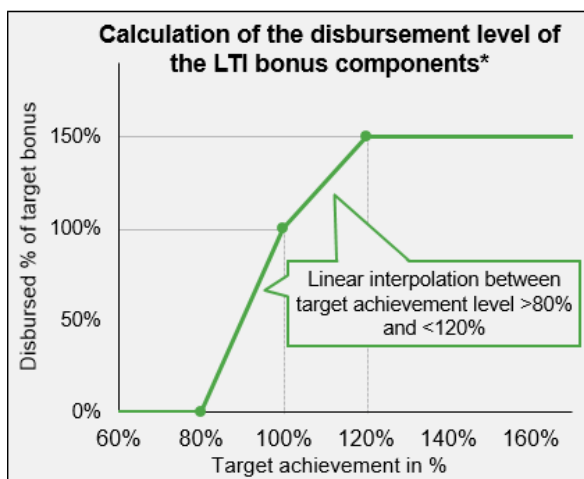
- Relative TSR means the development of the company's share price plus the notional reinvestment of gross dividends during the four-year performance period and it is determined based on data supplied by a recognized data provider (e.g., Bloomberg, Thomson Reuters). To determine the level of target achievement, the TSR performance of the HENSOLDT AG share is calculated during the four-year performance period and compared to the TSR performance of the MDAX (the "peer group"). In the calculation of the TSR in the performance period, the respective arithmetic means of the closing prices (using all available digits after the decimal point) of the HENSOLDT AG share and of the MDAX in the XETRA trading system of Deutsche Börse AG (or a successor system replacing the XETRA system) during the last 60 stock exchange trading days before the assessment period began and during the last 60 stock exchange trading days before the assessment period ended are calculated and compared. When the arithmetic mean of the closing prices at the end of an assessment period is calculated, the notional reinvestment of gross dividends is also taken into account.

The level of target achievement of the LTI bonus component of relative TSR is 100% if the TSR performance of the HENSOLDT AG share is equivalent to the TSR performance of the MDAX. If the TSR performance of the HENSOLDT AG share equates to 80% (or less) of the TSR performance of the MDAX, the LTI bonus component of TSR is to be recognized as 0%. Where relative TSR performance is between 80% and 100%, linear interpolation is used (i.e., the LTI bonus component of TSR is between 0% (at a relative TSR performance of 80%) and 100% (at a relative TSR performance of 100%)). If the TSR performance of the HENSOLDT AG share equates to 120% of the TSR performance of the MDAX, the level of target achievement of the LTI bonus component of TSR is to be recognized as 150%; between the values of 100% and 120%, linear interpolation is used (i.e., the LTI bonus component of TSR is between 100% (at a relative TSR performance of 100%) and 150% (at a relative TSR performance of 120%)). This linear increase in the bonus share to more than 100% occurs only if the target achievement level for the LTI bonus component of order intake is more than 80%. If only 80% or less of the target value is reached for the LTI bonus component of order

intake, the maximum target achievement level for the LTI bonus component of TSR cannot exceed 100%.

- Order intake means the sum of the customer orders placed with the companies of the HENSOLDT group during the four-year assessment period and reported as such according to pertinent accounting rules (in particular IFRS) (cumulative value over four years). In this respect, the target value for the LTI bonus component of order intake is set uniformly for the entire Management Board.

Target achievement is 100% if the actual order intake is equivalent to the target value for the LTI bonus component of order intake. If the order intake is 80% (or less) of the target value for this LTI bonus component, the LTI bonus component of order intake is to be recognized as 0%, and if the order intake equates to 120% of the target value for this LTI bonus component, the LTI bonus component of order intake is to be recognized as 150%; between these values (i.e., between 80% and 100% on the one hand and between 100% and 120% on the other hand), linear interpolation is used. This linear increase in the bonus share to more than 100% occurs only if the target achievement level for the LTI bonus component of TSR is likewise more than 80%. If only 80% or less of the target value is reached for the LTI bonus component of TSR, the maximum target achievement level for the LTI bonus component of order intake cannot exceed 100%.



\*An excess achievement of the individual LTI bonus components is possible only if the target achievement level for specific other LTI bonus component(s) is more than 80%.

- The level of target achievement for the LTI bonus component "diversity" is 100% if the following targets to have women fill positions in the HENSOLDT group are achieved:

LTI bonus component "diversity"		
LTI assessment period	Target % for the share of women	Management level
(i) 2021 – 2024	35%	Executive committee
(ii) 2021 – 2024	25%	Senior managers worldwide
(iii) 2022 – 2025	27.5%	Senior managers worldwide
(iv) 2023 – 2026	30%	Senior managers worldwide

The Supervisory Board will determine whether and to what extent a Management Board member has achieved the target values of the LTI bonus component of diversity at the end of each four-year assessment period and, using its reasonable discretion, will compare the actual value achieved with the intended diversity target and, using its reasonable discretion, may take into account any underachievement or excess achievement, recognizing, however, no more than 150% of the intended weighting of the ESG target of diversity. In its decision on the target achievement, the Supervisory Board will, in particular, also consider the efforts of the Management Board to increase the percentage of women among the engineers employed in the HENSOLDT group and the success of these efforts.

- The target value for the LTI bonus component "climate impact" is calculated based on the extent to which the companies of the HENSOLDT group have achieved the three climate impact targets in Germany. The "climate impact targets" are (1.) increasing the share of renewable energies in the energy consumed by the companies of the HENSOLDT group in Germany, (2.) decreasing the CO<sub>2</sub> emissions of the companies of the HENSOLDT group in Germany and (3.) reducing the amount of volatile organic compounds ("VOCs") used by companies of the HENSOLDT group in Germany.

In the first LTI assessment period, currently already running, (2021-2024) the following target values have been set as the climate impact targets:

- (i) to increase the share of renewable energies to 70% of the total energy consumed;
- (ii) to decrease CO<sub>2</sub> emissions by 20% or more by 2024 compared to the CO<sub>2</sub> emissions in the year 2019 (benchmark);
- (iii) to reduce the amount of VOCs used by 20% or more by 2024 compared to the amount of VOCs used in the year 2019 (benchmark).

The Supervisory Board will determine whether and to what extent a Management Board member has achieved the target values of the LTI bonus component of climate impact at the end of the four-year assessment period and, using its reasonable discretion, will compare the actual values achieved with the intended climate impact targets and, using its reasonable discretion, may take into account any underachievement or excess achievement, recognizing, however, no more than 150% of the intended weighting of the ESG target of climate impact (and of the individual components of the ESG target of climate impact). For

the purpose of determining the target achievement level, the three climate impact targets will be weighted as follows:

LTI bonus component "climate impact"			
	LTI assessment period	Target metric	Weighting
(i)	2021 – 2024	Increasing the share of renewable energies	50%
(ii)	2021 – 2024	Decreasing CO2 emissions	25%
(iii)	2021 – 2024	Reducing the amount of VOCs used	25%

In order to determine the overall target achievement level for the LTI bonus component "climate impact," the target achievement level determined for each climate impact target will first be weighted by multiplication with their respective percentage values stated in the table and then by adding together the values so calculated.

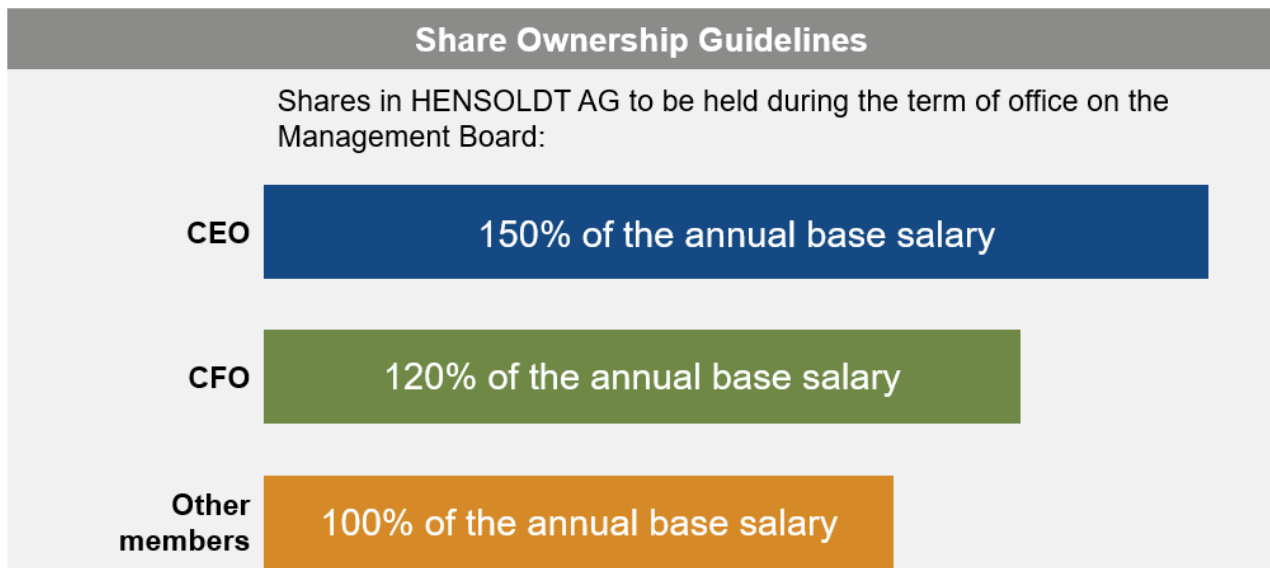
The target achievement for a climate impact target is 100% if the value actually achieved corresponds to the target value for that climate impact target. If the value actually achieved for a climate impact target is 80% (or less) of the relevant target value, the target achievement for that climate impact target is to be recognized as 0%, and if the value actually achieved for a climate impact target is 120% of the relevant target value, the target achievement for that climate impact target is to be recognized as 150%; between these values (i.e., between 80% and 100% on the one hand and between 100% and 120% on the other hand) linear interpolation is used. The linear increase for a climate impact target above the target value of 100% takes place only if for both of the other climate impact targets a target value of more than 80% has been reached. If only 80% or less of the target value is reached for at least one climate impact target, the maximum bonus share for the two other climate impact targets is 100%.

## VII. Share Ownership Guidelines

Under the Share Ownership Guidelines ("SOG"), the company's share purchase and shareholding program, the Management Board members are obligated to acquire shares in HENSOLDT AG and to hold them during their term of office on the Management Board. The SOG target is determined based on the relevant, where applicable higher, gross annual base salary of the Management Board member and equals

- the equivalent of 150% of the annual base salary for the chairperson of the Management Board (CEO),
- the equivalent of 120% of the annual base salary for the Management Board member responsible for finance and accounting (CFO) and
- the equivalent of 100% of the annual base salary for each of the other Management Board members.

The Management Board member is not required to purchase the minimum number of HENSOLDT shares immediately; instead, he or she may build up his or her shareholding over a term of four years that starts to run when the Management Board member's service contract takes effect (the "build-up phase"). The build-up phase ends once the SOG target has been reached or, if earlier, when the Management Board member's service contract terminates, even if at that point in time the shareholding required according to the individual SOG target has not yet been built up.



The Management Board Member must not transfer, assign, pledge or otherwise dispose of, or undertake to dispose of, the HENSOLDT shares held under the shareholding program at any time until the Management Board member's service contract terminates. Following termination of the Management Board member's service contract, the Management Board member may freely dispose of up to 50% of the HENSOLDT shares held by him or her under the SOG. If and to the extent that, in the first year, a Management Board member sells less than 50% of the HENSOLDT shares held by him or her under the SOG, the Management Board member is free to dispose of the shares not sold at a later point in time; in any event, the holding obligation ends two years after termination of the Management Board member's service contract.

## VIII. Appropriateness of the remuneration

The Supervisory Board considers the current total target remuneration to be appropriate and customary in view of the tasks to be performed and the expected performance of the Management Board, in light of the current situation of the company compared to other companies of a suitable peer group and having considered a vertical comparison within the HENSOLDT group. Confirmation of this assessment has been given to the Supervisory Board by an independent external remuneration consultant.

- For the so-called "peer group comparison" (horizontal assessment of the appropriateness of the Management Board remuneration), the Supervisory Board, upon recommendation by the external remuneration consultant, analyzed the data of 15 peer companies from the MDAX<sup>1</sup> and of 19 peer companies from the SDAX<sup>2</sup>. Each of the peer companies may reasonably be compared with HENSOLDT AG based on its business sector, size, region and transparency of the management board remuneration. According to the most recently available figures from the MDAX peer group companies, for the key figures of revenue and number of employees, HENSOLDT AG is situated between the first quartile and the median of the comparative market. In relation to the SDAX peer companies, for the key figures of revenue and number of employees, HENSOLDT AG is situated between the median and the third quartile.
- For the appropriateness test within the HENSOLDT group (vertical assessment of the appropriateness of the Management Board remuneration), the Supervisory Board specifically considered the development of the remuneration of the highest executive level and of non-tariff employees. While not directly taking into account the terms and conditions of the remuneration and employment of the employees any further than in this vertical appropriateness test when setting down the remuneration system, the Supervisory Board points out that, in the future, the interests of the employees may be included as a target metric to steer the Management Board's actions, particularly as part of the ESG bonus components specified for the LTI bonus.

## IX. Maximum remuneration

As regards the maximum remuneration stipulated in the remuneration system, the Supervisory Board uses the Management Board members' current annual target remuneration as a basis. Taking into account a (moderate) increase in the fixed remuneration during the anticipated four-year term of the remuneration system (which cannot be excluded), the following maximum remuneration p.a. within the meaning of Section 87a (1) sentence 2 no. 1 AktG results:

Maximum remuneration (Sec. 87a (1) sent. 2 no. 1 AktG)	
Function	Maximum remuneration in EUR
CEO	EUR 3,500,000
CFO	EUR 3,300,000
Other Management Board member	EUR 2,500,000

<sup>1</sup> These 15 companies included in the peer group comparison were Brenntag, Dürr, Fraport, GEA, KION, Knorr-Bremse, MTU Aero Engines, Nemetschek, Osram, Rational, Rheinmetall, Siltronic, Software, TeamViewer, Varta.

<sup>2</sup> These 19 companies included in the peer group comparison were DEUTZ Aktiengesellschaft, DMG MORI Aktiengesellschaft, Dr. Hönle AG, Hamburger Hafen und Logistik Aktiengesellschaft, INDUS Holding AG, Jenoptik AG, JOST Werke AG, Klöckner & Co SE, Koenig & Bauer AG, Krones AG, LEONI AG, Nordex SE, NORMA Group SE, Pfeiffer Vacuum Technology AG, SAF-Holland SE, Schaeffler AG, SMA Solar Technology AG, Traton SE, Vossloh AG.

**Important note:** In line with the intent of German stock corporation law, the maximum remuneration is not the amount targeted by the Supervisory Board nor the amount that the Supervisory Board believes to be compellingly appropriate. A clear differentiation must be made between the maximum remuneration and the annual target remuneration. The former only sets an absolute cap, for example, to avoid disproportionately high Management Board remuneration in an unexpectedly positive financial year.

## X. Extraordinary developments

The criteria for determining the performance-based remuneration and the annual targets set by the Supervisory Board at the beginning of the financial year will not be modified during a financial year. Under the new remuneration system, subsequent modification of the target values or the comparison parameters is excluded.

In accordance with the recommendation of the GCGC, the Supervisory Board may to an appropriate extent consider extraordinary developments the effects of which are not sufficiently reflected in the target achievement when determining the overall level of target achievement. This may result in either an increase or a decrease of the STI disbursement amount and of the LTI disbursement amount. Extraordinary developments occurring during a financial year may be, for example, extraordinary changes in the economic climate (such as economic crises or health crises affecting the global economy) that negate the original business targets, provided that the developments were not foreseeable. Generally unfavorable market developments are not deemed extraordinary developments occurring during a financial year. If any extraordinary developments occur that render an adjustment necessary, the Supervisory Board will report on them comprehensively and transparently.

## XI. Clawback rules for the variable remuneration

The Supervisory Board may reclaim the short-term one-year performance-based remuneration (the STI annual bonus) and the long-term multi-year performance-based remuneration (the LTI bonus) in the following cases:

- The company is entitled to demand from a Management Board member repayment of the paid performance-based remuneration if it turns out after disbursement of the performance-based remuneration that that Management Board member has violated his or her duties, specifically compliance duties owed to the company, at least in a grossly negligent manner.
- The company is also entitled to demand from a Management Board member repayment of the paid performance-based remuneration if it turns out after disbursement of the performance-based remuneration that the underlying audited and adopted consolidated financial statements or management report were objectively incorrect and, in accordance with the relevant accounting rules, required subsequent correction, and based on the corrected audited consolidated financial statements or management report, the Management Board member would not have been entitled to the performance-based remuneration or only entitled to a lesser amount. In this regard, no fault of the Management Board member is required as far as the necessity of the correction of the consolidated financial statements is concerned. The repayment claim will fall due once the correction of the annual financial statements is completed. The repayment claim exists even if the appointment of and/or the service

relationship with the Management Board member has already ended as of the time the repayment claim becomes due. Under no circumstances will any subsequent correction of consolidated financial statements result in an increase of the entitlement to performance-based remuneration.

The Supervisory Board will in each case decide on the amount of the repayment claim using its due discretion.

The Supervisory Board may set out the details of the clawback rules at its due discretion with the Management Board members in their individual service contracts.

## XII. Crediting of remuneration received from sideline activities

The remuneration received for any group-internal supervisory board office or other double functions will be credited against the Management Board remuneration.

If a Management Board member wishes to accept a supervisory board office outside the group with the consent of the Supervisory Board, the Supervisory Board will decide, in connection with its requisite decision whether or not to grant that consent, whether the external remuneration will be credited against the remuneration that he or she receives as a Management Board member. In this respect, the Supervisory Board will, in particular, consider the expected time commitment of the external supervisory board office.

## XIII. Benefits upon taking office and upon ceasing to hold office on the Management Board

Where a Management Board member starts to serve on the Management Board, the Supervisory Board, using its due discretion, will decide whether and to what extent additional remuneration benefits (e.g., a relocation allowance or compensation for lost earnings due to the move to HENSOLDT) will be granted under the individual service contract. On the occasion of the Management Board member's taking office, the Supervisory Board may grant a sign-on bonus in a reasonable amount and compensation for the loss of benefits from the previous employer (e.g., pension commitments) or bear part of that Management Board member's relocation costs. Any sign-on bonus and compensation for the loss of benefits from the previous employer may also be paid spread out over the term of the Management Board member's service contract. The relocation costs are not to exceed a reasonable maximum amount. In the case of new appointments, the Supervisory Board may guarantee a reasonable amount of variable remuneration to the new members of the Management Board for a limited period of time. The benefits paid in connection with a Management Board member taking office together with the payments from the other remuneration components (fixed remuneration, variable remuneration, fringe benefits) must not exceed the maximum remuneration that has been set.

Payments to a Management Board member upon early termination of that member's service contract without there being cause for the termination of that member's service on the Management Board will be limited to a maximum of twice the annual remuneration and will not exceed the annual remuneration for the remaining term of the service contract (severance cap). The annual remuneration that is used for calculating the severance is equal to the sum of the fixed salary and the STI target amount. In the event of an early termination by the company of



a Management Board member's services because there is cause for the termination, no severance will be paid.

If a Management Board member ceases to serve on that body because he or she passes away, the heirs will receive the monthly fixed salary for the month in which the service contract terminates because of the death and also for the next six months thereafter, but no longer than until the agreed end date of the service contract.

#### XIV. Other important terms of Management Board members' service contract

The ordinary termination (*ordentliche Kündigung*) of a Management Board member's service contract by either party is excluded. The right to terminate a service contract for cause (*Kündigung aus wichtigem Grund*) remains unaffected. In the event of an early termination of a Management Board member's appointment to serve on that body, that member's service contract will automatically end, too (tie-in clause).

Management Board members' service contracts will not contain change of control clauses that promise benefits due to an early termination of the relevant service contract by the Management Board member because of a change of control.

The Supervisory Board may stipulate a post-contractual non-competition obligation for a term of one year after termination of a Management Board member's service contract. During the term of the non-competition obligation, the Management Board member will receive 50% of the fixed remuneration from HENSOLDT AG. The Supervisory Board will set out the details using its due discretion.

#### XV. Transparency, documentation and remuneration report

If the remuneration system is confirmed by resolution of the general meeting, the resolution and the remuneration system will be published without undue delay on the company's website, where they will be kept available to the public free of charge during the term the remuneration system is in effect, but for no less than ten years.

In addition, the Management Board and the Supervisory Board of HENSOLDT AG will prepare each year a clear and comprehensible report on the remuneration paid and owed by the company and its affiliated companies to each present and former member of the Management Board and of the Supervisory Board in the previous financial year (the "remuneration report"). In accordance with Section 162 of the German Stock Corporation Act (*Aktiengesetz*, "AktG"), the remuneration report, which must be audited by the auditor, will include detailed information on the remuneration of each individual member of the Management Board and of the Supervisory Board and on the development of the Management Board remuneration. This is to apply for the first time to the financial year starting after December 31, 2020. The company's general meeting will resolve on whether or not to approve the remuneration report for a financial year that has been prepared and audited in accordance with Section 162 AktG. The first resolution must be adopted by the end of the first annual general meeting that takes place after the second financial year begins that follows after December 31, 2020.

## Annex with respect to agenda item 7 – Remuneration system for the members of the Supervisory Board of HENSOLDT AG

The remuneration of the members of HENSOLDT AG's Supervisory Board is stipulated in § 12 of the Articles of Association. In accordance therewith, the Supervisory Board members receive fixed remuneration annually for their services. The chairperson and the deputy chairperson of the Supervisory Board receive higher fixed remuneration. The chairpersons and the members of the committees specified in § 12 paragraph (2) of the Articles of Association also receive an additional fixed remuneration. No variable remuneration is paid. § 12 has continued to apply unchanged since the Articles of Association entered into effect upon registration of the change of legal form on August 17, 2020.

The remuneration system for the Supervisory Board members on which the provisions set down in the Articles of Association are based can be described in detail as follows (information pursuant to Section 113 (3) sentence 3 in conjunction with Section 87a (1) sentence 2 AktG):

1. The remuneration system for the Supervisory Board members provides for purely fixed remuneration without any performance-based variable components and without any stock-based remuneration component. The payment of purely fixed remuneration is consistent with widespread practice at other listed companies and has proven successful. The Management Board and the Supervisory Board believe that purely fixed remuneration for the Supervisory Board members is best suited to bolster the independence of the Supervisory Board. Such fixed remuneration takes into account the Supervisory Board's advisory and supervisory function, which is to be fulfilled irrespective of the company's success, and therefore avoids potentially false incentives. Purely fixed remuneration for supervisory board members is also advised in suggestion G.18 sentence 1 of the German Corporate Governance Code ("GCGC").
2. The Supervisory Board members' remuneration consists of the following components:
  - a) In accordance with the provisions set down in the Articles of Association, the fixed annual remuneration for the members of the Supervisory Board is EUR 40,000. The chairperson of the Supervisory Board receives two times that amount, i.e., EUR 80,000, and the deputy chairperson receives one and a half times that amount, i.e., EUR 60,000. Consistent with recommendation G.17 sentence 1 GCGC, the level of remuneration thereby accounts for the larger time commitment necessary when holding office as chairperson and deputy chairperson.
  - b) The members of the committees specified in § 12 paragraph (2) of the Articles of Association (i.e., the executive committee, the nomination committee, the audit committee and the compliance committee) receive in addition to their fixed annual remuneration according to letter a) additional fixed remuneration for their work in those committees. For each of the ordinary members of the specified committees, this additional remuneration is EUR 10,000 annually; for the chairperson of each of these committees, it is EUR 15,000 annually.
  - c) Higher remuneration is paid for the work in the committees specified in § 12 paragraph (2) of the Articles of Association than in other committees not specified in § 12 paragraph (2) of the Articles of Association due to the particular significance for the overall activities of the Supervisory Board and due to the particular demands in working

in the specified committees. In particular, based on experience, the membership in the committees specified in § 12 paragraph 2 of the Articles of Association entails significantly greater preparation work and a larger time commitment both qualitatively and quantitatively.

- d) The cap on Supervisory Board members' remuneration is stipulated in § 12 paragraph (3) of the Articles of Association and equates to twice the amount of each Supervisory Board member's annual remuneration pursuant to § 12 paragraph (1) of the Articles of Association. A maximum amount of remuneration for the Supervisory Board overall is not stipulated.
  - e) The company has taken out liability insurance for the benefit of the members of the Supervisory Board that covers their statutory liability arising from their activities on the Supervisory Board (D&O insurance). Furthermore, upon presentation of proof, the company reimburses each Supervisory Board member his/her reasonable expenses, including any value-added tax payable on the expenses, as well as any value-added tax legally owed on his/her remuneration.
3. The amount and design of the Supervisory Board members' remuneration conform with market conditions – especially also in light of the remuneration of members of supervisory boards of other comparable listed companies in Germany. The remuneration allows the company to attract and retain excellently qualified candidates with valuable industry-specific expertise for its Supervisory Board. This is a prerequisite for the Supervisory Board to engage in its advisory and monitoring activities as best as possible. The remuneration is set in a way that materially promotes the company's corporate strategy and long-term development.
  4. Pursuant to § 12 paragraph (4) of the Articles of Association, the remuneration for membership on the Supervisory Board and for the activities done in its committees during a fiscal year is due and payable four weeks after the end of the fiscal year. There are no further postponement periods for the payment of remuneration components.
  5. The Articles of Association conclusively provide for the Supervisory Board members' remuneration. There are no ancillary or side agreements nor resolutions of the general meeting for granting of remuneration. Remuneration is tied to length of membership on the Supervisory Board and on the length of membership on the committees. Supervisory Board members who are members of the Supervisory Board or a committee for only part of a fiscal year receive remuneration adjusted *pro rata temporis*. This calculation is made precisely to the day. There are no commitments to grant compensation for dismissal (*Entlassungsschädigungen*) or provisions for retirement pensions or early retirement schemes (*Vorruhestandsregelungen*).
  6. The remuneration scheme applies equally to shareholder representatives and employee representatives on the Supervisory Board. The terms and conditions governing the employees' remuneration and employment have been and are irrelevant to the remuneration system for the Supervisory Board.
  7. The remuneration system for the Supervisory Board is approved by resolution of the general meeting based on a proposal by the Management Board and the Supervisory Board. The company's Articles of Association provide for the remuneration. The Management Board and

the Supervisory Board will regularly and continually review the remuneration system for Supervisory Board members and present it to the general meeting for approval by – as the case may be, confirmatory – resolution at least once every four years in accordance with Section 113 (3) sentences 1 and 2 AktG.

By proposing resolutions to the general meeting for the approval of the Supervisory Board's level of remuneration, the Supervisory Board is inherently acting in its own interests. This is consistent with the procedure provided for by the AktG. However, the decision on the Supervisory Board's remuneration itself is incumbent upon the general meeting.

### III. Further information

#### 1. Total number of shares and voting rights

At the time of the calling of the annual general meeting, the share capital of the company totaling EUR 105,000,000.00 is divided into 105,000,000 bearer shares with no par value (*auf den Inhaber lautende Stückaktien*), each entitling the holder to one vote. The total number of voting rights consequently amounts to 105,000,000. The company holds no treasury shares.

#### 2. Information regarding participation in the virtual general meeting

##### **Annual general meeting held as a virtual general meeting**

With the consent of the Supervisory Board, the Management Board of HENSOLDT AG has decided due to the ongoing COVID-19 pandemic to hold the annual general meeting as a virtual general meeting without the shareholders or their authorized proxies being physically present. The legal basis for holding a virtual general meeting is 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 (German Federal Law Gazette I No. 14 2020, p. 570), last amended by Article 11 of the German Act to Further Accelerate the Discharge of Residual Debt Proceedings and to Adjust Pandemic-Related Provisions Under the Law of Companies, Cooperative Societies, Associations, Foundations and Under Tenancy Law of December 22, 2020 (German Federal Law Gazette I No. 67, p. 3328) (hereinafter referred to as the "COVID-19 Mitigation Act").

In-person attendance of the shareholders or their authorized proxies is not possible. In particular, the shareholders and their authorized proxies may exercise their voting rights only by way of postal vote or by issuing proxy authorization and instructions in accordance with the provisions set out below. The votes to be taken under agenda items 2 to 5 are binding decisions; those under agenda items 6 and 7 are advisory decisions. In each case, it is possible to vote Yes, No or Abstain.

##### **Live broadcast for shareholders**

The annual general meeting will be broadcast in full length for duly registered shareholders in a live video and audio stream on the internet via the Online Service on **Tuesday, May 18, 2021 at 10:00 a.m. (CEST)**. The Online Service is accessible via the website **hensoldt.net/agm**

The live broadcast does not enable participation of the shareholders in the general meeting within the meaning of Section 118 (1) sentence 2 AktG.

## Online Service

The password-protected Online Service may be accessed as from April 27, 2021 via the company's website at [hensoldt.net/agm](https://hensoldt.net/agm)

After their registration, duly registered shareholders will receive, together with their registration notice, their personal login details required in order to follow along with the entire general meeting via the Online Service and required for other uses, for example, to cast votes via the Online Service. Besides the Postal Vote and Proxy Appointment Form for exercising voting rights, the registration notice also includes further explanations on accessing the Online Service.

## Right to participate by registering and providing proof of a shareholding

Pursuant to § 14 of the company's Articles of Association, shareholders are entitled to participate in the general meeting by following via the live stream and to exercise their shareholder rights, in particular their voting rights, if they have registered for the general meeting with the company prior to the meeting and if they have provided proof of their right to attend.

The registration for the general meeting and the proof of a shareholding must be received by HENSOLDT AG by no later than

**Tuesday, May 11, 2021, 24:00 (CEST)**

at the following address

HENSOLDT AG  
c/o Deutsche Bank AG  
Securities Production  
General Meetings  
Postfach 20 01 07  
60605 Frankfurt am Main  
Germany

or by telefax to +49 (0) 69 12012-86045  
or by email to [wp.hv@db-is.com](mailto:wp.hv@db-is.com)

To evidence a shareholder's entitlement, proof from the last intermediary is required. The proof of a shareholding must refer to **April 27, 2021, 0:00 (CEST)** (record date). The registration and the proof of a shareholding require text form (Section 126b of the German Civil Code – *Bürgerliches Gesetzbuch*, "BGB") and must be in German or English. Proof of a shareholding provided by the last intermediary in accordance with the requirements of Section 67c (3) AktG is sufficient.

Following receipt of their registration and proof of their shareholding, the shareholders entitled to participate will be sent a registration notice that will also include the login details for the Online Service. Shareholders wishing to participate in the virtual general meeting or to exercise their voting rights are kindly asked to have their depositary bank submit the required registration and proof of their shareholding in good time.

As regards any relationship with the company, a person will only be deemed a shareholder entitled to participate in the annual general meeting and to exercise shareholder rights, in particular voting

rights, if such person has submitted the specific proof of their shareholding by the deadline and in due form. The right to participate and the scope of a shareholder's rights, in particular of their voting right, are determined exclusively based on the shareholding as of the record date. The record date is not relevant with respect to the dividend entitlement.

Registering for the annual general meeting does not result in the blocking of shares. Shareholders may therefore continue to dispose of their shares without restriction also after having registered for the annual general meeting. Even in the event of a full or partial sale of a shareholding following the record date, solely the shareholding of a shareholder on the record date will be relevant for participation in the general meeting and the scope of their voting right, i.e., any sale of shares after the record date will not affect the entitlement to participate in the annual general meeting and the scope of voting rights. The same applies if any (additional) shares are acquired after the record date. Persons who do not own any shares on the record date and become shareholders only after the record date are not entitled to participate in the meeting or to exercise voting rights. However, these persons may obtain proxy authorization in accordance with the provisions below.

### **Postal vote (also by means of electronic communication)**

Shareholders may exercise their voting rights by postal vote in text form or by means of electronic communication (electronic postal voting). This requires proper registration and proper proof of a shareholding in accordance with the provisions set out under "*Right to participate by registering and providing evidence of a shareholding*" above.

Votes cast by postal voting must be received by the company as follows; this also applies to modifying and revoking postal votes cast:

- When voting in text form, votes must be sent exclusively to the following addresses and must be received by no later than **May 17, 2021 (24:00 CEST)**:

HENSOLDT AG  
c/o ADEUS Aktienregister-Service-GmbH  
P.O. Box 57 03  
22772 Hamburg  
Germany

or by telefax to +49 (0) 89 2070 379 51  
or by email to [anmeldestelle-inhaberaktien@adeus.de](mailto:anmeldestelle-inhaberaktien@adeus.de)

The Postal Vote and Proxy Appointment Form sent to shareholders following proper registration, which is also accessible on the website [hensoldt.net/agm](https://hensoldt.net/agm) in printable format, can be used to exercise voting rights by postal vote in text form.

- Alternatively, votes may also be cast by electronic postal voting via the Online Service **until the beginning of the relevant vote** during the general meeting on May 18, 2021. The Online Service is accessible as described above under "*Online Service*." Votes cast by postal voting, whether cast in text form or via the Online Service, can be modified or revoked using the Online Service until voting starts at the general meeting.

Authorized proxies, including intermediaries and others of equal status pursuant to Section 135 AktG, may also use postal voting.

Votes cast by postal voting that cannot be unequivocally matched to a proper registration will not be counted.

### **Procedure for proxy voting**

#### *Authorizing the proxies designated by the company*

HENSOLDT AG also offers to its shareholders the option of having proxies designated by the company (*Stimmrechtsvertreter*) represent them at the general meeting subject to and in accordance with the instructions issued by the shareholders.

Timely registration and provision of proof of a shareholding in accordance with the provisions under "*Right to participate by registering and providing evidence of a shareholding*" above is also required if a proxy designated by the company has been authorized.

The proxies designated by the company may exercise voting rights only in respect of those agenda items for which a specific and unambiguous instruction has been issued to them by the grantor of the power of attorney. The proxies designated by the company are obligated to vote according to the instructions that they receive. If an explicit and unambiguous instruction is lacking, the proxies designated by the company will abstain from voting on the relevant agenda item.

The proxies designated by the company will not accept any orders or instructions to take the floor or pose questions or file motions or lodge objections against resolutions passed by the annual general meeting.

Powers of attorney and instructions to the proxies designated by the company must be received by the company as follows; this also applies to any modification or revocation of authorization power of attorney and instructions issued to the proxies designated by the company:

- When in text form by using the Postal Vote and Proxy Appointment Form provided for this purpose to shareholders following proper registration, which is also available online at [hensoldt.net/agm](https://hensoldt.net/agm), to be received by no later than **May 17, 2021, 24:00 (CEST)** at the following address:

HENSOLDT AG  
c/o ADEUS Aktienregister-Service-GmbH  
P.O.Box 57 03 64  
22772 Hamburg  
Germany

or by telefax to +49 (0) 89 2070 379 51  
or by email to [anmeldestelle-inhaberaktien@adeus.de](mailto:anmeldestelle-inhaberaktien@adeus.de)

- Powers of attorney and instructions may also be issued electronically via the Online Service **until the beginning of the relevant vote** at the general meeting on May 18, 2021. The Online Service is accessible as described under "Online Service" above. Via the *Online Service*, authorizations and instructions, whether issued in text form or via the Online Service, can also be modified or revoked until voting starts at the general meeting.

### *Authorizing a third party*

Shareholders may have themselves represented and, in particular, have their voting rights exercised at the general meeting by a representative (*sonstiger Bevollmächtigter*), for example, a willing intermediary (e.g., a depository bank), a shareholders' association or any other person of their choice. Timely registration and provision of proof of a shareholding in accordance with the provisions under "*Right to participate by registering and providing evidence of a shareholding*" above is also required where a third party is granted power of attorney. If a shareholder authorizes more than one person, the company may reject one or more of them in accordance with Section 134 (3) sentence 2 AktG.

Representatives (other than the proxies designated by the company) cannot physically be present at the general meeting. Accordingly, the representatives can exercise the voting rights for the shareholders that they represent also only by postal vote or by issuing a sub-power of attorney to the proxies designated by the company.

Pursuant to Section 134 (3) sentence 3 AktG and § 14 paragraph (3) of the Articles of Association of the company, the granting of power of attorneys, its revocation and the proof of power of attorney to be provided to the company require text form (Section 126b BGB) except for power of attorneys pursuant to Section 135 AktG.

Except in cases of a power of attorney according to Section 135 AktG, the power of attorney may be issued either by declaration vis-à-vis the company or directly to the representative. If the power of attorney is issued to the representative, proof of power of attorney must be submitted to the company in text form. The power of attorney issued by declaration vis-à-vis the company or the proof of power of attorney to be submitted to the company must be transmitted to the company as follows; the same applies should a shareholder wish to revoke a power of attorney:

- For organizational reasons, to be received by the company by no later than **May 17, 2021, 24:00 (CEST)** at:

HENSOLDT AG  
c/o ADEUS Aktienregister-Service-GmbH  
P.O. Box 57 03 64  
22772 Hamburg  
Germany

or by telefax to +49 (0) 89 2070 379 51  
or by email to [anmeldestelle-inhaberaktien@adeus.de](mailto:anmeldestelle-inhaberaktien@adeus.de)

For granting power of attorney, shareholders may use the Postal Vote and Proxy Appointment Form that they will receive following proper registration. However, shareholders may also issue a separate power of attorney; the Postal Vote and Proxy Appointment Form is also available for download online at [hensoldt.net/agm](https://hensoldt.net/agm). Power of attorney may also be effected in any other proper form.

- Furthermore, power of attorney may be issued or revoked electronically via the Online Service. The Online Service will be available for these purposes **until the beginning of the relevant vote** at the general meeting. The Online Service is accessible as described under "Online Service" above.



Where power of attorney is granted to intermediaries (in particular, credit institutions) and others of equal status pursuant to Section 135 AktG (for example voting consultants, shareholders' associations or persons who professionally offer to shareholders the service of exercising voting rights at general meetings), there are usually special terms and rules to be observed. Shareholders wishing to issue a proxy authorization for the exercise of their voting rights pursuant to Section 135 AktG are requested to ask the third party to be authorized about any special terms and rules that apply to the granting of proxy authorization and to consult with that third party.

For an authorized proxy to be able to exercise the rights under the authorization by means of electronic communication via the Online Service, the authorized proxy must receive from the authorizer the personal login details that are sent to the latter following proper registration. Use of a shareholder's personal login details by an authorized proxy will be considered proof of the authorization.

### **Additional information regarding the casting of votes**

In the event that sub-items under an agenda item are put to the vote individually without this having been communicated ahead of the annual general meeting, a vote cast by postal voting, or, as the case may be, an instruction issued, on that entire agenda item will be deemed a vote cast, or an instruction issued, correspondingly on each of the individual sub-items put to the vote.

A vote cast by postal voting or an instruction on the proposal for the appropriation of the net profit announced under agenda item 2 will remain valid even if the proposal for the appropriation of the net profit is amended during the annual general meeting, as described under agenda item 2 above.

Casting postal votes, granting proxy authorization and issuing instructions are possible only on such motions and nominations in respect of which proposals have been made by the Management Board and/or the Supervisory Board in accordance with Section 124 (3) AktG or by shareholders in accordance with Sections 122 (2), 126, 127 AktG and where the proposals are included in this notice or announced subsequently.

### **Priority of votes cast by postal voting, and power of attorney and instructions issued**

If postal votes are cast via several channels of submission (postal mail, telefax, email or via the internet using the Online Service) and/or if the proxies designated by the company receive power of attorney and instructions via several channels of submission, the last formally valid declaration received will be deemed binding, regardless of the submission channel.

If differing formally valid declarations are received at the company via different channels of submission and if it is not clear which declaration was received last, the declarations will be given priority in the following order, with the transmission channel named first will be given priority, as the case may be: (1) via Online Service, (2) via e-mail, (3) via fax, (4) declarations conveyed in paper form.

3. Information on shareholders' rights pursuant to Section 122 (2), Section 126 (1), Section 127 and Section 131 (1) AktG and on the modalities of the virtual general meeting

**Motions to add items to the agenda pursuant to Section 122 (2) AktG**

Section 122 (2) AktG entitles shareholders whose combined shareholdings reach one twentieth of the share capital or the nominal amount of EUR 500,000.00 of the company's share capital (corresponding to 500,000 shares) to request that items be added to the agenda and announced. Each new item must be accompanied by a statement of reasons or a formal resolution proposal.

The motion must be sent in writing to the Management Board of HENSOLDT AG and must be received by the company **no later than Saturday, April 17, 2021, 24:00 (CEST)**.

Please send such motions to the following address:

To the Management Board (Vorstand) of HENSOLDT AG  
Willy-Messerschmitt-Strasse 3  
82024 Taufkirchen  
Germany

Shareholders requesting to add an item to the agenda must provide proof that they have held the shares for at least 90 days prior to receipt of the motion and that they will hold the shares until a decision on the motion has been made by the Management Board. For the purpose of calculating the shareholding period, Section 70 AktG shall apply. The date of receipt of the motion shall not be counted. A postponement from a Sunday, Saturday or holiday to a previous or subsequent working day shall not take place. Sections 187 to 193 BGB are not to be applied *mutatis mutandis*.

Additions to the agenda that are to be published will be published in the German Federal Gazette (*Bundesanzeiger*) without undue delay following receipt of the motion unless they have already been published together with the notice of the annual general meeting. These motions will additionally be published on the internet at [hensoldt.net/agm](https://hensoldt.net/agm) and communicated to the shareholders in accordance with Section 125 (1) sentence 3 AktG.

If motions to add items to the agenda are to be published in accordance with the above explanations, the resolution proposals submitted therewith by duly registered and legitimated shareholders will be deemed made to the General Meeting.

**Shareholder counter-motions and nominations pursuant to Section 126 (1) and Section 127 AktG**

In addition, shareholders may submit to the company counter-motions to Management Board and/or Supervisory Board proposals relating to specific agenda items and make nominations for Supervisory Board members or independent auditors.

Pursuant to Section 126 (1) AktG, motions of shareholders, including the shareholder's name, the statement of reasons for the motion and any comments of the management, are to be made available to the persons entitled to notification referred to in Section 125 (1) to (3) AktG subject to the conditions set forth therein, provided that the shareholder has sent to the address below a counter-motion against a proposal of the Management Board and/or the Supervisory Board with respect to a particular agenda item, including a statement of reasons for the counter-motion, no later than 14 days prior to the annual general meeting of the company. For the purpose of

calculating the above time period, the day of receipt and the day of the annual general meeting will not be counted. Thus, the last permissible day of receipt is **Monday, May 3, 2021, 24:00 (CEST)**. A counter-motion need not be made available if one of the exclusions pursuant to Section 126 (2) AktG applies. The statement of reasons need not be made available, either, if it exceeds a total of 5,000 characters.

No statement of reasons needs to be provided for nominations made by shareholders pursuant to Section 127 AktG. Nominations will be made available only if they include the name, profession exercised and place of residence of the nominee and, in the case of an election of Supervisory Board members, information on their membership in other supervisory boards that must be created pursuant to applicable law (cf. Section 127 sentence 3 AktG in conjunction with Section 124 (3) sentence 4 AktG and Section 125 (1) sentence 5 AktG). Pursuant to Section 127 sentence 1 AktG in conjunction with Section 126 (2) AktG, there are further conditions subject to which nominations need not be made available via the website. In all other respects, the requirements and rules for the disclosure of motions apply *mutatis mutandis*.

Any shareholder motions (including statements of reasons therefor) and nominations pursuant to Section 126 (1) and Section 127 AktG must be sent exclusively to

HENSOLDT AG  
Investor Relations  
Willy-Messerschmitt-Strasse 3  
82024 Taufkirchen  
Germany

or by telefax to +49 (0) 731 / 14 17 13 60  
or by email to [agm@hensoldt.net](mailto:agm@hensoldt.net)

Any motions and nominations submitted by shareholders that are to be made available (along with the shareholder's name and – in the case of motions – the statement of reasons) will be made available on the website at [hensoldt.net/agm](https://hensoldt.net/agm) after their receipt. Comments by the management, if any, will also be made available on the above website.

Any motions or nominations submitted by duly registered and legitimated shareholders that are to be made available pursuant to Section 126 AktG or Section 127 AktG will be deemed made to the General Meeting (Section 1 (2) sentence 3 COVID-19 Mitigation Act).

**Right to request information pursuant to Section 131 AktG; right to submit questions pursuant to Section 1 (2) sentence 1 no. 3 COVID-19 Mitigation Act**

On the basis of the COVID-19 Mitigation Act, shareholders are not entitled to a right of information pursuant to Sec. 131 AktG during the General Meeting. However, they are to be given the right to submit questions by means of electronic communication (Section 1 (2) sentence 1 no. 3 COVID-19 Mitigation Act).

With the consent of the Supervisory Board, the Management Board of HENSOLDT AG has decided that questions of shareholders properly registered for the virtual general meeting may be posed to the Management Board via the Online Service. In accordance with the COVID-19 Mitigation Act, the Management Board will decide at its due, free discretion how it will respond to the questions.

Questions asked by shareholders who have registered by the deadline must be received by the company via the company's Online Service by **Sunday, May 16, 2021, 24:00 (CEST)** at the latest. The company reserves the right to state the name of the shareholders who have submitted the questions before answering the questions. No questions may be asked during the virtual general meeting.

**Lodging an objection to a resolution for the record (*Widerspruch zur Niederschrift*) pursuant to Section 245 no. 1 AktG, Section 1 (2) sentence 1 no. 4 COVID-19 Mitigation Act**

Pursuant to Section 245 no. 1 AktG, Section 1 (2) sentence 1 no. 4 COVID-19 Mitigation Act, duly registered shareholders can lodge their objections to resolutions of the virtual general meeting for the record by electronic means via the company's Online Service. Lodging an objection is possible via the Online Service from the start of the general meeting until its end. The notary has authorized the company to accept objections via the Online Service and will receive the objections via the Online Service.

**4. Information pursuant to Section 124a AktG and additional explanations regarding the rights of shareholders, confirmation of counting of the votes**

This notice of the annual general meeting, the documents to be made available under Section 124a AktG and further information relating to the annual general meeting can be accessed and downloaded on the internet at [hensoldt.net/agm](https://hensoldt.net/agm), More information on the rights of shareholders pursuant to Section 122 (2), Section 126 (1), Section 127 and Section 131 (1) AktG can also be found on this website.

After the annual general meeting, the voting results will be published on the same website. A recording of the speeches of the Management Board will also be available at this website after the general meeting.

After the annual general meeting, a confirmation of the counting of the votes pursuant to Section 129 (5) AktG will be available in a timely manner in the Online Service, which voting parties may download within one month after the day of the annual general meeting.

**5. Information on data protection for shareholders**

As controller, HENSOLDT AG, Willy-Messerschmitt-Strasse 3, 82024 Taufkirchen, Germany, processes personal data of shareholders (e.g., last name and first name, address, email address, number and class of shares, type of ownership of the shares, postal votes/instructions, number of admission ticket for the annual general meeting and personal access details for the Online Service) and personal data of shareholder representatives, where applicable, in accordance with applicable data protection laws. The processing of personal data is a mandatory legal requirement for properly preparing for, holding and following up on the virtual annual general meeting of HENSOLDT AG, for exercising voting rights and for participating in the annual general meeting by following via the live stream. The legal basis for the processing is Article 6(1) sentence 1 lit. c) of the General Data Protection Regulation (GDPR) in conjunction with Sections 67e, 118 et seqq. AktG and in conjunction with Section 1 COVID-19 Mitigation Act. In addition, to the extent it is required to organize the virtual general meeting, data may be processed on the basis of prevailing legitimate interests (point (f) of Article 6(1) sentence 1 GDPR). HENSOLDT AG generally will

receive shareholders' personal data via the registration office of the credit institutions that the shareholders have entrusted with the safekeeping of their shares (so-called depository bank). In some cases, HENSOLDT AG may receive personal data directly from shareholders.

The service providers commissioned by HENSOLDT AG for the purpose of organizing the virtual general meeting process the personal data of the shareholders or the shareholder representatives exclusively in accordance with the instructions of HENSOLDT AG and only to the extent that this is necessary for the performance of the services commissioned. In addition, subject to the statutory requirements (in particular, the list of participants, Section 129 AktG), personal data of shareholders and shareholder representatives exercising their voting rights will be made available to other shareholders and shareholder representatives following along with the virtual general meeting by following via the live stream. This also applies to questions (if any) that shareholders and shareholder representatives have asked in advance (Section 1 (2) sentence 1 no. 3 COVID-19 Mitigation Act). Under certain conditions, in the case of motions to add items to the agenda, counter-motions, nominations or lodged objections, personal data of shareholders or, as the case may be, shareholder representatives will also be published or made available to other shareholders and shareholder representatives subject to the statutory requirements. Furthermore, HENSOLDT AG may be obligated to transmit personal data of shareholders and shareholder representatives to further recipients such as, for instance, public authorities in order to comply with statutory reporting obligations.

HENSOLDT AG will erase shareholders' and shareholder representatives' personal data in accordance with the statutory provisions, in particular if the personal data are no longer required for the original purposes of the collection or processing, the data are no longer required in connection with any administrative or court proceedings and if no statutory record retention requirements apply.

Subject to the statutory requirements, shareholders and shareholder representatives have the right to receive information about their processed personal data and to request the rectification or erasure of their personal data or the restriction of the processing thereof. In addition, shareholders and shareholder representatives have the right to lodge a complaint with the supervisory authorities.

If personal data are processed on the basis of Article 6(1) sentence 1 lit. f) GDPR, shareholders and shareholder representatives also have the right to object subject to the statutory requirements.

For comments and queries regarding the processing of personal data, shareholders and shareholder representatives can contact the data protection officer of HENSOLDT AG at

HENSOLDT AG  
Datenschutzbeauftragter (data protection officer)  
Willy-Messerschmitt-Strasse 3  
82024 Taufkirchen  
Germany  
[datenschutz@hensoldt.net](mailto:datenschutz@hensoldt.net)

Additional information on data protection is available for shareholders and shareholder representatives on the website of HENSOLDT AG at [hensoldt.net](https://www.hensoldt.net) in the Data Protection Notice.

Taufkirchen, Germany / March 2021 / HENSOLDT AG  
The Management Board (Vorstand)

## **HENSOLDT Aktiengesellschaft**

Management Board: Thomas Müller (Chairman), Axel Salzmann and Peter Fieser

Chairman of the Supervisory Board: Johannes Huth

Registered Office: Taufkirchen  
District Court of Munich, HRB 258711  
USt ID / VAT: DE 332 900 063