

REMUNERATION SYSTEM FOR THE MEMBERS OF THE SUPERVISORY BOARD

The members of the Supervisory Board of First Sensor AG receive fixed remuneration for their activities, the amount of which depends on the individual tasks performed on the Supervisory Board. Variable remuneration that depends on the achievement of certain successes or targets is not planned for the members of the Supervisory Board.

The Supervisory Board, with the support of the Personnel and Nomination Committee, reviews the structure and appropriateness of its remuneration at irregular intervals, but at least every four years. Due to the special nature of Supervisory Board remuneration, which differs fundamentally from the activities of employees of the company due to its supervisory nature, there is no so-called vertical comparison with employee remuneration.

Each ordinary member of the Supervisory Board receives an annual basic remuneration of EUR 20,000.00. The Chairman of the Supervisory Board, like the Deputy Chairman, receives a higher remuneration in view of the higher organizational and administrative expenses. This amounts to EUR 50,000.00 for the Chairman and EUR 30,000.00 for the Deputy Chairman.

The company provides the members of the Supervisory Board with insurance cover to an appropriate extent for the performance of their Supervisory Board duties and pays the premiums due for this. In addition, the company reimburses each member of the Supervisory Board for reasonable and documented expenses incurred in the performance of their duties as well as any value added tax payable on their remuneration.

The members of the Supervisory Board receive purely fixed remuneration, while no provision is made for variable remuneration that depends on the achievement of certain successes or targets. As a result, the remuneration can only be aligned with the business strategy to a limited extent and can therefore only have a limited influence on the long-term development of the company. However, First Sensor AG is convinced that fixed remuneration best serves the objective monitoring function of the Supervisory Board and its neutral advisory activities. This allows the Supervisory Board to base its decisions on the best interests of the company and thus on a long-term business strategy and sustainable development without pursuing other motives.