

REMUNERATION REPORT OF SAF-HOLLAND SE (PREVIOUSLY SAF-HOLLAND S.A.) FOR FISCAL YEAR 2019

As a result of the implementation of the Shareholder Rights Directive II into Luxembourg law, SAF-HOLLAND SE (the “Company”) has to prepare a remuneration report for the board of directors of the Company (the “Board of Directors”) in accordance with Article 7ter of the Luxembourg law of May 24, 2011 on Shareholders Rights, as amended. These provisions entered into force on August 24, 2019.

To comply with the above-mentioned latest legal requirements the Board of Directors has to prepare a remuneration report that is presented to the Annual General Meeting of the Company and has to be disclosed on the corporate homepage.

The following remuneration report for the Board of Directors discloses all relevant information according to Article 7bis of the Luxembourg law of May 24, 2011 on Shareholders Rights, as amended.

The remuneration report presents the remuneration policy for the members of the Board of Directors and provides information on the compensation the members of the Board of Directors of the Company awarded and/or due for fiscal year 2019.

REMUNERATION OF THE BOARD OF DIRECTORS

The remuneration of the Board of Directors of the Company is governed in the Rules of Procedure of the Board of Directors of the Company. It is commensurate with the tasks of the Board of Directors and the situation of the Company.

Members of the Board of Directors receive a fixed annual remuneration that is paid after the close of the respective financial year. Performance-based or stock-based compensation components are not granted.

- The Chair of the Board of Directors of the Company receives a fixed annual remuneration of kEUR 100.
- The Vice Chair of the Board of Directors receives a fixed annual remuneration of kEUR 60.
- Each regular member of the Board of Directors receives a fixed annual remuneration of kEUR 40.
- For their services on the committees of the Board of Directors each chairperson of a committee receives a fixed remuneration of kEUR 20. This considers the greater amount of time invested by the chairperson. The ordinary members of the committees do not receive any fixed remuneration.

The members of the Board of Directors each receive an attendance fee of kEUR 1 for each day of a meeting of the Board of Directors or its committees that they attend and an attendance fee of kEUR 0.5 for each conference call. Chairpersons of Committees do not receive any attendance fees.

Members of the Board of Directors who perform their function on the Board of Directors or any of its committees, or the function of chairperson or deputy chairperson, for just part of the financial year are paid on a pro rata temporis basis.

The D&O Group insurance also covers the members of the Board of Directors.

In addition, the members of the Board of Directors receive an expense allowance/compensation for Board of Directors-related overseas travel.

The D&O Group insurance also covers the members of the Board of Directors.

No advances or loans were made to members of the Board of Directors in 2019.

The total remuneration of the members of the Board of Directors for 2019 amounts to kEUR 413.7 (previous year: kEUR 405).

Remuneration paid to the individual members of the Board of Directors for the fiscal year 2019:

in EUR thousands							
	Fixed remuneration	Attendance fee	Total 2018	Fixed remuneration	Attendance fee	Total 2019	
Martina Merz ¹⁾	140.0	12.0	152.0	110.0	8.0	118.0	
Dr. Martin Kleinschmitt ²⁾	80.0	11.0	91.0	86.7	14.5	101.2	
Anja Kleyboldt	40.0	12.5	52.5	40.0	16.5	56.5	
Jack Gisinger	40.0	12.5	52.5	40.0	15.0	55.0	
Carsten Reinhardt	45.0	12.0	57.0	60.0	11.0	71.0	
Ingrid Jägering ³⁾	0.0	0.0	0.0	10.0	2.0	12.0	
Detlef Borghardt ⁴⁾	0.0	0.0	0.0	0.0	0.0	0.0	
Total	345.0	60.0	405.0	346.7	67.0	413.7	

¹⁾ Chair of the Board of Directors until September 2019. Deputy Chair since November 2019.

²⁾ Chair of the Board of Directors since October 2019.

³⁾ Member of the Board of Directors and Chair of the Audit Committee since November 2019.

⁴⁾ Member of the Board of Directors until February 28, 2019 (no remuneration due to management activities)

Note: The above summary does not include the reimbursement of out-of-pocket expenses and overseas travel.

Luxembourg, March 16th, 2020

SAF-HOLLAND SE

Board of Directors