III. Compensation system for Executive Board members

Executive Board compensation system pursuant to § 87a (1) Stock Corporation Act (AktG)

1. Basic principles and strategic alignment of the Executive Board compensation system

thyssenkrupp's strategy is centered on its transformation into a high-performing and sustainable company with lean management structures and a clearly contoured portfolio geared toward profitable growth (for more details see www.thyssenkrupp.com/en/company/strategie). The framework for this comprises three areas of action: portfolio, performance and green transformation.

The Executive Board compensation system serves as a key supporting element, helping to promote the business strategy and thus secure the long-term success of the group. Our goal is to encourage successful and sustainable corporate management by tying the compensation of Executive Board members to both the short-term and long-term performance of the company. At the same time the selection of suitable performance criteria creates incentives for implementing the ongoing transformation of the group.

The compensation system comprises parameters based on personal performance and the performance of the company. In addition a significant share of compensation recognizes the relative and absolute performance of the stock price, so as to align the objectives of management even more closely with the direct interests of shareholders.

We are aware of our social and ecological responsibility. As well as focusing on financial performance criteria, therefore, the compensation system is also designed to take into account non-financial sustainability criteria (Environment-Social-Governance (ESG) criteria). Last but not least, we also support our green transformation in this way.

The compensation system presented below applies to all Executive Board service contracts to be agreed or renewed from October 1, 2024. Ongoing Executive Board service contracts of the active Executive Board members were also adjusted in line with this compensation system on the basis of corresponding amendments agreed effective October 1, 2024.

Compared to the system in effect up to and including September 30, 2024, editorial changes have been made and there is now the option of fulfilling the Share Ownership Guidelines by the members of the Executive Board by making voluntary additional investments (section 4.3.1.).

2. Establishment, implementation and review of the compensation system

The compensation system for members of the Executive Board was adopted by the Supervisory Board after preparation by the Personnel Committee in accordance with § 87 (1), § 87a (1) Stock Corporation Act (AktG). In developing the compensation system, the Supervisory Board was advised by an independent compensation expert. In all compensation decisions, the Personnel Committee and Supervisory Board take into account the requirements of stock corporation law and are guided by the recommendations of the current version of the German Corporate Governance Code (last amended on April 28, 2022; GCGC) as well as the following guidelines:

Guidelines for determining Executive Board compensation		
Support corporate strategy	Appropriateness and commensurateness	Create incentives
Conformity with regulatory requirements	Harmonize interests of Executive Board, shareholders, and other stakeholders	Sustainability and long-term view

The Personnel Committee regularly reviews the appropriateness and commensurateness of Executive Board compensation – both as a whole and in terms of the individual compensation components – and proposes adjustments to the Supervisory Board where required to secure within the boundaries of the applicable framework that the compensation package for Executive Board members is both in line with the market and competitive. Criteria for assessing the appropriateness of compensation are the duties and individual performance of the Executive Board member as well as the economic situation of the group. The commensurateness of compensation is assessed both in comparison with other companies (horizontal benchmarking) and within the thyssenkrupp group on the basis of the ratio between Executive Board compensation and the compensation of senior management and of the workforce as a whole (vertical benchmarking). On account of the size of thyssenkrupp – based on the criteria of sales, employees and market capitalization – DAX and MDAX companies are used for horizontal benchmarking. For assessing the appropriateness of Executive Board compensation within the group, the two management levels below the Executive Board of thyssenkrupp AG are taken as the basis for senior management, and the average compensation of the group's full-time employees in Germany for the workforce as a whole. Both the current ratio and changes in the ratio over time are taken into account.

In the event of material changes to the compensation system, or as a minimum every four years, the compensation system is presented for approval to the Annual General Meeting.

In reviewing the appropriateness of the level of compensation and the market conformity of the system, the Personnel Committee is advised by an external compensation expert independent of the Executive Board and the company.

In accordance with the compensation system in effect, the Supervisory Board determines the concrete target compensation and the performance criteria for the forthcoming fiscal year for the variable compensation components in the Executive Board compensation system.

In accordance with the statutory requirements under § 87a (2) sentence 2 AktG, the Supervisory Board can temporarily deviate from the compensation system if necessary in the interests of the long-term welfare of the company. This can be for example in the case of exceptional, unforeseeable developments such as a severe financial and economic crisis; general unfavorable market trends alone do not constitute such exceptional, unforeseeable developments.

Deviations from the compensation system are only possible subject to a corresponding resolution by the Supervisory Board at the proposal of the Personnel Committee and following careful review of the need. Elements of the compensation system that can be modified in the above circumstances are the procedure, the compensation structure, the individual compensation components and their performance criteria. In this case the Supervisory Board can also temporarily grant additional compensation components or replace individual compensation components with other compensation components where necessary to restore the appropriateness of Executive Board compensation in the concrete situation.

The rules for dealing with conflicts of interest of Supervisory Board members must also be observed in the procedures for establishing, implementing and reviewing compensation and the compensation system.

3. Overview of the design of the compensation system

3.1. General overview of the Executive Board compensation system

The following table shows the basic components of the compensation system and their design. All components are explained in detail in section 4.

Overview of all compensation components

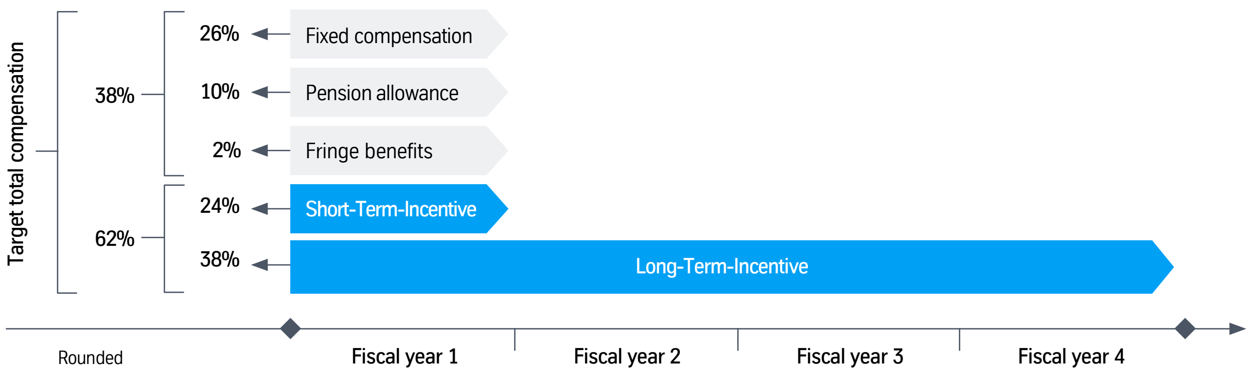
Compensation component	Assessment basis / parameters
Performance-independent compensation	
Fixed compensation	The fixed compensation of Executive Board members is paid monthly as a salary
Fringe benefits	Company car, security services, insurance premiums and health checks as standard; further once-only or time-limited (transitional) benefits for new members subject to explicit resolution of Supervisory Board
Pension plans	
Pension allowance	As of October 1, 2019 newly appointed Executive Board members receive an annual pension allowance in cash for personal pension provision in lieu of a company pension plan. Protection of vested rights for previous pension plans.
Performance-related compensation	
Short-Term Incentive (STI)	Annual performance bonus Basis for target achievement: • **70% group's financial performance criteria:** 35% net income, 35% free cash flow before M&A (w/o the cash flow contribution from Marine Systems) • **30% individual performance** (operational and strategic targets in connection with transformation of thyssenkrupp) Supervisory Board sets financial targets based on annual planning and individual performance criteria for each fiscal year Cap: 200% of target amount
Long-Term Incentive (LTI)	Performance Share Plan Performance-period: 4 years Basis for target achievement: • 30% relative TSR (Ranking against individual stocks included in Index STOXX® Europe 600 Basic Resources) • 40% ROCE • 30% non-financial sustainability targets Cap: 200% of target amount
Other compensation rules	
Share Ownership Guidelines (SOG)	Requirement to purchase and hold thyssenkrupp shares for the amount of one year's fixed compensation (gross) Until this amount is reached, Executive Board members must invest each year at least 25% of the net amount of performance-related compensation paid at the close of the fiscal year (STI + LTI) in thyssenkrupp shares. Additional option to contribute privately acquired and held shares.
Maximum compensation	Cap for total compensation granted for one fiscal year in accordance with § 87a (1) sentence 2 no. 1 AktG: · Chair: €9.0 million · Ordinary Executive Board members: €4.5 million
Severance cap	Severance payments limited to maximum of two years' annual compensation; compensation over remaining contract term must not be exceeded
Malus and clawback rule	Malus: In the event of serious infringement of applicable law or internal policies, Supervisory Board may reduce or cancel variable compensation components (STI/LTI) for the relevant assessment period Clawback: Option of Supervisory Board to reclaim already paid variable compensation if a malus is subsequently discovered or if inaccuracies are identified in the consolidated financial statements (difference)

3.2. Compensation components and structure

The compensation of Executive Board members is made up of performance-independent and performance-related elements. The former comprise fixed compensation, fringe benefits and the pension allowance and, in the case of previous pension commitments, the pension plan contributions. The performance-related compensation includes the short-term incentive with a performance period of one year (STI) and the long-term incentive with a performance period of four years (LTI). The amounts of the performance-related compensation components are set on the basis of financial and non-financial performance criteria set by the Supervisory Board (for details see section 4.2).

The sum of all performance-independent and performance-related compensation components forms the total compensation of Executive Board members. The target total compensation (fixed compensation + pension allowance/pension plan contributions + fringe benefits + target STI amount + target LTI amount) of the Executive Board consists mainly of performance-related compensation elements in order to strengthen the performance focus of the compensation system.

The structure of compensation is aimed at supporting the sustainable and long-term performance of the company. Performance-independent compensation makes up approx. 38% of the target total compensation. Fixed compensation contributes approx. 26% to the target total compensation, the pension allowance approx. 10%, and regular fringe benefits normally approx. 2%. Performance-related compensation makes up altogether approx. 62% of the target total compensation. The share of the target STI amount in the target total compensation is around 24%, while the target LTI amount accounts for around 38% of the target total compensation. This ensures that variable compensation resulting from the achievement of long-term targets exceeds the share resulting from short-term targets.



Guaranteed compensation, discretionary bonuses or additional (special) payments not included in this Executive Board compensation system are not paid.

3.3. Maximum compensation

The compensation paid to Executive Board members is subject to two caps. First, caps are set for the performance-related components and all elements thereof (STI: 200% of the target amount, LTI: 200% of the target amount).

Second, in accordance with § 87a (1) sentence 2 no. 1 AktG the Supervisory Board has set a maximum compensation amount which limits the total compensation amount actually paid for a specific fiscal year (fixed compensation + pension allowance / pension plan contributions + fringe benefits + STI payout + LTI payout). For the Executive Board chair, the maximum compensation amount is €9.0 million, for ordinary Executive Board members €4.5 million each. If the service contract begins or ends during the year, these caps apply pro rata temporis. Benefits in the event of early termination of employment on the Executive Board and any pension payments to former members of the Executive Board are not included in the maximum compensation.

4. The compensation system in detail

4.1. Performance-independent compensation components

4.1.1. Fixed compensation

The fixed compensation is paid to Executive Board members monthly as a salary and represents a steady, plannable income for Executive Board members.

4.1.2. Pension allowance / company pension

Newly appointed Executive Board members receive a pension allowance for their own pension provision which is paid out annually. As well as giving Executive Board members responsibility and discretion to take care of their own pension provision, this relieves thyssenkrupp of the long-term financial burden of recognizing corresponding pension provisions.

Executive Board members first appointed before October 1, 2019 continue to benefit from the previous defined-contribution pension plan. For this a cap has been agreed for the maximum achievable pension entitlement.

4.1.3. Fringe benefits

In addition to the fixed compensation, Executive Board members receive fringe benefits, which as part of the total compensation are likewise capped by the maximum compensation. Standard fringe benefits in the form of benefits in kind and the like comprise a car and driver for business and private use, security services, insurance premiums and health checks. In principle all Executive Board members are entitled to these benefits; the amount varies according to personal situation.

In addition the Supervisory Board may decide, for example, to grant new Executive Board members compensatory payments for compensation entitlements lost due to their move to thyssenkrupp, reimburse their relocation costs as well as grant further benefits for a limited period, such as reimbursement of costs in connection with the need to maintain two households for work purposes. The aim is to ensure that thyssenkrupp can recruit the best possible candidates. Where corresponding benefits are granted in individual cases, this is explained in the compensation report.

4.2. Performance-related compensation components

The two performance-related compensation components are the STI with a performance period of one year and the LTI with a performance period of four years. Both for the STI and the LTI, the Supervisory Board sets concrete performance criteria before the start of each fiscal year based mainly on the group’s economic situation. This means that performance-related compensation components cannot be determined purely on a discretionary basis.

4.2.1. Short-Term Incentive (STI)

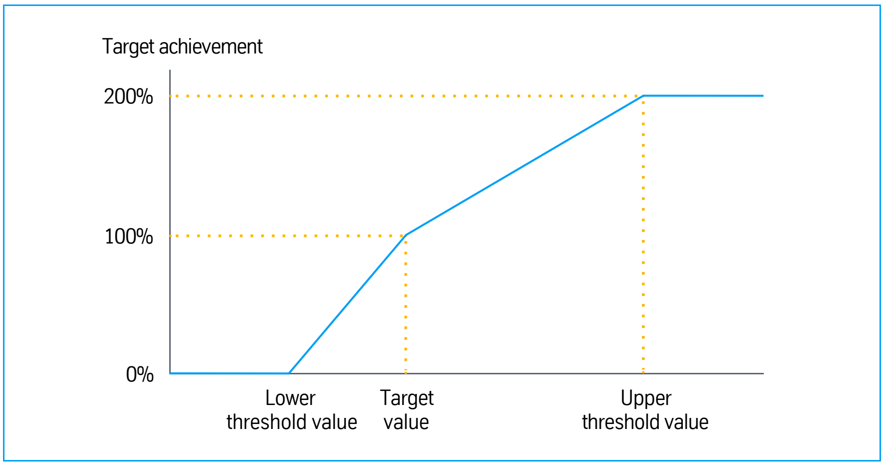
70% of the STI amount depends on the performance of two equally weighted key financial performance indicators of the group – net income and free cash flow before M&A – and 30% on the individual performance of Executive Board members. Starting from fiscal year 2025/2026, free cash flow before M&A will no longer include the attributable cash flow before M&A of the Marine Systems segment as a performance criterion for the STI, neither in the target and threshold values nor in the determination of target achievement.

Contribution of STI to supporting business strategy

The STI is intended to ensure the ongoing implementation of operational targets, the achievement of which is crucial as a basis for the group’s long-term development. The financial performance criteria net income and free cash flow before M&A emphasize the importance of systematically improving performance and competitiveness in all our businesses. They create incentives in areas expected to provide the biggest lever for improvement.

In addition, the inclusion of individual performance also places a focus on collective and individual portfolio, performance and transformation targets, providing even greater incentives for securing the successful transformation of thyssenkrupp.

Before the start of each fiscal year, the Supervisory Board sets ambitious target and threshold values for the financial performance criteria. The target value of each performance criterion is derived from the corporate planning and corresponds to 100% target achievement. The lower threshold value is 0% and target achievement is capped at an upper threshold value of 200%, giving the following target achievement curve ranging from 0% to 200%:



Alongside the possibility of determining STI target achievement taking appropriate account of extraordinary developments in accordance with G.11 GCGC, the Supervisory Board, in view of the ongoing restructuring of the group, reserves the right to make adjustments in connection with effects from portfolio measures (such as M&A transactions, restructurings and (part) closures) when determining target achievement for the STI financial performance criteria. These adjustments may increase or decrease the payout amount. Adjustments in connection with portfolio measures may be decided by the Supervisory Board if the measures have a material effect on target achievement but were not taken adequately into account during target setting and therefore prevent fair performance-based compensation. Any adjustments to STI target achievement are presented in the compensation report following the adjustment.

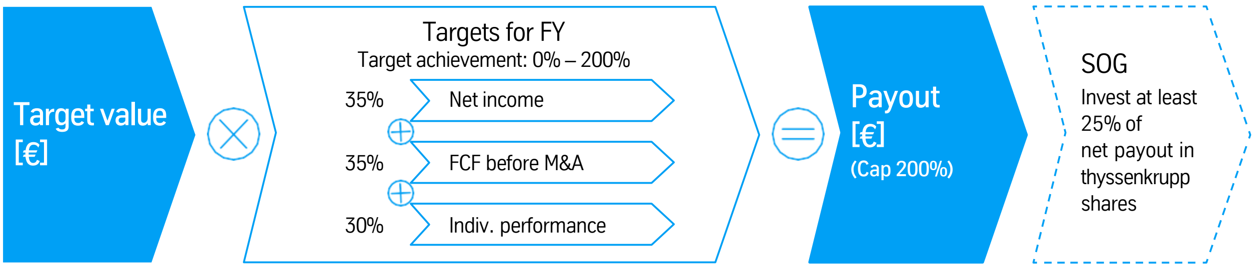
To measure individual performance, the Supervisory Board sets up to three individual targets for the members of the Executive Board prior to each fiscal year. Alongside operational targets, these are primarily based on strategic objectives. Targets can also be selected which are jointly relevant for several or all members of the Executive Board. These can be formulated as concrete measurable indicators or as expectations for the Executive Board members. The Supervisory Board takes care to ensure that target achievement is comprehensible and verifiable in all cases. The targets for measuring individual performance can relate to the following areas, among others:

Possible areas for individual targets
Portfolio
Optimization / efficiency improvement
Strategy development
Personnel / organization
Financial viability

For each target, criteria are defined on the basis of which the Supervisory Board determines target achievement after the end of the fiscal year. The maximum target achievement for each individual target and, consequently, for the individual performance overall is also 200%.

The set individual targets are reported in the compensation report, which is published close to the beginning of the fiscal year, and the achievement of financial and individual targets in the subsequent compensation report, provided the disclosure of the targets does not result in a competitive disadvantage for thyssenkrupp due to their continuing strategic relevance.

The actual payout from the STI is calculated as follows:



Capping of the maximum target achievement for each individual performance criterion at 200% means that the maximum payout amount from the STI is limited to 200% of the target value. There is no guaranteed minimum target achievement; therefore there might also be no payout at all.

The Executive Board members are required to invest at least 25% of the net payout from the STI in thyssenkrupp shares until the agreed investment volume under the Share Ownership Guidelines of one annual fixed salary (gross) is reached (see also section 4.3.1).

4.2.2. Long-Term Incentive (LTI)

The second performance-related compensation element is the LTI, which is designed as a long-term incentive with a performance period of four years. The LTI is also share-based; the resulting participation of the Executive Board members in the relative and absolute performance of the share price brings the objectives of management and the direct interests of the shareholders into even greater alignment. This creates an incentive to increase the value of the company sustainably in the long term.

Contribution of LTI to supporting business strategy

The share link further harmonizes the interests of the Executive Board and the shareholders. The implementation of relative Total Shareholder Return introduces an external performance criterion geared to the capital market which allows a comparison with relevant competitors. As a result an incentive to outperform competitors is created.

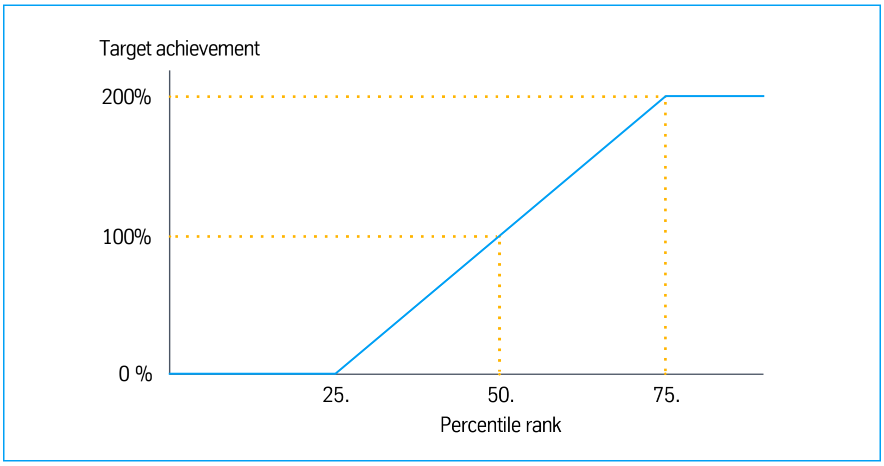
ROCE as a further financial performance criterion serves portfolio optimization and provides the right incentives to ensure that primarily the profitable businesses of thyssenkrupp are continued, thereby further strengthening our performance.

The inclusion of non-financial sustainability criteria in the LTI emphasizes our social and ecological responsibility as well as our goal of sustainable corporate development.

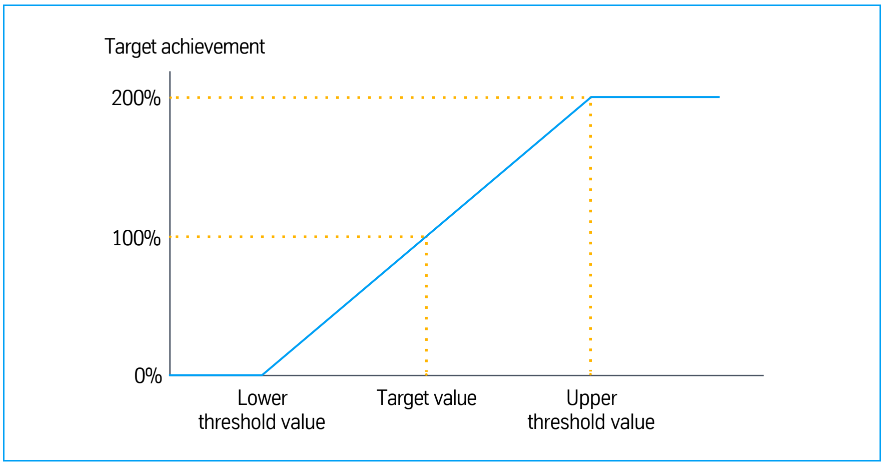
The LTI is granted in annual installments. At the beginning of each installment, a certain number of virtual shares is initially allocated on a provisional basis. This number is calculated by dividing the initial value by the average thyssenkrupp share price, calculated as the arithmetic mean of the closing prices on the last 30 stock exchange trading days before the start of the fiscal year for which the respective LTI installment is issued; this number is rounded half even. The provisionally granted number of virtual shares can therefore vary from year to year.

The number of virtual shares finally allocated to the Executive Board members at the end of the four-year performance period may vary up and down from the number provisionally granted. In the event of poor performance, all provisionally allocated virtual shares may even lapse. The final number of virtual shares is determined at the end of the performance period on the basis of the three additively linked performance criteria of relative total shareholder return (TSR), return on capital employed (ROCE) and sustainability, for which the Supervisory Board decides before the beginning of each fiscal year on ambitious target and threshold values for the respective new installment that are valid over the entire four-year performance period of the installment. The target and threshold values, as well as the determination of the annual degree of target achievement, are explained transparently in the compensation report for the respective fiscal year. In accordance with the recommendation in G.11 GCGC, the Supervisory Board can also take extraordinary developments into account appropriately when determining the degree of target achievement for the LTI. If the Supervisory Board makes use of this possibility and makes adjustments to LTI target achievement, this will be reported in the compensation report following the adjustment.

The relative TSR is taken into account with a weighting of 30%. The TSR performance of thyssenkrupp is compared with the TSR performance of the companies in the STOXX® Europe 600 Basic Resources. In the event of a material change in the portfolio of the thyssenkrupp group, the Supervisory Board reserves the right to review the comparative index for the relative TSR and adjust it if necessary with effect for future LTI installments. The TSR performance is calculated per fiscal year on the basis of share price performance plus distributed dividends. The start and end values are based on the average share price, calculated as the arithmetic mean of the closing prices on the last 30 stock exchange trading days before the beginning and end of a fiscal year. On this basis, the TSR performance of all companies including thyssenkrupp is ranked. Target achievement is then determined by thyssenkrupp's positioning, measured as a percentile rank, with intermediate values being rounded up to the respective full percentile. The lower threshold value corresponds to the 25th percentile; below and including this threshold value, target achievement is 0%. A positioning at the 50th percentile corresponds to a target achievement of 100%. The upper threshold value with a target achievement of 200% is reached at the 75th percentile. Intermediate values are interpolated linearly, resulting in the following overall target achievement curve with a range of 0% to 200%:



As a second financial performance criterion, ROCE is taken into account with a weighting of 40%. The target value and the threshold values for ROCE are determined by the Supervisory Board prior to the start of the allocation of the respective installment on the basis of the respective corporate planning. Subsequently, target achievement for each fiscal year during the four-year performance period is measured against the target value set before the start of the installment and determined on the basis of the target achievement curve below within a range of 0% to 200%.



In addition to the financial performance criteria TSR performance and ROCE, sustainability targets are taken into account with a weighting of 30%. These are formulated as so-called non-financial targets (NFTs) as part of thyssenkrupp's corporate management. Before issuing each new installment, the Supervisory Board selects from a catalogue of criteria one to two concrete sustainability targets/NFTs as performance criteria which then apply over the four-year performance period for the respective installment. These criteria apply equally to all Executive Board members. In selecting the targets the Supervisory Board pays particular attention to relevance, maturity and data availability around the underlying sustainability strategy, which is subject to continuous evolution against the background of the transformation of thyssenkrupp. Possible targets come from the following areas relevant to the sustainability strategy of thyssenkrupp:

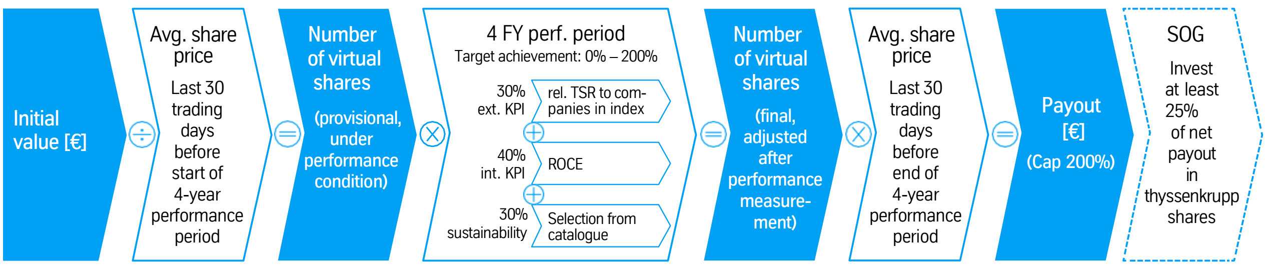
Possible areas for sustainability targets/IFTs
Climate, energy and environment
Technology and innovation
Customers and suppliers
Employees and society

The sustainability targets are formulated using quantitative, measurable indicators and are assigned corresponding target and threshold values. Target achievement is measured on an annual basis over the four-year performance period within a range of 0% to 200%.

Taking into account the weighting of the performance criteria, the overall target achievement for the LTI installment after the end of the performance period is determined by the arithmetic mean of the four annual degrees of target achievement. Capping of the maximum target achievement for each individual performance criterion (TSR, ROCE and sustainability targets) at 200% each ensures that significant underperformance below the threshold value for target achievement of 0% for one performance criterion cannot be offset by overperformance above the threshold value of 200% for another performance criterion. The resultant overall target achievement is multiplied by the number of granted virtual shares to calculate the final number of virtual shares earned.

To determine the final payout amount, the final number of virtual shares reached at the end of the performance period is multiplied by the average thyssenkrupp share price, calculated as the arithmetic mean of the closing prices on the last 30 stock exchange trading days of the last fiscal year of the four-year performance period. Instead of a payment, the LTI can also be granted in whole or in part in the form of thyssenkrupp AG shares at the decision of the Supervisory Board.

The actual payout from the LTI is therefore calculated as follows:



The payout amount calculated in this way is limited to 200% of the LTI target amount.

With the LTI too, the Executive Board members are required to invest at least 25% of the net payout in thyssenkrupp shares until the agreed investment volume under the Share Ownership Guidelines of one annual fixed salary (gross) is reached (see also section 4.3.1).

4.3. Other contractual provisions

4.3.1. Share Ownership Guidelines

All Executive Board members are required to purchase thyssenkrupp shares to a total value of one annual fixed salary (gross) and hold them for the duration of their appointment. This will further align the interests of the Executive Board and shareholders and further strengthen the sustainable long-term development of thyssenkrupp. A minimum annual investment amount of 25% of the net payout from the performance-related compensation components (STI and LTI) applies until the full investment volume is reached. The associated shares are acquired via an independent service provider within a fixed annual investment period. Fulfillment of the share buy and hold requirement is determined based on the purchase price at the acquisition date. During the term of the share purchase program, the Executive Board members can also choose a higher annual investment amount and additionally contribute thyssenkrupp shares they privately acquire and hold.

4.3.2. Malus and clawback rules

In the event of serious violations by Executive Board members of applicable law or the applicable internal company or group guidelines and policies, the Supervisory Board has the option to reduce or completely cancel any variable compensation components (STI and LTI) not yet paid (“malus”). The decision by the Supervisory Board is made at its own due discretion. Furthermore, the Supervisory Board has the option to reclaim already paid variable compensation components from the Executive Board members in whole or in part if a malus is subsequently discovered (compliance clawback). In addition, the Supervisory Board may, in the event that variable compensation components are paid out on the basis of incorrect consolidated financial statements, reclaim the difference determined on the basis of corrected financial statements (performance clawback). The possible requirement of an Executive Board member to pay damages to the company in accordance with § 93 (2) AktG is unaffected by this.

4.3.3. Compensation-related legal transactions

Durations of Executive Board member service contracts

The Supervisory Board observes the requirements of § 84 AktG and the recommendations of the German Corporate Governance Code when appointing Executive Board members and establishing the duration of their contracts. Executive Board member service contracts are concluded for the duration of the respective appointment. In the case of first-time appointment, the appointment period is generally three years; in the case of reappointment, the maximum duration is five years. Executive Board member service contracts do not provide for the possibility of ordinary termination by either party. This does not affect the mutual right of both parties to terminate the Executive Board member service contract without notice for cause.

Severance payments

The service contracts of Executive Board members contain severance payment provisions that comply with the recommendations of the German Corporate Governance Code. In case of early termination of the service contract at the instigation of the company before the end of the agreed contract period, the Executive Board member may receive a severance payment. The amount of the severance payment is determined by the sum of the annual fixed salary and the actually paid STI for the past fiscal year and of the annual fixed salary and the expected STI for the current fiscal year in which the service contract ends, but must not exceed the sum of the annual fixed salaries and the expected STI benefits for the remaining term of the service contract. The Supervisory Board determines the amount of the expected STI at its reasonable discretion. Other compensation components, in particular the pension allowance or pension plan contributions, LTI and fringe benefits, are not considered.

Company benefits under the contract for the period between the end of the appointment and the end of the contract will be deducted from the severance payment. The severance payment will be reduced by 15% to take account of discounting and other earnings if the remaining term of the contract is more than six months at the time of early termination of the appointment; the reduction will apply to the part of the severance payment exceeding six months.

The above arrangements ensure that payments in connection with the termination of an Executive Board member’s contract do not exceed two years’ compensation (severance cap) and compensate no more than the remaining term of the contract.

No severance payment shall be granted if good cause exists entitling the company to terminate the service contract for good cause or if the Executive Board member resigns without good cause. Furthermore, no severance payment will be granted if the service contract ends due to permanent disability or if the Executive Board member has reached the relevant regular retirement age in the statutory pension insurance scheme (or alternatively in an applicable professional pension scheme) or if a benefit triggering event has occurred under a company pension plan granted to the Executive Board member.

Change of control

Executive Board member service contracts do not include any commitments for benefits in the event of early termination by the Executive Board member due to a change of control.

Entry and exit during the year

In the event of an Executive Board member joining or leaving the company during the course of a year, the overall compensation is granted pro rata temporis according to length of service in the relevant fiscal year.

If the appointment is terminated or a benefit triggering event occurs, the entitlement to payout of the (if applicable pro rata) STI and LTI continues in principle for the period of service until its end. In the case of the LTI, the not yet paid out virtual shares for the running LTI installments launched for previous fiscal years will remain in the agreed amount and will be paid out in accordance with the regular arrangements after the Supervisory Board establishes target achievement. There is no entitlement to payout of the STI or LTI if good cause exists entitling the company to terminate the service contract for cause or if the Executive Board member leaves prematurely at his or her request without good cause. In these cases, the entitlements lapse without compensation.

Post-contractual non-compete clause

A post-contractual non-compete clause is currently not agreed in the service contracts of Executive Board members. The Supervisory Board has the option to agree such a clause for future contracts – also in individual cases. If a post-contractual non-compete clause is agreed in the context of contract termination, the Supervisory Board will ensure that any severance payment is offset against a waiting allowance.

Compensation for supervisory board positions within and outside the thyssenkrupp group

If Executive Board members hold supervisory board positions within the thyssenkrupp group and receive compensation for these positions, such compensation is offset against their remuneration as Executive Board members; this is implemented appropriately in each case (e.g. waiver of these additional compensation entitlements due from third parties or assignment of them to the company).

If Executive Board members hold external supervisory board positions and the position is assumed in connection with Executive Board work and in the interest of thyssenkrupp, any compensation paid is also offset against their remuneration as Executive Board members; this is implemented appropriately in each case (e.g. waiver of these additional compensation entitlements due from third parties or assignment of them to the company).