



# HENSOLDT Aktiengesellschaft

Taufkirchen, Germany

ISIN: DE000HAG0005

German Securities Identification Number (Wertpapierkennnummer): HAG000

Notice of the 2023 General Meeting  
of HENSOLDT AG on May 12, 2023

## 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: Annual General Meeting of HENSOLDT AG 2023  
(**Formal specification pursuant to the EU Implementing Regulation:** GMETHAG123BS)
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: Friday, May 12, 2023  
(**Formal specification pursuant to the EU Implementing Regulation:** 20230512)
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  
(**Formal specification pursuant to the EU Implementing Regulation:** GMET)
4. Location of the General Meeting:  
Haus der Bayerischen Wirtschaft, Max-Joseph-Strasse 5, 80333 Munich, Germany  
(**Formal specification pursuant to the EU Implementing Regulation:**  
Max-Joseph-Strasse 5, 80333 Munich, Germany)
5. Record date: Friday, April 21, 2023, 0:00 hrs. (CEST),  
(**Formal specification pursuant to the EU Implementing Regulation:**  
20230420; 22:00 hrs. UTC)
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

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## Notice of the 2023 Annual General Meeting of HENSOLDT AG on May 12, 2023

Dear shareholders,

We hereby invite you to the

**annual general meeting of HENSOLDT AG,**

which will take place on Friday, May 12, 2023, at 10:00 hrs. (CEST),  
admission from 9:00 hrs. (CEST), at the following location:

Haus der Bayerischen Wirtschaft,  
Max-Joseph-Strasse 5,  
80333 Munich, Germany.

## I. Agenda

**Agenda item 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 2022 as well as the report of the Supervisory Board for fiscal year 2022

The aforementioned documents contain the explanatory report on the information required pursuant to Section 289a and Section 315a of the German Commercial Code (*Handelsgesetzbuch*, "HGB") as well as the remuneration report. The specified documents will also be available at the annual general meeting, in which they will be explained in detail. The specified documents can be found on our website at [hensoldt.net/agm](https://hensoldt.net/agm).

The sustainability report including the separate non-financial Group statement for HENSOLDT AG and the Group for fiscal year 2022 can also be found on this website.

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.

### Agenda item 2 Appropriation of the net profit (*Bilanzgewinn*)

The Supervisory Board and the Management Board propose that an amount of EUR 31,500,000.00 from the total unappropriated profit of HENSOLDT AG of EUR 38,521,928.48 for the expired fiscal year 2022 be used to pay a dividend of

#### **EUR 0.30 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: | EUR 31,500,000.00        |
| Profits carried forward:      | EUR 7,021,928.48         |
| <b>Net profit:</b>            | <b>EUR 38,521,928.48</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 the expired fiscal year 2022 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 0.30 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 Wednesday, May 17, 2023.

### Agenda item 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 2022 be approved for that period.

### Agenda item 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 2022 be approved for that period.

### Agenda item 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 2023

The Supervisory Board proposes that KPMG AG Wirtschaftsprüfungsgesellschaft, branch office Munich, be appointed as the auditor of the annual financial statements and the consolidated financial statements for fiscal year 2023 and as auditor for the review of the interim financial report for the first half of fiscal year 2023.

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.

## Agenda item 6 Resolution on the approval of the remuneration report for fiscal year 2022 prepared and audited in accordance with Section 162 of the German Stock Corporation Act (AktG)

The Management Board and the Supervisory Board submit to the general meeting the remuneration report of HENSOLDT AG for fiscal year 2022, including the auditor's report pursuant to Section 162 (3) sentence 3 AktG, which is set out in the annexes to this agenda as Annex with respect to agenda item 6 and was prepared in accordance with Section 162 AktG and audited by KPMG AG Wirtschaftsprüfungsgesellschaft, branch office Munich, and the Management Board and the Supervisory Board propose to approve same.

## Agenda item 7 Adjustment of the remuneration system for the Management Board

The Supervisory Board submits to the general meeting the remuneration system for the members of the Management Board resolved by the Supervisory Board on March 21, 2023, which is set out in the annexes to this agenda as Annex with respect to agenda item 7, and proposes – based on the recommendation of its Executive Committee – that it be approved.

The remuneration system for the members of the Management Board, which was approved by the Supervisory Board with effect from 1 January 2023, contains the following substantial adjustments compared to the system currently in force:

- The pension contribution may also be made in the form of a periodic payment to the member of the Management Board, which the member of the Management Board may use for the private establishment of a pension at their discretion (instead of participating in the corporate pension scheme).
- The Supervisory Board is authorized to consider multi-year special projects as LTI bonus components in addition to (Total Shareholder Return) TSR, order intake and ESG targets with a weighting of up to 15%.

## Agenda item 8 By-election with regard to the Supervisory Board

The current Chairman of the Supervisory Board Johannes P. Huth stated that he resigns from his office with effect from the close of this year's annual general meeting held on May 12, 2023 and, as of this point in time, he will cease to be a member of the Supervisory Board of the company. A by-election is therefore necessary to fill one shareholder representative position on the Supervisory Board.



Pursuant to Sections 95, 96 (1), 101 (1) AktG in conjunction with Sections 1 (1), 5 (1), 7 (1) sentence 1 no. 1 of the German Co-Determination Act (*Mitbestimmungsgesetz*, "MitbestG") and § 8 paragraph (1) of the Articles of Association of HENSOLDT AG, the Supervisory Board of HENSOLDT AG is composed of twelve members, with six of these members being elected by the general meeting (shareholder representatives) and six members being elected in accordance with the MitbestG (employee representatives).

Pursuant to Section 96 (2) sentence 1 AktG in conjunction with Sections 1 (1), 5 (1) MitbestG, the Supervisory Board is composed of at least 30% women and at least 30% men. Five of the twelve Supervisory Board members are currently women, three of them shareholder representatives and two employee representatives. The minimum quota requirement pursuant to Section 96 (2) sentence 1 AktG is therefore met for both the full Supervisory Board and the shareholder side, irrespective of the outcome of the proposed by-election. Thus, the resolution proposal fulfills the minimum quota requirement pursuant to Section 96 (2) AktG.

Based on a recommendation of its Nomination Committee, the Supervisory Board proposes the election of

Marco R. Fuchs (Lilienthal, Germany);  
Chief Executive Officer (CEO) of OHB SE,

to the Supervisory Board as shareholder representative with effect from the close of the company's general meeting on May 12, 2023.

Pursuant to § 8 paragraph (4) of the company's Articles of Association, the individual nominated for election is appointed for the remainder of the original term of office of the departing member, i.e., for a term of office lasting until the close of the annual general meeting in 2025.

The nomination takes into account the objectives adopted by the Supervisory Board on December 8, 2022, for its composition and aims at fulfilling the skills profile for the entire body simultaneously adopted by the Supervisory Board. The curriculum vitae and further information on the individual nominated for election and on the requirements under the German Corporate Governance Code can be found at the end of this agenda in the Annex with respect to agenda item 8 and on the internet at [hensoldt.net/agm](https://hensoldt.net/agm).



## Agenda item 9 Authorization of the Management Board to provide for the virtual holding of general meetings; amendment of § 13 of the Articles of Association

Through the Gesetz zur *Einführung virtueller Hauptversammlungen von Aktiengesellschaften und Änderung genossenschafts- sowie insolvenz- und restrukturierungsrechtlicher Vorschriften* (Act on the Introduction of Virtual General Meetings of Stock Corporations and the Amendment of Provisions of Law Governing Cooperative Societies, Insolvencies and Restructurings, German Federal Law Gazette (*Bundesgesetzblatt*) I no. 27 2022, pp. 1166 et seqq.), the German Stock Corporation Act now contains a permanent provision governing virtual general meetings. According to Section 118a (1) sentence 1 AktG, articles of association may provide or may authorize the Management Board for a period of no longer than five years after registration of the amendment of the articles of association to provide that the general meeting be held as a virtual general meeting, i.e., without the presence of the shareholders or their proxies at the venue of the general meeting. It is intended to make use of this possibility and to resolve on such an authorization of the Management Board. The authorization is initially to be limited to a period of two years after registration of the amendment to the Articles of Association. During the term of this authorization, the Management Board will decide in each case whether and under what conditions, if any, the respective general meeting should be convened as a virtual general meeting. It will make its decision in each case on the basis of the specific circumstances at its due discretion in the interests of the company and the shareholders. As the Management Board shows by its decision not to make use of the statutory option of holding the annual general meeting in virtual format with regard to this year's annual general meeting, this does not imply a preliminary decision against holding future annual general meetings in face-to-face format. However, the Management Board and the Supervisory Board consider it necessary to secure the ability to act in view of future pandemic situations that cannot be ruled out.

The Supervisory Board and the Management Board propose to resolve as follows:

After § 13 paragraph (2) of the Articles of Association of HENSOLDT AG, the following paragraph (3) is inserted:

*"The Management Board is authorized to provide that the Shareholders' Meeting be held without shareholders or their proxies being physically present at the venue of the Shareholders' Meeting (virtual Shareholders' Meeting). This authorization applies to the conduct of virtual Shareholders' Meetings in a period of two years after the registration of this paragraph of the Articles of Association with the commercial register (Handelsregister) of the company."*

The Articles of Association currently in force can be accessed via our website at <https://investors.hensoldt.net/corporate-governance/>. They will also be available there during the annual general meeting.

Agenda item 10 Enabling members of the Supervisory Board to participate in the General Meeting by means of video and audio transmission; restatement of § 14 paragraph (4) sentence 3 of the Articles of Association

In principle, the members of the Supervisory Board attend the general meeting in person. Pursuant to Section 118 (3) sentence 2 AktG, articles of association may provide for certain cases, however, in which members of the Supervisory Board may participate in the general meeting by means of video and audio transmission. It is intended to make use of this possibility to a greater extent than before in order to enable participation also in situations where a physical presence at the venue of the general meeting would only be possible with considerable effort or does not appear to be advisable. To date, § 14 paragraph (4) sentence 3 of the Articles of Association stipulates the following: "The members of the Supervisory Board may participate in the Shareholders' Meeting by means of video and audio transmission, if the relevant Supervisory Board member is prevented from participation in person at the venue of the Shareholders' Meeting."

The Supervisory Board and the Management Board propose to resolve as follows:

§ 14 paragraph (4) sentence 3 of the Articles of Association of HENSOLDT AG will be restated as follows:

*"The members of the Supervisory Board are allowed, in coordination with the chairperson of the Supervisory Board, to participate in the Shareholders' Meeting by means of video and audio transmission in those cases where they are unable to physically attend the meeting or are only able to attend the meeting with unreasonably high effort at the venue of the Shareholders' Meeting due to legal restrictions, a stay abroad, their necessary stay at another location in Germany or if their physical attendance would entail an unreasonably long travel time or if the Shareholders' Meeting is held as a virtual Shareholders' Meeting without the shareholders or their proxies being physically present at the venue."*

The Articles of Association currently in force can be accessed via our website at <https://investors.hensoldt.net/corporate-governance/>. They will also be available there during the annual general meeting.

## II. Annexes to the agenda

### Annex with respect to agenda item 6 – Remuneration report of HENSOLDT AG for fiscal year 2022

The remuneration report provides an overview of the structure and system of remuneration for the Management Board and Supervisory Board of HENSOLDT AG and contains detailed information on the respective remuneration granted and owed to the current and former members of the Management Board and Supervisory Board.

The remuneration report was prepared jointly by the Management Board and the Supervisory Board.

The contents of this remuneration report comply with the regulatory requirements of the German Stock Corporation Act (section 162 AktG). The remuneration report 2021 was adopted at the annual general meeting in 2022 with 79.1%.

This remuneration report will be submitted to the annual general meeting on 12 May 2023 for approval.

The remuneration report 2022 was audited by KPMG AG Wirtschaftsprüfungsgesellschaft beyond the requirements of section 162 (3) of the German Stock Corporation Act (AktG) according to both formal and content criteria. The audit certificate is attached to the remuneration report 2022.

The remuneration report of HENSOLDT AG is made available on the website of HENSOLDT at <https://investors.hensoldt.net>.

The current remuneration systems for the members of the Management Board and the Supervisory Board are available on the website of HENSOLDT at <https://investors.hensoldt.net>.

### 1 Remuneration of the members of the Management Board in the fiscal year 2022

The structure of the remuneration and the amounts paid to the members of the Management Board are determined and regularly reviewed by the Supervisory Board. The review applies the recommendations of the German Corporate Governance Code in the version adopted by the Government Commission on 28 April 2022 ("GCGC"), unless a deviation was or is declared in individual cases, and implements the requirements pursuant to section 87 and section 87a AktG.

#### 1.1 Overview of the remuneration system

The current remuneration system for the members of the Management Board has been in effect since the fiscal year 2021 and was submitted to the annual general meeting on 18 May 2021 for voting in accordance with section 120a (1) AktG and approved with a majority of 97.98%.

The remuneration of the members of the Management Board is based on their area of responsibility, individual performance, the performance of the Management Board as a whole, the economic and financial situation and success of the HENSOLDT Group. The compensation paid to the members of the Management Board is appropriate, performance-related and in line with market conditions.

An external independent expert is regularly consulted to review the appropriateness of the Management Board remuneration in terms of amount and structure. In addition, the proportion of the Management Board remuneration to the remuneration of the senior management and the workforce is considered. The benchmark used for a market comparison is based on a German peer group of listed companies of comparable size with a focus on industrial, mechanical engineering and automotive suppliers, as well as listed companies of comparable size from the information technology sector which is explained, in detail, in the remuneration report for members of the Management Board.

The remuneration for the members of the Management Board consists of a fixed remuneration, a short-term variable remuneration component (Short-Term Incentive, “STI annual bonus” or “STI”) and a long-term variable remuneration component (Long-Term Incentive, “LTI bonus” or “LTI”). The variable remuneration resulting from the achievement of long-term targets exceeds the share of short-term targets (under the assumption of a target-achievement of 100 %). The criteria for the assessment of the performance-based remuneration and the annual targets set by the Supervisory Board at the beginning of the fiscal year are not subject to change in the course of a fiscal year. Subsequent changes to the target values or reference parameters for the STI bonus and the LTI bonus are generally excluded. The Supervisory Board does, however, have the option of taking appropriate account of extraordinary developments when assessing target achievement.

The remuneration system for the Management Board members contributes to the promotion of the business strategy and the long-term development of the company and its affiliated companies, namely through a simple design of the Management Board remuneration with a clear incentive structure for the members of the Management Board. The remuneration system is structured in such a way that it appropriately rewards the performance of the Management Board members while complying with all regulatory requirements, the recommendations of the GCGC and market practice. The variable remuneration is designed to reward the achievement of both short-term annual targets and long-term targets measured over multi-year periods. That way, it should be avoided that the Management Board makes decisions for reasons of short-term optimisation of its remuneration that do not promise sustainable business success. Furthermore, the members of the Management Board are incentivised by a share acquisition and shareholding obligation.

### **Fixed remuneration components**

The members of the Management Board receive a fixed annual base salary for their services and fringe benefits from the Company. These mainly comprise a company car, employer contributions to private and statutory health insurance, continued payment of wages in the event of incapacity for work due to illness or death, preventive health checks at the company’s expense, a group accident insurance, a term life insurance, reimbursement of home travel expenses<sup>1</sup>, and a housing cost subsidy for a secondary residence<sup>2</sup> as well as security expenses, e.g. for constructional measures at private apartments to protect the members of the Management Board. Fringe benefits are restricted to a maximum amount specified by the Supervisory Board for the fiscal year.

The Management Board members participate in the company pension scheme for the duration of the Management Board service contract in accordance with the pension commitment regulations

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<sup>1</sup> This concerns the Management Board member Axel Salzmann (who resigned in the reporting year).

<sup>2</sup> This concerns the Management Board members Axel Salzmann (who resigned in the reporting year), Celia Pelaz and Dr. Lars Immisch.

applicable to senior executives and executives. The corporate pension is granted in the form of a direct commitment. The company does not grant any retirement, survivors' or disability benefits, in particular no other defined benefit pension commitments for which provisions would have to be recognised (apart from contributions to a term life insurance policy, which are part of the fringe benefits). No bridging allowance or other forms of early retirement are provided for in the remuneration system.

### **STI annual bonus**

The members of the Management Board have the opportunity to receive an STI annual bonus depending on the annual performance of the HENSOLDT Group. The basis for determining the amount of the STI annual bonus is the target amount ("STI target amount"), i.e. the amount to which a Management Board member is entitled if it achieves exactly 100 % of the STI annual targets. The STI annual bonus might amount to a maximum of 150 % of the STI target amount (cap). The STI annual bonus serves as reward for the achievement of the HENSOLDT Group's short-term business targets and depends on the achievement of the target values for the three STI bonus components which are free cash flow, EBITDA and revenue – each on a consolidated basis for the HENSOLDT Group. The three STI bonus components are each equally weighted, i.e. one third of each is included in the calculation of the target achievement for the STI annual bonus. Details on the definition of the target values can be found in the remuneration system on the website of HENSOLDT at <https://investors.hensoldt.net>.

The corresponding target values are approved by the Supervisory Board as part of the determination of the annual budget. The STI annual bonus is payable within thirty workdays after the approval of the consolidated financial statements for the past fiscal year.

The target setting for the STI annual bonus follows the following logic:

| Disbursement % of target bonus |           |                         |   |              |  |                                       |
|--------------------------------|-----------|-------------------------|---|--------------|--|---------------------------------------|
| Bonus component                | weighting | <80%<br>of target value | >80% and<br><100%<br>of target value <sup>1</sup> | target value | >100% and<br><120%<br>of target value <sup>1</sup> | >120%<br>of target value <sup>2</sup> |
| Free Cash Flow                 | 1/3       | 0 %                     | linear reduction<br>in the ratio<br>1:5           | 100 %        | linear increase<br>in the ratio<br>1:2.5           | 150 %                                 |
| EBITDA                         | 1/3       | 0 %                     | linear reduction<br>in the ratio<br>1:5           | 100 %        | linear increase<br>in the ratio<br>1:2.5           | 150 %                                 |
| Consolidated<br>revenue        | 1/3       | 0 %                     | linear reduction<br>in the ratio<br>1:5           | 100 %        | linear increase<br>in the ratio<br>1:2.5           | 150 %                                 |

<sup>1</sup> If the respective target value for an STI bonus component is not reached, the respective bonus component is reduced on a straight-line basis in the ratio 1:5. If one target value for an STI bonus component is exceeded, the respective bonus component increases on a straight-line basis in the ratio 1:2.5.

<sup>2</sup> The linear increase in the bonus component only occurs if a target value of more than 80% for all three STI bonus components has been achieved.

## LTI bonus

All members of the Management Board are entitled to a multi-year performance-related remuneration ("LTI bonus"). The basis for determining the amount of the LTI bonus is the target amount ("LTI target amount"), i.e. the amount to which a Management Board member is entitled if they achieve 100 % of the multi-year targets. The LTI bonus might amount to a maximum of 200 % of the LTI target amount (cap). The performance period for the LTI bonus is four years.

At the beginning of the respective four-year evaluation period of an LTI bonus tranche, the Supervisory Board shall determine at its reasonable discretion the terms and conditions for each LTI bonus component and the corresponding target values of the relevant bonus tranche. The LTI bonus is measured according to the following LTI bonus components: (i) 40 % based on the relative Total Shareholder Return<sup>3</sup> (TSR) of the company compared to the MDAX, (ii) 30 % based on the order intake of the HENSOLDT Group, and (iii) 15.0% each based on two ESG targets ("Diversity" and "Climate Impact"). In addition, the LTI bonus is linked to the development of the share price during the performance period (Performance Share Plan). At the end of the respective measurement period, an overall target achievement level is determined for the performance targets set by the Supervisory Board before the start of the performance period. The target achievement for each of the LTI bonus components and the total target achievement resulting from the individual target achievement values can amount to a maximum of 150 %. The LTI bonus is payable when the Supervisory Board determines that the target values have been achieved.

Furthermore, the performance share plan to be applied as part of the LTI bonus ensures that the amount of the LTI bonus is even more dependent on the share price of HENSOLDT AG. At the beginning of the respective measurement period, the Management Board member receives a

<sup>3</sup> The relative TSR refers to the share price performance plus notionally reinvested gross dividends during the four-year performance period and is determined on the basis of data from a recognised data provider (e.g. Bloomberg, Thomson Reuters).

number of virtual shares ("stock rights") calculated by dividing the target amount of the LTI target bonus by the average price of the shares of HENSOLDT AG. After the end of the respective assessment period, the number of stock rights calculated at the beginning of the measurement period is multiplied by the total target achievement of the LTI bonus components determined from the target achievement of the individual LTI bonus components.

The LTI bonus to be paid out as a cash entitlement is determined by multiplying the number of stocks calculated on the basis of the target achievement with the average closing price of the shares of HENSOLDT AG.

The overall degree of target achievement is determined according to the following logic:

| Bonus component  | Disbursement % of target bonus |                         |   |              |  |                          |
|--|--------------------------------|-------------------------|---|--------------|--|--------------------------|
|  | weighting                      | <80%<br>of target value | >80% and<br><100%<br>of target value <sup>1</sup> | target value | >100% and<br><120%<br>of target value <sup>1</sup> | >120%<br>of target value |
| Relative total shareholder return compared with MDAX     | 40 %                           | 0 %                     | linear reduction in the ratio 1:5                 | 100 %        | linear increase in the ratio 1:2.5                 | 150 %                    |
| Order Intake of HENSOLDT Group acc. to management report | 30 %                           | 0 %                     | linear reduction in the ratio 1:5                 | 100 %        | linear increase in the ratio 1:2.5                 | 150 %                    |
| ESG-target: Diversity                                    | 15 %                           |                         |   | 100 %        |  | 150 % <sup>2</sup>       |
| ESG-target: Climate Impact                               | 15 %                           | 0 %                     | linear reduction in the ratio 1:5                 | 100 %        | linear increase in the ratio 1:2.5                 | 150 % <sup>2</sup>       |

<sup>1</sup> If the respective target value for an LTI bonus component is not reached, the respective bonus component is reduced on a linear basis in the ratio 1:5. If one target value for an LTI bonus component is exceeded, the respective bonus component increases on a linear basis in the ratio 1:2.5.

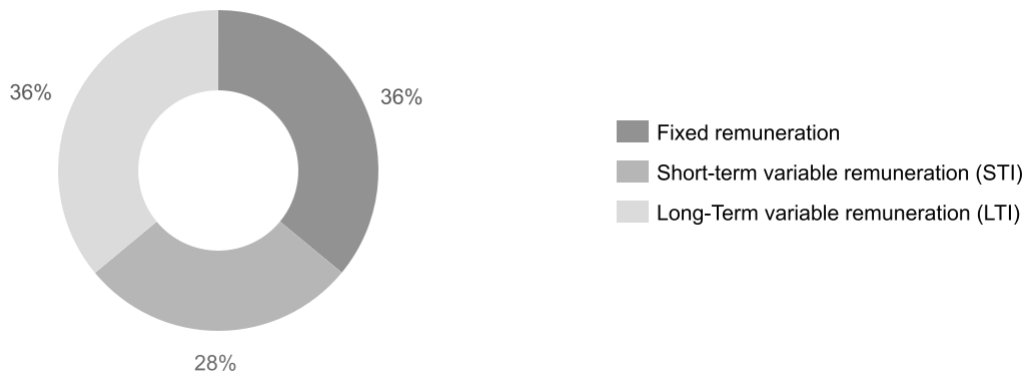
<sup>2</sup> The determination of whether and to what extent the Management Board member has achieved this LTI bonus component shall be made at the end of the four-year measurement period by the Supervisory Board, which, in doing so, shall compare the actual value achieved with the targeted objectives at its reasonable discretion and may, at its reasonable discretion, take into account any under- or overachievement, but with a maximum of 150 % of the intended weighting (as well as the individual components, if applicable).

Further details on the setting of targets and the determination of target achievement can be found in the remuneration system of the Management Board on the website of HENSOLDT at <https://investors.hensoldt.net>.



### Relationship of the remuneration components to each other

The current target direct remuneration for the average of all Management Board members will thus comprise basic remuneration and variable remuneration as follows (assuming that each of the targets have been achieved to 100%):



### Clawback

The STI annual bonus and the LTI bonus have been subject to a clawback regulation since the conclusion of the Management Board contracts concluded in the context of the change of the company's legal form to a stock corporation. Further details on the clawback provision can be found in the remuneration system of the Management Board on the website of HENSOLDT at <https://investors.hensoldt.net>.

### Maximum remuneration

The annual maximum remuneration<sup>4</sup> in terms of section 87a (1) sentence 2 no. 1 AktG for the members of the Management Board<sup>4</sup> in office as of 31 December 2022 was determined by the Supervisory Board as follows:

- for the CEO: € 3.5 million
- for any other ordinary member of the Management Board<sup>5</sup>: € 2.5 million

If the actual remuneration granted exceeds the maximum remuneration cap, the entitlement to the LTI bonus will be reduced accordingly.

<sup>4</sup> The annual maximum remuneration for Axel Salzmann amounted to € 3.3 million, for Peter Fieser to € 2.5 million.

<sup>5</sup> According to the remuneration system, the maximum remuneration for the CFO is € 3.3 million.

### **Share retention program**

The members of the Management Board are obliged to hold shares of HENSOLDT AG for the duration of their appointment as a member of the Management Board, whereby this obligation must be fulfilled for the first time latest four years after the initial appointment as a member of the Management Board ("build-up phase"). The share retention programme is designed to incentivise the members of the Management Board to increase the value of the Company in the interest of the shareholders. Further details on the share retention programme provision can be found in the remuneration system of the Management Board on the website of HENSOLDT at <https://investors.hensoldt.net>

### **Benefits in the event of premature termination of employment**

In the event of premature termination of the appointment, the Management Board members are entitled to a severance payment. The severance payment is limited to two years' remuneration and is reduced on a pro rata temporis basis if the remaining term of the Management Board service contract is less than two years ("severance cap"). More details on the benefits in the event of premature termination of employment can be found in the remuneration system of the Management Board on the website of HENSOLDT at <https://investors.hensoldt.net>.

The Management Board members are subject to a post-contractual non-competition clause for a period of one year. During this period the Management Board member is entitled to a compensation of monthly 50% (gross) of the proportional annual basic remuneration most recently received by the Management Board member on a monthly basis. The severance payment will be offset in the full amount against the entitlement.

The service contracts of the members of HENSOLDT AG's Management Board do not include any commitments for benefits in the event of premature termination of the Management Board service contract by the Management Board member due to a change of control.

## 1.2 Remuneration of the members of the Management Board in the fiscal year

### **Composition of the Management Board in the fiscal year 2022**

In the fiscal year 2022, the Management Board of HENSOLDT AG comprised the following members:

- Thomas Müller,  
chairman of the Management Board since 11 August 2020
- Peter Fieser,  
member of the Management Board since 11 August 2020, resigned on 30 September 2022
- Dr. Lars Immisch,  
member of the Management Board since 1 October 2022
- Christian Ladurner,  
member of the Management Board since 1 July 2022
- Celia Pelaz,  
member of the Management Board since 1 July 2021
- Axel Salzmann,  
member of the Management Board since 11 August 2020, resigned on 30 June 2022

## Fixed remuneration components

### *Application in the fiscal year*

The following table shows the fixed remuneration components granted to the acting and resigned members of the Management Board in the fiscal year 2022.

| Active members of the Management Board as per 31 December 2022 (amounts in €) | Thomas Müller (CEO) | Christian Ladurner (CFO) <sup>1</sup> | Dr. Lars Immisch (CHRO) <sup>2</sup> | Celia Pelaz (CStO) |
|---|---------------------|---------------------------------------|--------------------------------------|--------------------|
| Annual basic remuneration   | 600,000             | 150,000                               | 85,000                               | 340,000            |
| Additional benefits   | 37,573              | 9,296                                 | 8,563                                | 34,898             |
| <b>Fixed remuneration 2022</b>  | <b>637,573</b>      | <b>159,296</b>                        | <b>93,563</b>                        | <b>374,898</b>     |

| Resigned members of the Management Board during the fiscal year (amounts in €) |  |  | Axel Salzmann (CFO) <sup>3</sup> | Peter Fieser (CHRO) <sup>4</sup> |
|--|--|--|----------------------------------|----------------------------------|
| Annual basic remuneration  |  |  | 300,000                          | 300,000                          |
| Additional benefits  |  |  | 86,814                           | 19,053                           |
| <b>Fixed remuneration 2022</b>   |  |  | <b>386,814</b>                   | <b>319,053</b>                   |

<sup>1</sup> Pro rata since 1 July 2022; the fixed annual basic salary of Christian Ladurner amounts to € 300.000.

<sup>2</sup> Pro rata since 1 October 2022; the fixed annual basic salary of Dr. Lars Immisch amounts to € 340.000.

<sup>3</sup> Pro rata until 30 June 2022; the fixed annual basic salary of Axel Salzmann amounts to € 600.000.

<sup>4</sup> Pro rata until 30 September 2022; the fixed annual basic salary of Peter Fieser amounts to € 400.000.

### **Contribution of the remuneration system to the long-term development of the HENSOLDT Group**

For the contribution of the remuneration system to the long-term development of the company, please refer to the general remarks under 1.1. The purpose of the fixed remuneration is to attract and retain suitable personalities for management duties in the Group by means of an attractive fixed salary in line with customs in the market.

## STI annual bonus

### *Application in the fiscal year*

In the reporting year 2022, the STI was granted to the Management Board members for the fiscal year 2021 (shortly: "STI 2021") and is thus attributed to the remuneration granted and owed to the Management Board members in the fiscal year 2021 within the meaning of section 162 (1) sentence 1 AktG and consequently reported in this remuneration report. The Supervisory Board issued corresponding target values for the parameters defined in the remuneration system – free cash flow, EBITDA and consolidated revenue – whereby each criterion was included in the overall assessment to 33 %.

For the STI 2021, the Supervisory Board has made use of the option provided in the remuneration system to adjust the key figures for special and one-off effects, so that the underlying parameters correspond to the adjusted key figures reported in the annual report for 2021. Furthermore, against the backdrop of the COVID-19 pandemic and the change in shareholders (exit of KKR; entry of the German government and Leonardo) as well as the achievement of further financial and non-financial targets, in particular the conclusion of another major contract, the Supervisory Board additionally adjusted the overall target achievement level, which had already been adjusted for under-/overachievement in accordance with the remuneration system, for the fiscal year 2021. The Supervisory Board is convinced that this has resulted in a performance-based correction of the STI payout amounts.

| Target achievement for the STI 2021 (amounts in T€) | weighting | target value | actual | target achievement | adjustment in case of under/overachievement | adjustment | total target achievement |
|---|-----------|--------------|--------|--------------------|---|------------|--------------------------|
| Consolidated Sales                                  | 33 %      | 1,549        | 1,474  | 95 %               | 76 %  |            |                          |
| EBITDA <sup>1</sup>                                 | 33 %      | 252          | 261    | 104 %              | 109 %                                       |            |                          |
| Free Cashflow <sup>2</sup>                          | 33 %      | 122          | 207    | 170 %              | 150 %                                       |            |                          |
| Total target goal                                   |           |              |        | 123 %              | 112 %                                       | 23 %       | 135 %                    |

<sup>1</sup> Adjusted key figure as per reconciliation in Chapter II Economic Report 3.1 Result of operations in the Combined Management Report for the year ended 31 December 2021.

<sup>2</sup> Adjusted key figure as per reconciliation in Chapter II Economic Report 3.3 Financial position in the Combined Management Report for the year ended 31 December 2021.

The table below shows, for each Management Board member, who was in office in the fiscal year 2022, the respective target amount (for a target achievement of 100 %), the degree of target achievement determined by the Supervisory Board and the amount paid out in the fiscal year 2022 in accordance with the due date stipulated in the remuneration system.

| STI-annual bonus paid in 2022 for 2021                            | target value in € | degree of achievement in % | disbursement amount in € |
|---|-------------------|----------------------------|--------------------------|
| <b>Active members of the Management Board as of December 2022</b> |                   |                            |                          |
| Thomas Müller (CEO)   | 550,000           | 135 %                      | 742,500                  |
| Christian Ladurner (CFO) <sup>1</sup>                             | –                 | –                          | –                        |
| Dr. Lars Immisch (CHRO) <sup>2</sup>                              | –                 | –                          | –                        |
| Celia Pelaz (CStO) <sup>3</sup>                                   | 255,000           | 135 %                      | 172,125                  |
| <b>Resigned members of the Management Board</b>                   |                   |                            |                          |
| Axel Salzmann (CFO) <sup>4</sup>                                  | 500,000           | 135 %                      | 675,000                  |
| Peter Fieser (CHRO) <sup>5</sup>                                  | 300,000           | 135 %                      | 405,000                  |

<sup>1</sup> Management Board member from 1 July 2022

<sup>2</sup> Management Board member from 1 October 2022

<sup>3</sup> Management Board member from 1 July 2021 (STI pro-rated)

<sup>4</sup> Management Board member until 30 June 2022

<sup>5</sup> Management Board member until 30 September 2022

The STI for 2022 will be due within thirty working days after the approval of the consolidated financial statements of HENSOLDT AG for the fiscal year 2022 in 2023 and is therefore considered neither granted nor owed remuneration in the fiscal year 2022 within the meaning of section 162 (1) sentence 1 AktG. The STI for 2022 – including target achievement – will therefore be reported in the remuneration report for the fiscal year 2023.

### ***Contribution to the long-term development of the HENSOLDT Group***

For the contribution of the remuneration system to the long-term development of the company, please refer to the general explanations under 1.1. The STI is intended to reward the achievement of specific financial targets that are classified as being important for the strategic development of the company.

### **LTI bonus**

#### ***Application in the fiscal year***

The overall degree of target achievement is determined from the degree of target achievement of the targets for the four LTI bonus components set by the Supervisory Board for the respective performance period. These are for the performance period 2021 to 2024 and for the performance period 2022 to 2025 the relative Total Shareholder Return of HENSOLDT AG compared to the MDAX, the order intake of HENSOLDT Group and the ESG objectives diversity and climate impact. Details and definitions as well as general information on the remuneration system can be found under 1.1.

The number of virtual shares of LTIP underwent the following changes in the current fiscal year:

| Virtual shares (Tranche 2021-2024)       | Thomas<br>Müller | Axel<br>Salzmann | Peter<br>Fieser | Celia<br>Pelaz <sup>1</sup> |
|--|------------------|------------------|-----------------|-----------------------------|
| Target value (in €)                      | 650,000          | 600,000          | 400,000         | 170,000                     |
| Share price (in €)                       | 13.94            | 13.94            | 13.94           | 13.94                       |
| Number of granted virtual shares in 2021 | 46,628           | 43,042           | 28,694          | 12,195                      |

| Virtual shares (Tranche 2022-2025)                       | Thomas<br>Müller | Christian<br>Ladurner <sup>1</sup> | Dr. Lars<br>Immisch <sup>1</sup> | Celia<br>Pelaz | Axel<br>Salzmann <sup>1</sup> | Peter<br>Fieser |
|--|------------------|------------------------------------|----------------------------------|----------------|-------------------------------|-----------------|
| Target value (in €)                                      | 650,000          | 150,000                            | 85,000                           | 340,000        | 300,000                       | 400,000         |
| Share price (in €)                                       | 16.44            | 16.44                              | 16.44                            | 16.44          | 16.44                         | 16.44           |
| Number of virtual shares granted in the reporting period | 39,538           | 9,124                              | 5,170                            | 20,681         | 18,248                        | 24,331          |

<sup>1</sup> Pro-rata assignment value (target amount)

### ***Contribution to the long-term development of the HENSOLDT Group***

For the contribution of the remuneration system to the long-term development of the company, please refer to the general remarks under 1.1. The LTI should be a reward for achieving the long-term objectives, measured over multi-year periods. That way, it should be avoided that the Management Board makes decisions for reasons of short-term optimisation of its remuneration that do not promise sustainable business success. For the purpose of the LTI, success parameters from the areas of environment, social and governance are added as so-called ESG targets to the financial performance targets and the strong alignment on the share price. In the current Management Board employment contracts, these ESG goals include the “Diversity” target, which is aimed at achieving certain quotas of women at various company levels, as well as the “Climate Impact” target<sup>6</sup>, through which an increase in the share of renewable energy in the energy consumed by the HENSOLDT Group and a reduction in CO2 emissions are targeted.

### **Share retention program**

Currently, the four-year build-up phase for the share retention program has not expired for any of the members of the Management Board who were in office in the fiscal year 2022. Details of the share retention program are available in the remuneration system on the website of HENSOLDT at <https://investors.hensoldt.net>.

### **Overview table of the remuneration granted and owed in terms of section 162 (1) sentence 1 AktG**

The following tables show the total remuneration granted and owed individually to the members of the Management Board in office and those resigned in the fiscal year 2022, in accordance with section 162 (1) sentence 1 AktG.

All amounts that were actually received by the individual members of the Management Board in the fiscal year 2022 are reported as remuneration granted within the meaning section 162 (1) sentence 1 AktG. Amounts that were due in the fiscal year 2022 but were not received by the members of the Management Board are reported as remuneration owed within the meaning of section 162 (1) sentence 1 AktG. The STI earned in the fiscal year 2022, if any, is considered neither a granted nor owed remuneration for the fiscal year 2022 and will therefore only be reported in the remuneration report for the fiscal year 2023. Since no performance period has yet expired, the LTI will not result in any remuneration granted or owed in the fiscal year 2022. Reports on the respective performance periods will be made accordingly after their expiry. Compensations are included insofar as they were already due in the fiscal year 2022.

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<sup>6</sup> The sub-target “Reduction of the use of Volatile Organic Compounds (VOCs)” was deleted for the 2022-2025 tranche as it was found to be not meaningful and insufficient for controlling the behaviour.



| Active members of the Management Board as of 31 December 2022 (values in €) | Thomas Müller (CEO) |              | Christian Ladurner (CFO) <sup>1</sup> |              | Dr. Lars Immisch (CHRO) <sup>2,3</sup> |              | Celia Pelaz (CStO) |              |
|---|---------------------|--------------|---------------------------------------|--------------|--|--------------|--------------------|--------------|
|   | in %                |              | in %                                  |              | in %                                   |              | in %               |              |
|   |                     |              |                                       |              |  |              |                    |              |
| Annual basic remuneration   | 600,000             | 43 %         | 150,000                               | 94 %         | 85,000                                 | 17 %         | 340,000            | 62 %         |
| Additional and other benefits   | 37,573              | 3 %          | 9,296                                 | 6 %          | 408,563                                | 83 %         | 34,898             | 6 %          |
| <b>Total</b>  | <b>637,573</b>      | <b>46 %</b>  | <b>159,296</b>                        | <b>100 %</b> | <b>493,563</b>                         | <b>100 %</b> | <b>374,898</b>     | <b>69 %</b>  |
| <b>STI annual bonus 2021</b>  | <b>742,500</b>      | <b>54 %</b>  | –                                     | –            | –                                      | –            | <b>172,125</b>     | <b>31 %</b>  |
| <b>LTI bonus</b>  | –                   | –            | –                                     | –            | –                                      | –            | –                  | –            |
| <b>Total compensation awarded and due in the fiscal year 2022</b>           | <b>1,380,073</b>    | <b>100 %</b> | <b>159,296</b>                        | <b>100 %</b> | <b>493,563</b>                         | <b>100 %</b> | <b>547,023</b>     | <b>100 %</b> |

<sup>1</sup> Management Board member from 1 July 2022

<sup>2</sup> Management Board member from 1 October 2022

<sup>3</sup> The additional benefits and other benefits of Dr Lars Immisch include benefits upon taking up his position on the Management Board as compensation for the forfeiture of benefits from his previous employer with the obligation to invest the resulting net inflow directly in HENSOLDT shares within the framework of the Shareholder Ownership Guidelines in the amount of € 400 thousand.

| Resigned members of the Management Board during the fiscal year (values in €) | Axel Salzmann (CFO) <sup>1</sup> |              | Peter Fieser (CHRO) |              |
|---|----------------------------------|--------------|---------------------|--------------|
|   | in %                             |              | in %                |              |
|   |                                  |              |                     |              |
| Annual basic remuneration   | 300,000                          | 28 %         | 300,000             | 41 %         |
| Additional benefits   | 86,814                           | 8 %          | 19,053              | 3 %          |
| <b>Total</b>  | <b>386,814</b>                   | <b>36 %</b>  | <b>319,053</b>      | <b>44 %</b>  |
| <b>STI annual bonus 2021</b>  | <b>675,000</b>                   | <b>64 %</b>  | <b>405,000</b>      | <b>56 %</b>  |
| <b>LTI bonus</b>  | –                                | –            | –                   | –            |
| <b>Total compensation awarded and due in the fiscal year 2022</b>             | <b>1,061,814</b>                 | <b>100 %</b> | <b>724,053</b>      | <b>100 %</b> |

<sup>1</sup> Management Board member until 30 June 2022

<sup>2</sup> Management Board member until 30 September 2022

In addition, Axel Salzmann received a one-off payment of € 3,120,000 in June 2023 as compensation for his remuneration when he left the company.

In addition, Peter Fieser continued to receive all contractually agreed benefits from his employment relationship until the end of 31 December 2022 after leaving the Management Board on 30 September 2022. This includes € 100,000 from the continued payment of his base salary. In settlement of his remuneration, Peter Fieser received a one-off payment of € 1,825,000 in January 2023.

### **Review of the maximum amount of remuneration (cap)**

The compensation granted to Axel Salzmann in the reporting year, including the one-time payment, amounted to € 4,181,814 and was thus apparently higher than the maximum compensation envisaged for him; however, the compensation granted included not only the compensation components granted for the reporting year but also the settlement of future compensation entitlements granted to him contractually per se beyond the reporting year. This settlement amount is not to be taken into account for the purpose of calculating the maximum compensation in the reporting year.

As the amount for the LTI bonus is not available until the third year after the end of the reporting year due to the four-year performance period, compliance with the maximum remuneration for the fiscal year 2022 can only be reported conclusively as part of the remuneration report for the fiscal year 2025.

#### ***Granted or promised shares and share options***

In accordance with the remuneration system, no shares or share options were granted or promised to the members of the Management Board who were in office during the reporting year.

#### ***Retention (Malus) and Clawback***

No use was made of the option to withhold or reclaim variable remuneration components.

#### ***Deviations from the remuneration system applicable to the Management Board***

In the reporting year, benefits were agreed upon on the occasion of the premature termination of Management Board activities which exceed the limits provided for in the remuneration system (severance payment cap). The temporary deviation from the remuneration system of the Management Board is, in the opinion of the Supervisory Board, necessary in the interest of the long-term well-being of the company.

Apart from this, there were no deviations from the remuneration system of the Management Board in the reporting year.

#### ***Benefits promised or granted by a third party***

In the reporting year, no benefits were promised or granted to any member of the Management Board by a third party with regard to their activities as a member of the Management Board.

#### ***Commitments in connection with contract terminations***

##### ***Commitments in the event of premature termination of activity, including changes to these commitments agreed during the last fiscal year***

The appointment as well as the employment contract of Axel Salzmann as a member of the Management Board of HENSOLDT AG were terminated prematurely by mutual agreement with effect from 30 June 2022. To settle the claims for the period from the termination date on 30 June 2022 until the regular end of his appointment and employment contract on 30 September 2024, a compensation payment in the gross amount of € 3,120,000 was agreed with Axel Salzmann, which was due on the termination date on 30 June 2022. The pro-rata STI bonus for the fiscal year 2022 will be determined and paid out in 2023 after the financial statements for 2022 have been adopted. The pro-rata LTI bonus for the fiscal year 2022 will be determined and paid out in 2026 after the financial statements for 2025 have been adopted.

The appointment of Peter Fieser as a member of the Management Board of HENSOLDT AG was terminated prematurely by mutual agreement with effect from 30 September 2022. This did not affect his employment relationship which continued until the end of 31 December 2022. All contractually promised benefits continued to be granted until the termination date of 31 December 2022. In settlement of the claims for the period from the termination date of 31 December 2022 until the regular end of his appointment and employment contract on 30 September 2024, a compensation payment in the gross amount of € 1,825,000 was agreed with Peter Fieser, which was due on 2 January 2023. The STI bonus for the fiscal year 2022 will be determined and paid

out in 2023 after the financial statements for 2022 have been adopted. The LTI bonus for the fiscal year 2022 will be determined and paid out in 2026 after the financial statements for 2025 have been adopted.

### ***Pension benefits***

The company pension commitments contractually agreed with the members of the Management Board are granted in the form of a direct commitment and comply with the requirements of the remuneration system, which is described on the website of HENSOLDT at <https://investors.hensoldt.net>. The pension benefits presented below also include commitments to the members of the Management Board prior to their appointment from previous activities at the HENSOLDT Group.

|   | Pension plans |              | Deferred compensation |              |
|---|---------------|--------------|-----------------------|--------------|
|   | commitments   | service cost | commitments           | service cost |
| Active members of the Management Board as of 31 December 2022 (values in €) |               |              |                       |              |
| Thomas Müller   | 1,357,956     | –            | –                     | –            |
| Christian Ladurner  | 154,327       | 21,388       | –                     | –            |
| Dr. Lars Immisch  | 20,043        | 20,043       | –                     | –            |
| Celia Pelaz   | 431,101       | 28,600       | 12,769                | –            |

|   | Pension plans |              | Deferred compensation |              |
|---|---------------|--------------|-----------------------|--------------|
|   | commitments   | service cost | commitments           | service cost |
| Resigned members of the Management Board during the fiscal year (values in €) |               |              |                       |              |
| Axel Salzmann   | 1,050,213     | –            | –                     | –            |
| Peter Fieser  | 610,881       | 121,361      | 987,622               | –            |

## 2 Remuneration of the members of the Supervisory Board

### 2.1 Remuneration system for the members of the Supervisory Board

The remuneration system for the members of the Supervisory Board was submitted to the annual general meeting on 18 May 2021, for voting and approved by a majority of 99.99% of the valid votes cast. In the fiscal year 2022, the remuneration system applied to all active and resigned members of the Supervisory Board. The remuneration of the members of the Supervisory Board is regulated in section 12 of the articles of association of HENSOLDT AG.

According to the articles of association, the fixed annual remuneration of each Supervisory Board member amounts to € 40,000. The chairman of the Supervisory Board receives twice the amount, thus € 80,000, the vice chairman receives one and a half times this amount, thus € 60,000. For their work on the Executive Committee, Nominating Committee, Audit Committee, Compliance Committee, the members receive an additional fixed remuneration amounting to € 10,000. The chairpersons of these Committees receive € 15,000 each. No remuneration is paid for activities in other committees.

The maximum remuneration for Supervisory Board members is provided for in section 12 (3) in the articles of association and amounts to twice the amount of the annual remuneration of the Supervisory Board members according to section 12 (1) in the articles of association. Supervisory Board members, who are members of the Supervisory Board or a committee or are chairperson of a committee for only part of the fiscal year, receive a remuneration which is lower in proportion to the time served. The remuneration is due four weeks after the end of each fiscal year.

The company reimburses the members of the Supervisory Board for expenses incurred in the performance of their duties, including any value-added tax payable on the reimbursement of expenses.

The company has taken out a liability insurance policy in favour of the members of the Supervisory Board, which covers the legal liability arising from their Supervisory Board activities.

The system for the remuneration of the members of the Supervisory Board provides for a purely fixed remuneration without performance-based variable components and without share-based remuneration. The Management Board and the Supervisory Board are of the opinion that a purely fixed remuneration of the Supervisory Board members is best suited to strengthen the independence of the Supervisory Board, to take into account the advisory and supervisory function of the Supervisory Board to be fulfilled independently of the company's success and to avoid potential wrong incentives in the process. The granting of a fixed remuneration is also in line with the current predominant practice in other listed companies and the suggestion G.18 sentence 1 GCGC. The amount and structure of the Supervisory Board remuneration is in line with the market. It enables the company to attract and retain outstandingly qualified candidates with valuable, industry-specific knowledge for the Supervisory Board. This is a prerequisite for the best possible performance of the advisory and supervisory activities by the Supervisory Board and contributes significantly to the promotion of the business strategy and the long-term development of HENSOLDT Group. More details of the remuneration system can be found on the website of HENSOLDT at <https://investors.hensoldt.net>.

## 2.2 Remuneration of the members of the Supervisory Board in the fiscal year 2022

The following table shows the remuneration granted and owed to current and former members of the Supervisory Board in the fiscal year 2022 within the meaning of section 162 AktG. The remuneration earned in 2022 is reported as the remuneration granted in the reporting period within the meaning of section 162 AktG.

| in €  | fixed remuneration | in %  | committee remuneration | in % | total 2022 |
|---|--------------------|-------|------------------------|------|------------|
| <b>Active members of the Supervisory Board as of 31 December 2022</b>   |                    |       | 0                      |      |            |
| Johannes P. Huth (Chairman)   | 80,000             | 73 %  | 30,000                 | 27 % | 110,000    |
| Armin Maier-Junker <sup>1,2</sup> (Vice Chairman)                       | 60,000             | 86 %  | 10,000                 | 14 % | 70,000     |
| Jürgen Bühl <sup>1</sup>  | 40,000             | 80 %  | 10,000                 | 20 % | 50,000     |
| Dr. Jürgen Bestle <sup>1,2</sup>  | 40,000             | 80 %  | 10,000                 | 20 % | 50,000     |
| Letizia Colucci (since 13 May 2022)                                     | 25,000             | 80 %  | 6,250                  | 20 % | 31,250     |
| Achim Gruber <sup>1,2</sup>   | 40,000             | 80 %  | 10,000                 | 20 % | 50,000     |
| Ingrid Jägering   | 40,000             | 62 %  | 25,000                 | 38 % | 65,000     |
| Marion Koch <sup>1,2</sup>  | 40,000             | 80 %  | 10,000                 | 20 % | 50,000     |
| Giovanni Soccodato (since 13 May 2022)                                  | 25,000             | 67 %  | 12,500                 | 33 % | 37,500     |
| Julia Wahl <sup>1</sup>   | 40,000             | 80 %  | 10,000                 | 20 % | 50,000     |
| Hiltrud D. Werner (since 22 September 2022)                             | 10,867             | 73 %  | 4,075                  | 27 % | 14,942     |
| Reiner Winkler (since 13 May 2022)                                      | 25,000             | 67 %  | 12,500                 | 33 % | 37,500     |
| <b>Retired members of the Supervisory Board in the fiscal year 2022</b> |                    |       |                        |      |            |
| Christian Ollig <sup>3</sup> (until 13 May 2022)                        | –                  | –     | –                      | –    | –          |
| Claire Wellby (until 13 May 2022)                                       | 15,000             | 100 % | –                      | –    | 15,000     |
| Prof. Wolfgang Ischinger (until 13 May 2022)                            | 15,000             | 67 %  | 7,500                  | 33 % | 22,500     |
| Prof. Dr. Burkhard Schwenker (until 21 September 2022)                  | 29,000             | 73 %  | 10,875                 | 27 % | 39,875     |

<sup>1</sup> Representative of the employees

<sup>2</sup> Employees of HENSOLDT AG or one of the group companies

<sup>3</sup> Member of the Supervisory Board waived his remuneration

No deviations from the remuneration system of the Supervisory Board occurred in the fiscal year.

### 3 Multiple-year overview: Information on the development of Management Board and Supervisory Board remuneration in relation to the remuneration of the rest of the workforce and the development of the result of operation of the HENSOLDT Group

Pursuant to section 162 (1) sentence 2 no. 2 AktG, the following overview presents the relative development of the remuneration granted and owed to members of the Management Board and Supervisory Board in the respective fiscal year in accordance with the presentations in the tables under 1.2 and 2.2 in comparison to the average remuneration of the employees on a full-time equivalent basis as well as selected key earnings figures of the HENSOLDT Group.

For the presentation of the Group's earnings situation, those key figures are used for which HENSOLDT AG issued a forecast in the past fiscal year, as well as the key figures that form the basis for the short-term remuneration of the Management Board. In addition, the net profit for the year from the individual financial statements of HENSOLDT AG according to German Commercial Code (HGB) is included in the comparison.

For the presentation of the average remuneration of the employees, the gross taxable amount for employees covered by collective agreements and non-tariff employees on the basis of full-time equivalence (without apprentices, trainees, etc.) is used, insofar as it exceeds € 4,000 per year. This is based on the workforce of HENSOLDT AG and the following German subsidiaries of HENSOLDT AG: HENSOLDT Optronics GmbH, HENSOLDT-Holding Germany GmbH and HENSOLDT Sensors GmbH.

| Remuneration granted and owed acc. to section 162 AktG in € | Fiscal Year |           |         |
|---|-------------|-----------|---------|
|   | 2022        | 2021      | % Delta |
| <b>Management Board compensation</b>                        |             |           |         |
| <b>Members in office</b>                                    |             |           |         |
| Thomas Müller (Chairman)                                    | 1,380,073   | 1,534,345 | -10.1 % |
| Christian Ladurner (since 1 July 2022)                      | 159,296     | –         | –       |
| Dr. Lars Immisch (since 1 October 2022)                     | 493,563     | –         | –       |
| Celia Pelaz   | 547,023     | 199,497   | 174.2 % |
| <b>Retired Members</b>                                      |             |           |         |
| Axel Salzmann (until 30 June 2022)                          | 1,061,814   | 1,577,504 | -32.7 % |
| Peter Fieser (until 30 September 2022)                      | 724,053     | 893,816   | -19.0 % |

|   | Fiscal Year |         |         |
|---|-------------|---------|---------|
| Remuneration granted and owed acc. to section 162 AktG in € | 2022        | 2021    | % Delta |
| <b>Supervisory Board compensation</b>                       |             |         |         |
| <b>Members in office</b>                                    |             |         |         |
| Johannes P. Huth (Chairman)                                 | 110,000     | 110,000 | –       |
| Armin Maier-Junker (Vice Chairman)                          | 70,000      | 70,000  | –       |
| Jürgen Bühl   | 50,000      | 50,000  | –       |
| Dr. Jürgen Bestle   | 50,000      | 31,250  | 60.0 %  |
| Letizia Colucci (since 13 May 2022)                         | 31,250      | –       | –       |
| Achim Gruber  | 50,000      | 31,250  | 60.0 %  |
| Ingrid Jägering   | 65,000      | 65,000  | –       |
| Marion Koch   | 50,000      | 50,000  | –       |
| Giovanni Soccodato (since 13 May 2022)                      | 37,500      | –       | –       |
| Julia Wahl  | 50,000      | 50,000  | –       |
| Hiltrud D. Werner (since 22 September 2022)                 | 14,942      | –       | –       |
| Reiner Winkler (since 13 May 2022)                          | 37,500      | –       | –       |
| <b>Retired members</b>                                      |             |         |         |
| Dr. Frank Döngi   | –           | 18,750  | –       |
| Ingo Zeeh   | –           | 18,750  | –       |
| Christian Ollig <sup>1</sup> (until 13 May 2022)            | –           | –       | –       |
| Claire Wellby (until 13 May 2022)                           | 15,000      | 40,000  | -62.5 % |
| Prof. Wolfgang Ischinger (until 13 May 2022)                | 22,500      | 60,000  | -62.5 % |
| Prof. Dr. Burkhard Schwenker (until 21 September 2022)      | 39,875      | 55,000  | -27.5 % |

<sup>1</sup> Member of the Supervisory Board waived his remuneration.

|  | Fiscal Year |       |         |
|--|-------------|-------|---------|
| Key earnings figures in € million                                      | 2022        | 2021  | % Delta |
| Net result (annual financial statement acc. to German commercial code) | -52         | -36   | 46.4 %  |
| Net result (Group)   | 80          | 63    | 27.6 %  |
| Revenue (Group)  | 1,707       | 1,474 | 15.8 %  |
| EBITDA (Group) <sup>1</sup>  | 292         | 261   | 12.0 %  |
| Order Intake (Group)   | 1,993       | 3,171 | -37.2 % |
| Free Cashflow (Group) <sup>2</sup>                                     | 219         | 252   | -13.2 % |

<sup>1</sup> Adjusted key figure as per reconciliation in Chapter II Economic Report 3.1 Results of Operations in the Combined Management Report for the fiscal year ended on 31 December 2022.

<sup>2</sup> Adjusted key figure as per reconciliation in Chapter II Economic Report 3.3 Financial Situation in the Combined Management Report for the fiscal year ended on 31 December 2022.



| Workforce information                 | Fiscal Year |        |        |
|---------------------------------------|-------------|--------|--------|
|                                       | 2022        | 2021   | 2020   |
| Employee compensation in €            | 91,946      | 91,218 | 90,956 |
| Change compared to previous year in % | 0.8 %       | 0.3 %  |        |

## Independent Auditor's Report

To HENSOLDT AG, Taufkirchen, District of Munich

### Report on the audit of the remuneration report

We have audited the attached remuneration report of HENSOLDT AG, Taufkirchen, District of Munich, for the financial year from January 1 to December 31, 2022, including the related disclosures, prepared to meet the requirements of Section 162 AktG.

#### Responsibilities of Management and the Supervisory Board

The management and the Supervisory Board of HENSOLDT AG are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud or error.

#### Auditor's responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the remuneration report. The procedures selected depend on the auditor's professional judgement. This includes an assessment of the risks of material misstatement, whether due to fraud or error, in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the remuneration report, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from January 1 to December 31, 2022, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

#### Other matter – formal examination of the remuneration report

The substantive audit of the remuneration report described in this independent auditor's report includes the formal examination of the remuneration report required by Section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the remuneration report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report.

#### Limitation of liability

The terms governing this engagement, which we fulfilled by rendering the aforesaid services to HEN-SOLDT AG, are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2017. By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Munich, March 21, 2023

KPMG AG

Wirtschaftsprüfungsgesellschaft

## Annex with respect to agenda item 7 –

### Adjustment of the remuneration system for the Management Board

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 had proposed to the general meeting 2021 a remuneration system for the members of the Management Board that is in line with those strategic goals.

The general meeting had approved the system on 18 May 2021. As part of its ongoing review of Management Board remuneration, the Supervisory Board has decided that the current system of remuneration for Management Board members remains appropriate, is functionally adequate and in line with the market. However, the Supervisory Board decided on various adjustments, namely changed targets for the LTI tranche 2023-2026, also in view of the experience that other listed companies have had in the meantime with their systems for the remuneration of Management Board members, and is therefore again submitting the system for the remuneration of Management Board members as a whole to the general meeting for approval. The essential changes are shown transparently again in an overview in item XVI.

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

The 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, for instance the target "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 in its main production countries, reducing CO2 emissions.

Lastly, the 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 21 March 2023, after the Executive Committee of the Supervisory Board had previously concerned itself with the new remuneration system and possible alternatives. The remuneration system will apply from 1 January 2023. For the coming years, external independent compensation experts may be reappointed to review these arrangements.

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. The Supervisory Board may temporarily deviate from all remuneration components, including temporarily setting the fixed salary differently in individual cases 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 remuneration system takes effect as of 1 January 2023. Modifications of the currently applicable service contracts of the Management Board members may be agreed on for individual contracts.

#### IV. Structure of the new remuneration system Remuneration components and their relative share of the remuneration

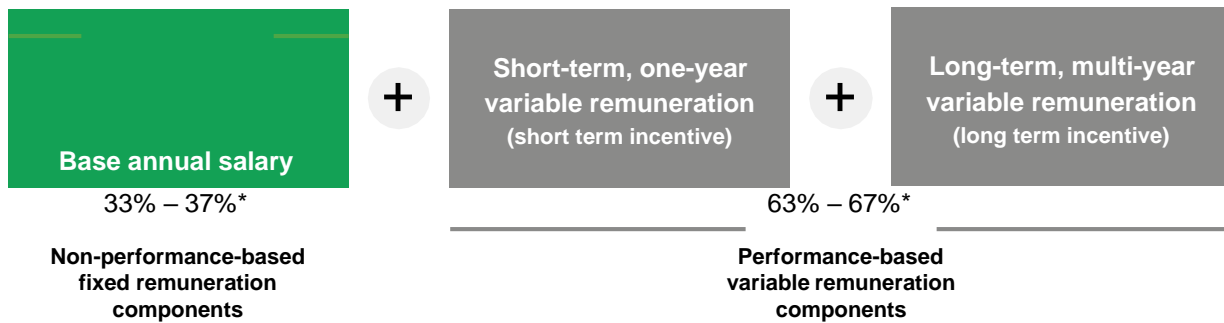
The remuneration system consists of non-performance-based (fixed) and performance-based (variable) remuneration components.

- 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 (pension contribution).
- 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



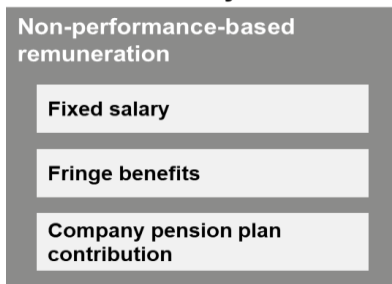
\*All values are rounded.

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, 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 exact

scope of the fringe benefits may be determined by the Supervisory Board at its due discretion. 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 generally 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. (*Direktzusage*). Alternatively, the Supervisory Board may also award the member of the Management Board a fixed sum for the private establishment of a pension scheme. Apart from this, 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 which are determined by the Supervisory Board at its due discretion. Subject to a different decision by the Supervisory Board, the three STI bonus components, i.e., free cash flow, EBITDA and revenue, in each case on the consolidated basis for the HENSOLDT group shall be decisive as before. The Supervisory Board at its due discretion may decide on other STI bonus components, including non-financial ones. It

shall adopt 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.

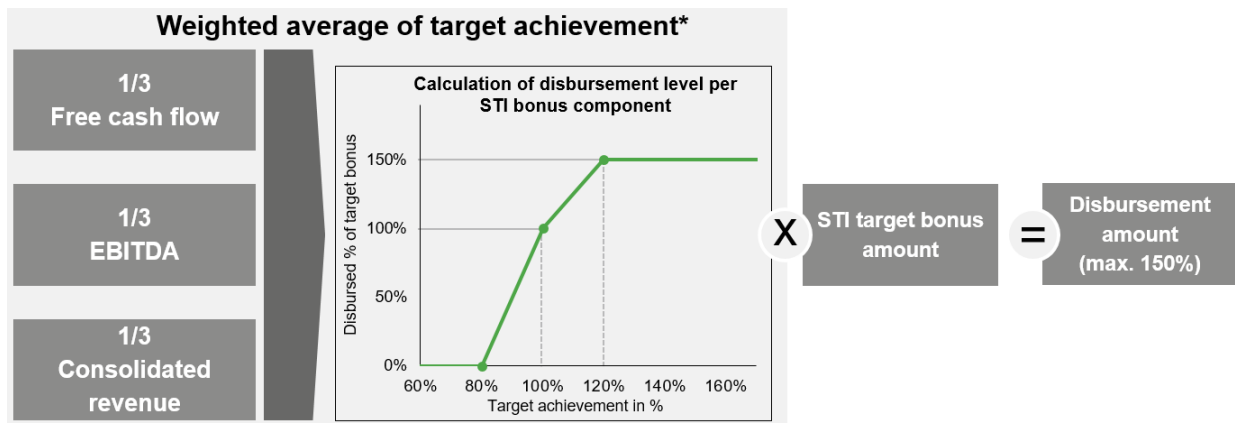
- The free cash flow is the operating cash flow net of capital expenditure plus divestitures. Operating cash flow is defined as EBITDA net of payout amounts for the purchase of property, plant and equipment and net of changes in working capital in a narrower sense (inventories, trade receivables and 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 generally each weighted equally, i.e., each constitutes one third in the calculation of the target achievement for the STI annual bonus. The Supervisory Board may determine a different weighting in individual cases.

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 LTI-bonus components and the target values for each of the LTI bonus components of the relevant LTI bonus tranche uniformly for all Management Board members. The target values for the 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 generally calculated based on the following LTI bonus components with usually the following weightings: (i) 30 – 40% based on the company's relative total shareholder return (TSR) compared to the MDAX, (ii) 25 – 30% based on the HENSOLDT group's order intake and (iii) generally 15% apiece based on two ESG targets, e.g. Diversity and Climate Impact. Furthermore, the Supervisory Board can include multi-year (measurable) special projects with up to 15% as an LTI bonus component for individual LTI tranches. The exact targets for the various LTI bonus components and their exact weighting are to be determined by the Supervisory Board at the appropriate discretion for each LTI tranche. 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

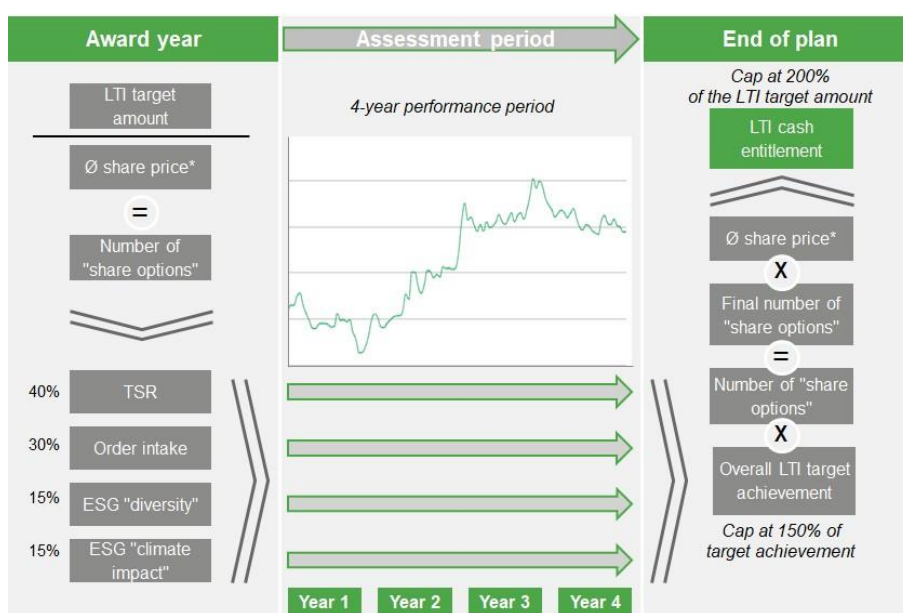
of target achievement for each of the LTI bonus components and the overall LTI target achievement derived from the individual target achievement values may not exceed 150%.

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 (where the names of the LTI bonus components and their relative weight are only exemplary):



\*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



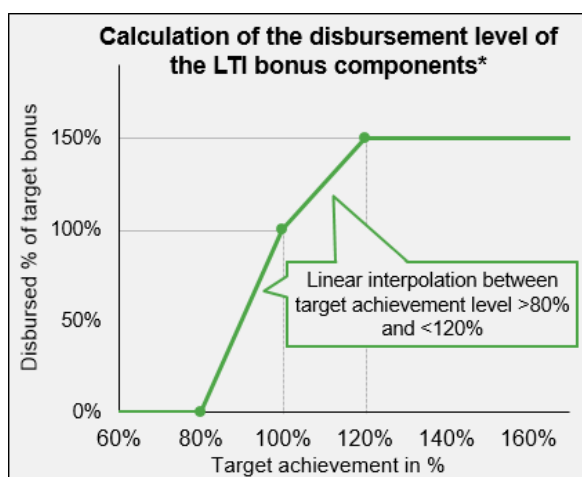
closing prices at the end of an assessment period is calculated, the notional reinvestment of gross dividends is also taken into account.

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 climate impact targets in Germany. The "climate impact targets" are defined for each LTI tranche by the Supervisory Board at their reasonable discretion and are firstly (1.) increasing the share of renewable energies in the energy consumed by the companies of the HENSOLDT group in the countries of their main production locations, (2.) decreasing the CO2 emissions of the companies of the HENSOLDT group in the countries of their main production locations .

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 60% of the total energy consumed;
- (ii) to decrease CO<sub>2</sub> emissions by 25% or more by 2024 compared to the CO<sub>2</sub> emissions in the year 2022 (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 assesment period | Target metric                              | Weighting |
| (i)                                  | 2023 - 2026          | Increasing the share of renewable energies | 50%       |
| (ii)                                 | 2023 - 2026          | Decreasing CO <sub>2</sub> emissions       | 50%       |

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.

| Share Ownership Guidelines  |                                |
|---|--------------------------------|
| Shares in HENSOLDT AG to be held during the term of office on the Management Board: |                                |
| <b>CEO</b>  | 150% of the annual base salary |
| <b>CFO</b>  | 120% of the annual base salary |
| <b>Other members</b>  | 100% of the annual base salary |

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 still 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 (cf. the system for remuneration of the Management Board submitted to the general meeting 2021).

## 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               |

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**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. Compensation components that are granted materially for several years (e.g. a severance payment when a member of the Management Board resigns) are also distributed over several years for the purposes of calculating the maximum remuneration, regardless of the inflow

## 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. If the sign-on bonus is granted once at the beginning of the activity of the Management Board, it is not taken into account for the purposes of calculating the maximum remuneration in the year in which they start their position. 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 generally 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. 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.

#### XVI. Essential changes in 2023

The remuneration system for the members of the Management Board, which was approved by the Supervisory Board with effect from 1 January 2023, contains the following substantial adjustments compared to the system currently in force:

- The pension contribution may also be made in the form of a periodic payment to the member of the Management Board, which the member of the Management Board may use for the private establishment of a pension at their discretion (instead of participating in the corporate pension scheme).
- The Supervisory Board is authorised to consider multi-year special projects as LTI bonus components in addition to TSR, order intake and ESG targets with a weighting of up to 15%.



Annex with respect to agenda item 8 –  
Further information on the individual nominated for election to the  
Supervisory Board

**Marco R. Fuchs**

Chief Executive Officer (CEO) of OHB SE

**Personal details:**

Date of birth: June 29, 1962

Nationality: German and Italian

**Professional career and main activities in addition to the Supervisory Board mandate:**

Since 2000 CEO of OHB SE (formerly: OHB System AG)

1995-2000 Authorized representative (*Prokurist*) of OHB System GmbH;  
various positions at OHB System AG

1992-1994 Law firm of Jones Day in New York and Frankfurt am Main

**Education:**

First and second state law examinations, studies in Berlin and Hamburg; LL.M. at New York University

**Special knowledge, skills and experience for the Supervisory Board activities at HENSOLDT AG:**

Mr. Fuchs has many years of industrial experience as CEO of OHB SE, Germany's first listed aerospace company. In this respect, he has both special expert knowledge and extensive experience in managing an internationally operating listed company and in the areas of corporate governance, compliance, regulatory and risk management. He also has many years of experience with German co-determination. He has been a member of the Federal Government's Science and Humanities Council (*Wissenschaftsrat*) since 2019.

**Memberships on other legally required German supervisory boards:**

- MT Aerospace AG, Chairman of the Supervisory Board (Group company)
- SV Werder Bremen GmbH & Co. KGaA, Chairman of the Supervisory Board
- ZARM Technik AG, Chairman of the Supervisory Board
- Rocket Factory Augsburg AG, Member of the Supervisory Board

**Memberships on comparable German or foreign controlling bodies of commercial enterprises:**

- OHB Italia S.p.A., Milan, Italy, Chairman of the Board of Directors (Group company)
- OHB Sweden AB, Kista, Sweden, Chairman of the Board of Directors (Group company)
- Antwerp Space N.V., Antwerp, Belgium, Chairman of the Board of Directors (Group company)
- LuxSpace Sàrl, Betzdorf, Luxembourg, Chairman of the Board of Directors (Group company)
- AT Engine Mexico S.A.P.I. de C.V., Hermosillo, Mexico, Member of the Board of Directors (Group company)

In the opinion of the Supervisory Board, Mr. Fuchs is, if he is elected, independent of the Management Board and the company, and he has stated in advance that he is willing to serve as a member of the Supervisory Board.

***Information with regard to the recommendations of the German Corporate Governance Code and further information on the individual nominated for election to the Supervisory Board***

In the opinion of the Supervisory Board, there are no personal or business relationships between the individual nominated for election and the company, the corporate bodies of the company or any shareholder who directly or indirectly holds more than 10% of the voting shares of HENSOLDT AG that an objectively judging shareholder would consider material to making their election decision.

In the opinion of the shareholder side of the Supervisory Board, the individual nominated for election is thus independent of the company and of the Management Board within the meaning of recommendation C.7 of the German Corporate Governance Code in the version of April 28, 2022, (the "**GCGC**"). Therefore, in the opinion of the Supervisory Board, the minimum number of independent shareholder representatives required pursuant to recommendations C.6 (1) and C.7 GCGC is met.

The Supervisory Board has verified that the individual nominated for election has sufficient time available to perform his duty as Supervisory Board member of HENSOLDT AG.

Further information on the skills profile, including the concept on diversity for the Supervisory Board and the status of its implementation, on the independence of the Supervisory Board and on the working practices and composition of the Supervisory Board can be found in the Declaration of Conformity, which is part of the documents referred to in agenda item 1 that have been made available on the company's website at [hensoldt.net/agm](https://hensoldt.net/agm).

### 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 Annual General Meeting

To enable shareholders a better preparation for the annual general meeting, the main content of the speech by the Chairman of the Management Board will be available at [hensoldt.net/agm](https://hensoldt.net/agm) from May 5, 2023 at the latest. Adjustments for the day of the annual general meeting remain reserved.

##### **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 and to exercise 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

**Friday, May 5, 2023, 24:00 hrs. (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 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; proof of a shareholding provided by the last intermediary in accordance with the requirements of Section 67c (3) AktG is sufficient. The proof of a shareholding must refer to April 21, 2023, 0:00 hrs. (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.

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 even 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 yet own any shares on the record date and become shareholders only after that 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.

Following receipt of their registration and proof of their shareholding, the shareholders entitled to participate will be sent admission tickets for the annual general meeting. Unlike the registration for the annual general meeting, the admission ticket is not a prerequisite for participation; it only helps to simplify the admission control procedure for entering the annual general meeting.

Usually, the depository institutions take care of the required registration and the transmission of the proof of shareholding for their customers. Shareholders wishing to participate in the annual general meeting or to exercise their voting rights are kindly asked to have their depository bank submit the required registration and proof of their shareholding in good time.

## **Procedure for proxy voting**

### *Authorizing a third party*

Shareholders may have themselves represented and, in particular, have their voting rights exercised at the general meeting by an authorized representative (*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 proof 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.

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

Except in cases of a power of attorney pursuant to Section 135 AktG, the power of attorney may be issued either by declaration to the company or directly to the authorized third party. If the power of attorney is issued to the third party, proof of power of attorney must be submitted to the company in text form.

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.

For organizational reasons, the power of attorney vis-à-vis the company or the proof of power of attorney vis-à-vis the company must be submitted in text form to the address below by

**May 11, 2023 (24:00 hrs. CEST)** (receipt is decisive):

Hauptversammlung HENSOLDT AG  
c/o ADEUS Aktienregister-Service-GmbH  
Postfach 57 03 64  
22772 Hamburg  
Germany

or by email to [anmeldestelle-inhaberaktien@adeus.de](mailto:anmeldestelle-inhaberaktien@adeus.de)

However, proof of the power of attorney can also be presented during admission control at one of the accreditation desks on the day of the annual general meeting. The provisions above apply accordingly to a possible revocation of power of attorney.

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.

#### *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 proof of a shareholding*" above is also required if a proxy designated by the company is authorized.

The proxies designated by the company may exercise voting rights only in respect of those agenda items for which an explicit and unambiguous instruction has been issued to them by the grantor of the proxy authorization. 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 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.

Authorizations and instructions issued to the proxies designated by the company in text form already before the annual general meeting must be received by the company by **May 11, 2023, 24:00 hrs. (CEST)**, at the latest, at the following address:

Hauptversammlung HENSOLDT AG  
c/o ADEUS Aktienregister-Service-GmbH  
Postfach 57 03 64  
22772 Hamburg  
Germany  
or by email at [anmeldestelle-inhaberaktien@adeus.de](mailto:anmeldestelle-inhaberaktien@adeus.de)

At the annual general meeting itself, authorizations and instructions to the proxies designated by the company may be issued in text form at the admission control at one of the accreditation counters until the end of the general debate. The same applies to a change or revocation of authorization and instructions to the proxies.

### **Postal voting**

Shareholders may also exercise their voting rights by postal vote in text form without attending the annual general meeting themselves or by proxy. 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 proof of a shareholding*" above.

Votes cast by postal voting must be received by the company by **May 11, 2023, 24:00 hrs. (CEST)**, at the latest, as follows; this also applies to amending and revoking postal votes cast:

Hauptversammlung HENSOLDT AG  
c/o ADEUS Aktienregister-Service-GmbH  
Postfach 57 03 64  
22772 Hamburg  
Germany  
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.

Authorized representatives (*Bevollmächtigte*), 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.

### **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 to the proxies designated by the company prior to the annual general meeting 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.

Shareholders may also exercise their rights in person at the annual general meeting after granting power of attorney or authorization to other authorized representatives (*sonstige Bevollmächtigte*) or to the proxies designated by the company or after voting by post. The personal appearance of the shareholder or an authorized third party at the annual general meeting will be deemed to be a revocation of a power of attorney previously granted or of postal votes previously cast.

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

If postal votes are cast via several channels of submission (postal mail, email) and/or if the proxies designated by the company receive powers of attorney and instructions via several channels of submission, the last formally valid declaration received by the company 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: declarations submitted: (1) via email, (2) in paper form.

### **3. Information on shareholders' rights pursuant to Section 122 (2), Section 126 (1), Section 127 and Section 131 (1) AktG**

#### **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 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 Tuesday, April 11, 2023, 24:00 hrs. (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 applies. The date of receipt of the motion is not to be counted. A postponement from a Sunday, Saturday or holiday to a previous or subsequent working day will 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.

### **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 Thursday, April 27, 2023, 24:00 hrs. (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*.

The right of each shareholder to make counter-motions and nominations for election regarding the various agenda items during the annual general meeting even without prior communication to the company remains unaffected. Please note that any counter-motions or nominations for election which have been sent to the company in advance in due time will be considered only if they are made orally during the annual general meeting.

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 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](http://hensoldt.net/agm) after their receipt. Comments by the management, if any, will also be made available on the above website.

#### **Right to request information pursuant to Section 131 (1) AktG**

At the annual general meeting, every shareholder or shareholder representative may request from the Management Board information regarding the company's affairs, the company's legal and business relationships with affiliated companies, and the position of the Group and any companies included in the consolidated financial statements to the extent that such information is necessary to allow a proper evaluation of an agenda item.

The information provided must comply with the principles of conscientious and truthful accountability. The Management Board can refrain from answering individual questions for the reasons set forth in Section 131 (3) AktG.

Pursuant to § 15 paragraph (4) of the Articles of Association, the chairperson of the meeting is authorized to reasonably limit shareholders' right to ask questions and speak. In particular, the chairperson is authorized to set a reasonable time limit for the entire meeting, for individual agenda items or for individual questions and statements at the beginning or during the course of the annual general meeting.

#### **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](http://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 confirmation of the counting of the votes pursuant to Section 129 (5) AktG will be provided by postal mail upon request of the person casting the vote.

## 5. Information on data protection for shareholders

As the 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) 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 annual general meeting of HENSOLDT AG, for exercising voting rights and for participating in the annual general meeting. The legal basis for the processing of personal data is point (c) of Article 6 (1) sentence 1 of the General Data Protection Regulation (“GDPR”) in conjunction with Sections 67e, 118 et seqq. AktG. 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 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. Also, personal data of shareholders and/or their shareholder representatives attending the General Meeting can be viewed by other shareholders and shareholder representatives subject to applicable laws (in particular via the list of participants (Section 129 AktG)). 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 point (f) of Article 6 (1) sentence 1 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://hensoldt.net) in the Data Protection Notice.

Taufkirchen, Germany / March 2023 / HENSOLDT AG  
The Management Board (Vorstand)

## **HENSOLDT Aktiengesellschaft**

Management Board: Thomas Müller (Chairman), Christian Ladurner,  
Dr Lars Immisch and Celia Pelaz Perez

Chairman of the Supervisory Board: Johannes Huth

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