

**9. Resolution on amending remuneration of the Supervisory Board, a corresponding amendment to § 14 of the company's Articles of Association and the remuneration system for the members of the Supervisory Board**

According to §113 (3) of the German Stock Corporation Act (AktG), a resolution must be passed on remuneration for the members of the Supervisory Board at listed companies at least every four years. The provision has been redrafted due to the Act for Implementation of the Second Shareholders' Rights Directive (ARUG II) and must be applied pursuant to § 26j (1) Sentence 1 of the Introductory Law of the Stock Corporation Act (EGAktG) at the latest for Annual General Meetings which are held after December 31, 2020.

The remuneration for the members of the Supervisory Board is regulated in § 14 of MLP SE's Articles of Association. It was approved in this version by the Annual General Meeting on May 18, 2017 during the course of the change in the company's form to a European stock corporation. Essentially – and in particular with regard to the level of basic remuneration – the remuneration regulation corresponds to the resolution of the Annual General Meeting which was held on May 20, 2010.

The Executive Board and Supervisory Board are of the opinion that the existing remuneration regulation has indeed proved its worth but that an adjustment to the basic remuneration of the Supervisory Board is necessary. Alongside the steady development of the MLP Group through various company acquisitions, such as DOMCURA AG and its subsidiaries in 2015, the DI Deutschland.Immobilien AG Group in 2019 and, most recently, the RVM Group, the workload and the requirements placed on the members of the Supervisory Board as well as its responsibilities have grown steadily in the recent past. In addition, the Supervisory Board has many consulting and monitoring duties to the Executive Board resulting, among other things, from changes to the law, most recently the new developments associated with the EU's so-called "Banking Reform Package" for implementation of Basel III or parts of Basel IV in the form of the CRD V and CRR II, German implementation of the second European Markets in Financial Instruments Directive (MiFID II), implementation of the General Data Protection Regulation (GDPR) in the Group as well as the new legislation from the Act for Implementation of the Second Shareholders' Rights Directive (ARUG II). Supervisory Board remuneration should therefore be adjusted. The new remuneration regulation will be applied for the 2021 financial year. According to this regulation, the fixed annual remuneration of the members of the Supervisory Board will be raised from € 40,000 to € 50,000. The remaining portions of remuneration remain unchanged.

Executive Board and Supervisory Board propose that the following resolution be adopted:

- a. § 14 (1) of the company's Articles of Association is amended and reworded as follows:

"(1) Alongside reimbursement of their expenses and any value added tax due on their Supervisory Board remuneration, each member of the

Supervisory Board also receives fixed remuneration of € 50,000 p.a., payable following completion of the financial year."

- b. The amendment to the company's Articles of Association as per lit. a. will be applied to the calculation of the Supervisory Board remuneration for the entire 2021 financial year if its entry in the Commercial Register takes place in the 2021 financial year.
- c. The remuneration of the members of the Supervisory Board pursuant to § 14 of the company's Articles of Association amended as per lit. a. and the regulation in lit. b., including the system of remuneration on which it is based, which is printed under Item 9 in the invitation to the Annual General Meeting, is approved.

The system of remuneration for the members of the Supervisory Board is outlined below and can be viewed online at [www.mlp-agm.com](http://www.mlp-agm.com).

## **System of remuneration for members of the Supervisory Board**

### **Introduction**

The remuneration of the members of the Supervisory Board, which is based on the remuneration system described here, is regulated in § 14 of the Articles of Association of MLP SE. Under observation of the amendment proposed to the Annual General Meeting on June 24, 2021 under Item 9 lit. a, this reads as follows:

- "(1) Alongside reimbursement of their expenses and any value added tax due on their Supervisory Board remuneration, each member of the Supervisory Board also receives fixed remuneration of € 50,000 p.a., payable following completion of the financial year."
- (2) The Chairperson of the Supervisory Board receives 200 % of the basic remuneration and the Deputy Chairperson receives 150 % of the basic remuneration in accordance with (1).
- (3) Any additional and separate remuneration for work on a committee formed at the company is only to be granted in accordance with the following provisions: Insofar as the company has formed an Audit Committee, additional and separate remuneration of € 25,000 is granted for work on said Audit Committee. Insofar as the company has formed a Personnel Committee, additional and separate remuneration of € 15,000 is granted for work on said Personnel Committee. The Chairpersons of the Audit Committee and of the Personnel Committee each receive 200 % of the basic remuneration in accordance with Sentence 2 or Sentence 3.
- (4) Remuneration in line with (1) to (3), as described above, is granted pro rata, insofar as a member of the Supervisory Board does not sit on the Supervisory Board or one of the named committees throughout the entire financial year or assumes the position of Chairperson of the Supervisory

Board, Chairperson of one of the named committees or Deputy Chairperson of the Supervisory Board.

- (5) In addition to this, members of the Supervisory Board can also be included in a D&O insurance policy set up by and maintained in the interests of the company at an appropriate level for Executive Bodies and certain executive employees, insofar as such a policy is in place. The company pays the premiums for this insurance.
- (6) The company provides the members of the Supervisory Board with support in an appropriate scope to attend the training necessary for performing their duties. The Supervisory Board generally decides whether to offer suitable training and educational measures at the cost of the company. Irrespective of this, however, each member of the Supervisory Board can attend training and educational measures that they deem necessary for performing their duties and demand cost reimbursement from the company of up to € 2,000 per calendar year. In this respect, a decision of the Supervisory Board is not needed.
- (7) The Annual General Meeting that votes to give formal approval to the actions of the members of the first Supervisory Board is also responsible for specifying the remuneration for the first Supervisory Board."

The version of § 14 of the company's Articles of Association will be applied to the calculation of the Supervisory Board remuneration for the entire 2021 financial year if its entry in the Commercial Register takes place in the 2021 financial year.

### **Contribution of remuneration to promoting the business strategy and long-term development of the company**

The essential tasks of the Supervisory Board include monitoring the management by the Executive Board. The Supervisory Board remuneration must be designed in such a way that it satisfies the need for independence of the Supervisory Board required for its monitoring tasks. The Supervisory Board remuneration at MLP SE consists exclusively of fixed portions of remuneration. The level of remuneration of the individual members of the Supervisory Board depends exclusively on the tasks assumed within the Supervisory Board or its committees. The design of the Supervisory Board remuneration at MLP SE therefore acts as a counterpoint to the largely performance-linked Executive Board compensation at MLP SE. This strengthens the independence of the Supervisory Board and thus promotes the long-term development of MLP SE and the Group it manages. Even though the Supervisory Board remuneration cannot be aligned directly with the corporate strategy, it contributes in this way to the successful implementation of the corporate strategy.

### **Fixed and variable portions of remuneration and their respective relative proportion of remuneration**

In addition to compensation for their expenses for the financial year, the members of the Supervisory Board receive a fixed annual remuneration of € 50,000 in accordance with § 14 of the company's Articles of Association. The Chairperson

of the Supervisory Board receives twice this amount and his/her deputy one and a half times. In addition, an extra annual remuneration is granted for work on the Audit Committee and the Personnel Committee. This comes to € 25,000 p.a. for the Audit Committee and € 15,000 p.a. for the Personnel Committee. The Chairperson of the respective committee receives twice the stated level of remuneration. No share-based or otherwise variable portions of remuneration will be granted in addition to these fixed portions of remuneration.

Members of the Supervisory Board can be included in a D&O insurance policy set up by and maintained in the interests of the company at an appropriate level for Executive Bodies and certain executive employees. In addition, the company provides the members of the Supervisory Board with support in an appropriate scope to attend the training necessary for performing their duties. To this end, each member of the Supervisory Board can attend training and educational measures that they deem necessary for performing their duties and demand cost reimbursement from the company of up to € 2,000 per calendar year.

### **Deferred periods for the payment of portions of remuneration**

The Supervisory Board remuneration will be paid after the end of the financial year.

### **Remuneration-related legal transactions, term of appointment**

The right to remuneration of the individual members of the Supervisory Board results from the relationship governed by cooperation law that comes about between the company and the member of the Supervisory Board by way of their appointment to the Supervisory Board and their acceptance thereof and by way of the company's Articles of Association and, where applicable, a resolution of the Annual General Meeting on Supervisory Board remuneration. Accordingly, no agreements related to the Supervisory Board remuneration exist between MLP SE and the members of the Supervisory Board.

The term of appointment of the members of the Supervisory Board is regulated by § 9 (2) of MLP SE's Articles of Association as follows:

"The members of the Supervisory Board are elected for the period up to conclusion of the Annual General Meeting which resolves upon the formal approval for the fourth financial year following the commencement of the term of office, without including the financial year in which the term in office commences. However, the term in office always ends after six years. Reappointments are permissible."

Dismissal of members of the Supervisory Board is possible pursuant to the applicable legal provisions. The members of the Supervisory Board can resign from their office in accordance with § 10 of MLP SE's Articles of Association by submitting a written declaration addressed to the Chairperson of the Supervisory Board or the Executive Board. A notice period of one month must be observed unless the Chairperson of the Supervisory Board – or in the case of the Chairperson's resignation from office, his/her deputy – agrees to a reduction of

this notice period. The legal right to resignation for good cause remains unaffected by this.

Remuneration for the assumption of an office as member of the Supervisory Board, as its Chairperson or Vice Chairperson, or for membership or chairing of an Audit Committee or a Personnel Committee will be granted pro rata if a member of the Supervisory Board does not belong to the Supervisory Board or one of the Committees mentioned or hold the position as Chairperson of the Supervisory Board or one of the Committees mentioned or as Vice Chairperson of the Supervisory Board for the entire financial year.

### **Explanation of how the pay and employment conditions of employees were taken into account when determining the system of remuneration**

The activity of the members of the Supervisory Board at MLP SE is distinctly different from that of the employees of MLP SE and of the Group managed by it. As such, a vertical comparison with employee pay is not considered when assessing and setting the remuneration for Supervisory Board work. Accordingly, it is unnecessary to define a group of employees to be included in such a comparison.

### **Description of the procedure for determining/implementing and reviewing the remuneration system, including the role of any committees and the measures for preventing and handling conflicts of interest**

The Supervisory Board reviews the appropriateness of the constituents, amount and structure of its remuneration as needed. In line with this procedure, the last fundamental amendment to the Supervisory Board remuneration took place at the initiative of the Supervisory Board in 2010. In particular, this amendment comprised resolutions on the basic remuneration of € 40,000 per year granted to date as well as stipulations on the increase of the basic remuneration for the Chairperson of the Supervisory Board and his/her deputy and for the remuneration for work on Supervisory Board committees. The regulations passed on the Supervisory Board remuneration in 2010 were adopted largely unchanged in 2017 when the form of the company was changed to a European stock corporation. This particularly applies to the basic remuneration of € 40,000.

This year, the Executive Board and Supervisory Board of the company reviewed the existing remuneration regulation and are of the opinion that it has indeed proved its worth but that an adjustment to the basic remuneration of the Supervisory Board to € 50,000 is necessary.

Alongside the steady development of the MLP Group through various company acquisitions, such as DOMCURA AG and its subsidiaries in 2015, the DI Deutschland.Immobilien AG Group in 2019 and, most recently, the RVM Group, the workload and the requirements placed on the members of the Supervisory Board as well as its responsibilities have grown steadily in the recent past. In addition, the Supervisory Board has many consulting and monitoring duties to the Executive Board resulting, among other things, from changes to the law, most recently the new developments associated with the EU's so-called "Banking Reform Package" for implementation of Basel III or parts of Basel IV in the form

of the CRD V and CRR II, German implementation of the second European Markets in Financial Instruments Directive (MiFID II), implementation of the General Data Protection Regulation (GDPR) in the Group as well as the new legislation from the Act for Implementation of the Second Shareholders' Rights Directive (ARUG II). Supervisory Board remuneration should therefore be adjusted.

The new remuneration regulation will be applied for the 2021 financial year, provided that the corresponding amendment to § 14 (1) of the company's Articles of Association is entered in the Commercial Register of the company this year.

Since the amendment to the German Stock Corporation Act by ARUG II, § 113 (3) Sentence 1 of the German Stock Corporation Act (AktG) stipulates that the Annual General Meeting must pass a resolution on the remuneration of the members of the Supervisory Board every four years, whereby a resolution confirming the remuneration is also permissible. Where there is cause to amend the remuneration of the members of the Supervisory Board, the Executive Board and Supervisory Board will propose a corresponding amendment to the Articles of Association of MLP SE to the Annual General Meeting in this regard. Concurrently, it can be stipulated that the Supervisory Board remuneration be determined in accordance with the amended regulation in the Articles of Association for the entire financial year in which the amendment to the Articles of Association is entered in the Commercial Register. If the Supervisory Board remuneration proposed to the Annual General Meeting for resolution does not achieve the required majority, a reviewed Supervisory Board remuneration must be proposed no later than the next Annual General Meeting.

It is inherent in the nature of the matter that the members of the Supervisory Board be involved in drafting both the remuneration applicable to them and the system of remuneration on which it is based. The conflict of interests arising from this, however, is countered by the fact that the decision regarding the ultimate design of the remuneration and the system of remuneration on which it is based lies by power of law with the Annual General Meeting, which will be provided with a proposed resolution for this purpose from both the Supervisory Board and the Executive Board.

Where external remuneration experts are consulted, it will be ensured that they are independent and, in particular, proof of their independence will be required.