



# Remuneration Report

for the emoluments of the members of the Management Board and those of the  
Supervisory Board  
of AGRANA Beteiligungs-AG in the business year 2020/21

## 1 Foreword

The present Remuneration Report, prepared by the Management Board and Supervisory Board of AGRANA Beteiligungs-AG ("AGRANA") in accordance with § 78c of the Austrian Stock Corporation Act (AktG), comprises an overview of the remuneration granted or owed to current and former members of the Management Board and members of the Supervisory Board of AGRANA in the business year 2020/21, including all benefits in any form.

This Remuneration Report implements the specifications set out in § 78c and § 98a of the Austrian Stock Corporation Act (AktG) for the preparation of remuneration reports for Management Board members and Supervisory Board members of AGRANA as a listed stock corporation. It is also guided by Opinion 37 of the Austrian Financial Reporting and Auditing Committee ("AFRAC Opinion") and the Draft of the Guidelines of the European Commissions on the Standardized Presentation of the Remuneration Report under Directive (EU) 2017/828 of the European Parliament and of the Council of May 17, 2017 amending Directive 2007/36/EC as regards the promotion of long-term shareholder engagement.

The Remuneration Report is to be presented to AGRANA's Annual General Meeting for voting on pursuant to § 78d (1) of the Austrian Stock Corporation Act (AktG). The vote is of a recommendatory nature. The next Remuneration Report shall explain how the voting result of the last Annual General Meeting was taken into account.

### 1.1 Economic development of AGRANA in the business year 2020/21

At AGRANA, too, the business year 2020/21 was completely dominated by the global pandemic, which not only shaped day-to-day operations at AGRANA's production facilities and administrative offices, but was also a determining factor for many markets. This became manifest in changes in consumers' demand behaviors and volatility of commodity markets. There were also additional challenges due to difficult weather conditions, such as frosts affecting pomiculture in Hungary or the massive weevil infestation of Austrian beet cultivation. In this difficult environment, AGRANA was able not only to maintain production while concomitantly ensuring protection of its employees, but thus also to guarantee continuous supplies to the customers.

At € 2,547.0 million, the revenues of the AGRANA Group in the business year 2020/21 were slightly above those of the previous year. Income from operations (EBIT) in

2020/21 was € 78.7 million, 17.6% higher than in the previous year. The previous year's EBIT was corrected from € 87.1 million to € 66.9 million due to the write-down of goodwill in the sugar segment (impairment in the result from special items). The financial result amounted to € -18.5 million in the business year 2020/21 (previous year: € -17.2 million). An improvement in net interest income (€ +0.4 million vs. previous year) was offset by a slightly weaker foreign exchange result (€ -0.3 million vs. previous year). Earnings before income taxes increased from € 49.7 million in the previous year to € 60.2 million. After a tax expense of € 5.2 million, corresponding to a tax rate of 8.7 % (previous year: 37.3%), consolidated net income amounted to € 55.0 million (previous year: € 31.2 million). Consolidated net income attributable to AGRANA's shareholders amounted to € 59.8 million (previous year: € 28.1 million), earnings per share (EPS) increased to € 0.96 (previous year: € 0.45).

At € 2,472.7 million, total assets as of February 28, 2021 were € 56.6 million lower than in the previous year.

The value of non-current assets decreased moderately (€ -73.9 million), mainly as a result of depreciation (investments significantly below the level of depreciation). Current assets increased slightly (€ +17.3 million); a slight reduction in inventories was offset by a slight increase in trade receivables.

AGRANA's equity ratio of 53.8% was 0.2 percentage points below the prior-year figure. On the liabilities side, non-current liabilities increased moderately (€ +32.1 million), mainly due to the increase in financial liabilities. Current liabilities decreased (€ -50.8 million) due to reduced current financial liabilities.

At € 443.5 million, net financial debt as of February 28, 2021 was € 20.5 million lower than at the 2019/20 balance sheet date. Consequently, gearing at the reporting date was 33.4% (February 29, 2020: 33.9%).

## **1.2 Payment modalities**

The remuneration was granted and paid in accordance with the Remuneration Policy for the members of the Management Board and those of the Supervisory Board of AGRANA adopted by the Annual General Meeting on July 3, 2020 ("Remuneration Policy").

In order to provide shareholders with a clear and comprehensible overview of the total remuneration of the Management Board members based on the requirements of § 78c of the Austrian Stock Corporation Act (AktG), the total remuneration of the Management Board members is presented in tabular form in Annex 1, and the total remuneration of the Supervisory Board members is presented in tabular form in Annex 2, based on the presentation format proposed in the AFRAC Opinion.

All monetary amounts in this remuneration report are rounded to the nearest € and stated as gross amounts (excluding employer contributions or other mandatory contributions).

## **2 Principles of the Remuneration Policy**

The principles applied in determining the remuneration of AGRANA's Management Board and Supervisory Board are set out in AGRANA's Remuneration Policy. The remuneration system implements the legal requirements of the Austrian Stock Corporation Act (§§ 78 et seq. of the AktG) and the recommendations of the Austrian Corporate Governance Code (ÖCGK). The primary objective of the Remuneration Policy is to promote long-term and sustainable corporate development. The Remuneration Policy was drawn up by the Supervisory Board of AGRANA under its sole responsibility for decisions on the Management Board and Supervisory Board remunerations in accordance with the Austrian Stock Corporation Act (AktG). This Remuneration Policy defines the principles applicable when determining the remuneration of the Management Board, the structure of the remuneration, and its components (fixed and variable elements). Furthermore, it defines any non-financial benefits that may be granted to Management Board members.

The currently valid Remuneration Policy was approved by AGRANA's Annual General Meeting on July 03, 2020 and will apply until the 37<sup>th</sup> Annual General Meeting in 2024, unless the Supervisory Board requests approval for a revised or amended Policy at an earlier date.

The Remuneration Policy provides a framework for the Supervisory Board and its Remuneration Committee in determining the board remuneration. With regard to the remuneration of the Supervisory Board members, every resolution adopted by the Annual General Meeting of the Company on a specific proposal is legally binding, as provided for in the Austrian Stock Corporation Act.

### **2.1 Principles of the Remuneration Policy for the Management Board members**

Pursuant to § 78c (1) 2 of the Austrian Stock Corporation Act (AktG), the remuneration report shall provide a comprehensive overview of the remuneration granted or owed to the current and former members of the Management Board in the course of the last business year under the Remuneration Policy (§ 78a AktG), including all benefits in any form. This presentation of the principles of the Remuneration Policy provides an overview of the individual remuneration components and their connection with the Company's objectives and long-term development, and is intended to promote understanding of the framework for the total remuneration.

Here the remuneration corresponds to the overall responsibility of the Management Board associated with the task, but differentiates with regard to the individual scope of activity and responsibility of the respective Management Board members.

The members of the Management Board receive fixed remuneration components that are not performance-related, and variable remuneration components.

The **fixed remuneration components** for the Management Board comprise a fixed annual remuneration; other remuneration components provided for in the contracts of the members of the Board of Management, as well as benefits in kind and fringe benefits, such as a company car, accident insurance and occupational disability insurance; and legal-expenses insurance. In addition, there is a D&O insurance policy for which the Company pays the premiums.

The fixed annual remuneration is divided into fourteen installments, to be disbursed at the end of each month. The fixed remuneration can be adjusted to inflation development and other changing circumstances.

The assessment base for the **variable remuneration** is the amount of the dividend distributed. To ensure that a long-term component is included, the average of the last three years is used to calculate the variable component. For each fixed amount of dividend distributed on average over the last three years, the variable remuneration component amounts to a certain percentage of the basic salary of the respective Management Board member in the past business year. Therefore, the relative portion of the variable remuneration may account for more than 50% of the annual remuneration package. The amount of the variable component is calculated at the end of that month of the following year in which the annual financial statements of the Company are approved. The variable remuneration is settled and disbursed either in full immediately thereafter or in December as a special payment amounting to one-seventh of the calculated performance-related remuneration. The remaining amount of the performance-related remuneration is disbursed in equal monthly installments as a regular payment. The Supervisory Board shall annually review the definition of the target figure. It reserves the right to adjust it differently for each Management Board member in the light of the respective strategic requirements and taking into account the special responsibilities of the respective Management Board member according to the allocation of duties. The Supervisory Board expressly reserves the right to deviate from the agreed target parameters in situations that do or may entail a material adverse change in the course of business, operations, assets or business prospects of the Company. In addition, other variable remuneration components provided for in the contracts of the members of the Board of Management must be taken into account.

In addition, retirement benefits, an occupational disability pension, and a pension for widows and orphans are granted as part of the **company pension plan**. For Management Board members initially appointed before January 01, 2010, a retirement benefit is deemed agreed which is calculated as a percentage of a contractually agreed assessment base and payable when the eligibility criteria for the retirement pension under the Austrian Social Security Act (ASVG) are met. The pension entitlement is reduced in case of retirement before entitlement to a retirement pension in accordance with the Austrian Social Security Act (ASVG). A defined-contribution pension commitment exists for the other Management Board members, which can be claimed after reaching the age of 55, provided that the employment relationship with the employer has been terminated. The Company has no early-retirement arrangements for the members of the Management Board.

In the event of termination of a Management Board function, members of the Management Board initially appointed prior to January 02, 2009, are contractually entitled to severance payments in accordance with the provisions of the Austrian Salaried Employees Act (*Angestelltengesetz*) less any severance payment claims under the Austrian Corporate Employee and Self-Employed Pension Act (BMSVG). The severance payment corresponds at most to the amount of remuneration for one year (including fixed salary and all variable remuneration components on an average basis). For the members of the Management Board initially appointed after December 31, 2007, the Company is obligated to pay 1.53% of the monthly gross remuneration of each Management Board member into a company employee pension fund in accordance with the provisions of the Austrian Corporate Employee and Self-Employed Pension Act (BMSVG). Upon termination or expiry of the contract, the Management Board members can demand payment of the accrued contributions (including investment income) from the pension fund.

Details on the structure of the fixed and variable remuneration components can be found in AGRANA's Remuneration Policy.

## **2.2 Principles of the Remuneration Policy for Supervisory Board Members**

Pursuant to § 98a in conjunction with § 78c (1) 2 of the Austrian Stock Corporation Act (AktG), the remuneration report shall provide a comprehensive overview of the remuneration granted or owed to current and former members of the Supervisory Board in the course of the last business year under the Remuneration Policy (§ 98a in conjunction with § 78a AktG), including all benefits in any form. AGRANA's Remuneration Policy is intended to ensure that the Supervisory Board members are remunerated for their activities in a manner consistent with their duties, their responsibilities, and the situation of the Company. Its purpose is to promote the sustainable implementation of AGRANA's business strategy and long-term development while at the same time ensuring the objectivity and independence of the supervisory body.

The remuneration consists of one total remuneration per year. The Supervisory Board can be authorized by the Annual General Meeting to allocate the total amount among the Supervisory Board members and to calculate the amount for each member individually, in particular according to function (e.g. Chair, Deputy Chair, membership in committees). Attendance fees may also be granted. There are no performance-related remuneration components provided.

Moreover, the Supervisory Board members are included into the D&O insurance policy taken out for the Management Board members of AGRANA.

Details on the structure of the fixed and variable remuneration components can be found in AGRANA's Remuneration Policy.

### **3 Report on the remuneration of the Management Board members in the business year 2020/21**

#### **3.1 General information**

In order to provide the shareholders with a clear and comprehensible overview of the total remuneration of the Management Board members based on the requirements of § 78c of the Austrian Stock Corporation Act (AktG), the total remuneration of the Management Board members is presented in tabular form in Annex 1, which is based on the presentation format proposed in the AFRAC Opinion.

This presentation of the total remuneration aims to provide the reader with a clear breakdown of the components and relative proportions of fixed and variable remuneration components for each individual Management Board member. The remuneration paid to Management Board members by affiliated companies is disclosed in Annex 1 by means of a report separate from the remaining components.

In the past business year 2020/21, which covered the period from March 1, 2020 to February 28, 2021, the members of AGRANA's Management Board were Dipl.-Ing. Johann Marihart (Chairman), Mag. Dipl.-Ing. Dr. Fritz Gattermayer, Mag. Stephan Büttner, Dipl.-Ing. Dr. Norbert Harringer, and Dkfm. Thomas Kölbl.

Based on the syndicate agreement between Südzucker AG, Mannheim|Germany, and Zucker-Beteiligungsgesellschaft m.b.H., Vienna, Dkfm. Thomas Kölbl does not receive any emoluments for exercising the board function.

The total remuneration of the Management Board members consists of a fixed and a variable (performance-related) component. The performance-related component of the salary is contractually linked to the amount of the dividend distributed over the last three years in order to take into account long-term and multi-year performance criteria.

#### **3.2 Total remuneration**

##### **3.2.1 Fixed remuneration components**

Taking into account the specifications of the remuneration policy, a basic salary of k€ 700 per year was disbursed for **Dipl.-Ing. Johann Marihart** in fourteen installments. In addition, the following benefits in kind and fringe benefits were disbursed to Dipl.-Ing. Johann Marihart:

- a) Premium for collective accident insurance: € 219.81 annually
- b) There is a D&O insurance policy (manager liability insurance), whose costs are borne by the Company.
- c) Company car: For the duration of the board mandate, the company provides the Management Board member with a company car and driver. The company car can be used privately as well. The value of the remuneration in kind provided for under the Income Tax Act amounts to k€ 11.52 per year. The carrying amount under company law (useful life 5 years) amounted to k€ 91.8 as of February 28, 2021. The non-monetary remuneration value for the parking lot is € 174.36 per year.

- d) Other benefits in kind (e.g., tickets, culture): € 724 in the business year 2020/21.
- e) AGRANA has taken out legal-expenses insurance to the usual extent for the benefit of the Management Board members.
- f) From his function as a member of the Supervisory Board of Freiburger Holding GmbH, Dipl.-Ing. Johann Marihart received k€ 16.

For **Mag. Stephan Büttner**, a basic salary of k€ 430 per year was disbursed in fourteen installments. In addition, the following benefits in kind and fringe benefits were disbursed to Mag. Stephan Büttner:

- a) Premium for collective accident insurance: € 219.81 annually
- b) There is a D&O insurance policy (manager liability insurance), whose costs are borne by the Company.
- c) Company car: For the duration of the board mandate, the company provides the Management Board member with a company car and driver. The company car can be used privately as well. The value of the remuneration in kind provided for under the Income Tax Act amounts to k€ 11.52 per year. The carrying amount under company law (useful life 5 years) was € 0 as of February 28, 2021. The non-monetary remuneration value for the parking lot is € 174.36 per year.
- d) AGRANA has taken out legal-expenses insurance to the usual extent for the benefit of the Management Board members.
- e) No remunerations from affiliated companies were disbursed to Mag. Stephan Büttner.

For **Mag. Dipl.-Ing. Dr. Fritz Gattermayer**, a basic salary of k€ 500 per year was disbursed in fourteen installments. In addition, the following benefits in kind and fringe benefits were disbursed to Mag. Dipl.-Ing. Dr. Fritz Gattermayer:

- a) Premium for collective accident insurance: € 219.81 annually
- b) There is a D&O insurance policy (manager liability insurance), whose costs are borne by the Company.
- c) Company car: For the duration of the board mandate, the company provides the Management Board member with a company car and driver. The company car can be used privately as well. The value of the remuneration in kind provided for under the Income Tax Act amounts to k€ 10.8 per year. The carrying amount under company law (useful life 5 years) amounted to k€ 71.3 as of February 28, 2021. The non-monetary remuneration value for the parking lot is € 174.36 per year.
- d) Other benefits in kind (e.g., tickets, culture): € 296 in the business year 2020/21.
- e) AGRANA has taken out legal-expenses insurance to the usual extent for the benefit of the Management Board members.
- f) No remunerations from affiliated companies were disbursed to Mag. Dipl.-Ing. Dr. Fritz Gattermayer.

For **Dipl.-Ing. Dr. Norbert Harringer**, a basic salary of k€ 300 per year was

disbursed in fourteen installments. In addition, the following benefits in kind and fringe benefits were disbursed to Dipl.-Ing. Dr. Norbert Harringer:

- a) Premium for collective accident insurance: € 219.81 annually
- b) There is a D&O insurance policy (manager liability insurance), whose costs are borne by the Company.
- c) Company car: For the duration of the board mandate, the company provides the Management Board member with a company car and driver. The company car can be used privately as well. The value of the remuneration in kind provided for under the Income Tax Act amounts to k€ 8.64 per year. The carrying amount under company law (useful life 5 years) amounted to k€ 39.2 as of February 28, 2021. The non-monetary remuneration value for the parking lot is € 174.36 per year.
- d) AGRANA has taken out legal-expenses insurance to the usual extent for the benefit of the Management Board members.
- e) No remunerations from affiliated companies were disbursed to Dipl.-Ing. Dr. Norbert Harringer. Dipl.-Ing. Dr. Norbert Harringer was appointed as a member of the Management Board of AGRANA Beteiligungs-AG with effect from 01 September 2019. Dr. Harringer exercises his function as managing director (organ mandate) at AGRANA Stärke GmbH in addition to his activities as a Management Board member of AGRANA Beteiligungs-AG. Dr. Harringer does not receive any compensation separate from his Management Board contract for his activities as a Managing Director of AGRANA Stärke GmbH. The remuneration according to the Management Board contract with AGRANA Beteiligungs-AG also fully compensates Dr. Harringer for his function and activities as a Managing Director of AGRANA Stärke GmbH. In this context, for the duration of the secondment to AGRANA Stärke GmbH, 33.3% of the remuneration agreed in the contracts of the members of the Board of Management with AGRANA Beteiligungs-AG (including premiums), plus the social security contributions and incidental wage costs charged thereon, are therefore billed retroactively once a month by AGRANA Beteiligungs-AG to AGRANA Stärke GmbH, plus the statutory value-added tax.

Based on the syndicate agreement between Südzucker AG, Mannheim|Germany, and Zucker-Beteiligungsgesellschaft m.b.H., Vienna, **Dkfm. Thomas Kölbl** does not receive any emoluments for exercising the board function.

### **3.2.2 Variable remuneration components**

The amount of the disbursed dividend is chosen as the assessment base. To ensure that a long-term component is included, the average of the last three years is used to calculate the variable component. For each fixed amount of dividend distributed on average over the last three years, the variable remuneration component amounts to a certain percentage of the basic salary of the respective Management Board member in the past business year.

The amount of the variable component is based on the amount of the dividend distributed by the Company on average over the last three years: For every € 500,000.00 of dividend distributed (averaged over the last three years), the bonus



amounts to 1% of the basic annual salary for the past business year. For Dipl.-Ing. Dr. Norbert Harringer, this bonus is capped at 100% of the base salary.

The amount of the variable component is calculated at the end of that month of the following year in which the annual financial statements of the Company are approved. The variable remuneration is settled and disbursed either in full immediately thereafter or in December as a special payment amounting to one-seventh of the calculated performance-related remuneration. The remaining amount of the performance-related remuneration is disbursed in equal monthly installments as a regular payment.

There is no long-term incentive program for members of the Management Board.

Disbursement amount of variable remuneration for the business year 2019/20 for **Dipl.-Ing. Johann Marihart** with payment in 2020: k€ 844.2. This amount includes an inventor bonus of € 40,000, which is granted for the transfer of patents from the field of biostabilizers.

Disbursement amount of variable remuneration for the business year 2019/20 for **Mag. Stephan Büttner** with payment in 2020: k€ 518.6.

Disbursement amount of variable remuneration for the business year 2019/20 for **Mag. Dipl.-Ing. Dr. Fritz Gattermayer** with payment in 2020: k€ 603.

Disbursement amount of variable remuneration for the business year 2019/20 for **Dipl.-Ing. Dr. Norbert Harringer** with payment in 2020: k€ 150 (total bonus for Management Board activities at AGRANA Beteiligungs-AG for 01 September 2019 – 29 February 2020, excl. consideration of 33.3% re-billing to AGRANA Stärke GmbH).

### **3.2.3 Relative proportion of fixed and variable remuneration components**

The relative proportions of fixed and variable remuneration components of each individual Management Board member within the meaning of § 78c (2) 1 of the Austrian Stock Corporation Act (AktG) are shown in Annex 1.

### **3.2.4 Pension arrangements**

For the Management Board, the company pension plan includes retirement benefits, an occupational disability pension, and a pension for widows and orphans. To the Management Board members Dipl.-Ing. Johann Marihart and Mag. Dipl.-Ing. Dr. Fritz Gattermayer, the following regulation applies: The retirement benefits become payable when the eligibility criteria for the retirement pension under the Austrian Social Security Act (ASVG) are fulfilled. The pension entitlement is reduced in case of retirement before entitlement to a retirement pension in accordance with the Austrian Social Security Act (ASVG). The pension amount is calculated from a percentage of a contractually defined assessment base. A defined-contribution pension commitment exists for Mag. Stephan Büttner and for Dipl.-Ing. Dr. Norbert Harringer, which can be claimed after reaching the age of 55, provided that the employment relationship with the employer has been terminated.

In the case of a defined-benefit commitment, this is referred to as a basic agreement, which defines the amount of the promised pension benefit. In the case of a defined-contribution agreement, the employer does not promise a specific benefit amount, but rather a contribution to be paid on a regular basis.

For the business year 2020/21, pension fund contributions in the amount of k€ 440 were advanced (previous year: k€ 383).

Pension contribution payments (k€):

	2020 21	2019 20
Büttner	100	100
Harringer	100	42
Gattermayer	240	241
<b>Total</b>	<b>440</b>	<b>383</b>

Additional payments (in k€):

	2020 21	2019 20
Grausam <sup>1</sup>	78	125
Marihart <sup>2</sup>	0	325
Gattermayer <sup>2</sup>	0	146
Grausam <sup>2</sup>	0	468
<b>Total</b>	<b>78</b>	<b>1.064</b>

<sup>1</sup> There was an additional payment for the Chief Financial Officer, Mag. Walter Grausam, who left the company as per December 31, 2014, to the amount of k€ 78 (previous year: k€ 125). This payment relates to the annual valorization of the pension with the collective agreement in the sugar industry on value retention.

<sup>2</sup> The additional payment to the pension fund in the amount of k€ 939 in the business year 2019/20 resulted from an underperformance of the Valida pension fund and concerns the Management Board members Marihart, Gattermayer and Grausam (defined-benefit system).

The pension obligations to the Management Board have been outsourced to an external pension fund.

### 3.2.5 Severance entitlements

In the event of the termination of a Management Board function, the members of the Management Board initially appointed prior to 2 January 2009 are contractually entitled to severance payments in accordance with the provisions of the Austrian Salaried Employees Act (*Angestelltengesetz*) less any severance payment claims under the Austrian Corporate Employee and Self-Employed Pension Act (BMSVG). In accordance with Austrian law, the severance payment entitlement under the Austrian Salaried Employees Act (*Angestelltengesetz*) is calculated based on total remuneration and length of service with the Company. Accordingly, the severance payment corresponds at most to the amount of remuneration for one year (including fixed salary and all variable remuneration components on an average basis).

For members of the Management Board initially appointed after December 31, 2007, in accordance with the provisions of the Corporate Employee and Self-Employed Pension Act (BMSVG) the Company is required by Austrian law to pay 1.53% of the

monthly gross remuneration of each Management Board member into a company employee pension fund. Upon termination or expiry of the contract, the Management Board members can demand payment of the accrued contributions (including investment income) from the pension fund.

### **3.2.6 Reimbursement of cash expenses and travel costs**

All members of the Management Board are entitled to reimbursement of business travel expenses. Other reasonable expenses incurred by the members of the Management Board in the performance of their duties shall be reimbursed upon presentation of the relevant receipts.

### **3.2.7 Vacation entitlement**

All Management Board members are entitled to 25 or 30 days of paid vacation per year in accordance with applicable Austrian law.

## **3.3 Consistency of the total remuneration with the Remuneration Policy**

According to the Remuneration Policy, the total remuneration of the members of the Management Board must be commensurate with the situation of the Company and with the remuneration customary in comparable companies.

For the situation of the company, see above under 1.1.

It follows from the above that the remuneration of AGRANA's Management Board is within an appropriate range, both in terms of the amount of the fixed remuneration components and in terms of the percentage of variable remuneration, and thus also in terms of the amount of total remuneration.

The system of variable remuneration provided for in the Remuneration Policy sets behavioral incentives for sustainable corporate development and promotes AGRANA's business strategy and long-term development. Appropriate incentives are provided for the members of AGRANA's Management Board in order to actively develop and pursue the AGRANA Group's strategy and thus ensure sustainable corporate development on a lasting basis.

Moreover, neither the extent of the variable remuneration components, nor the underlying key performance indicators, nor the specifically agreed individual targets encourage taking of disproportionate risks. Finally, the ratio of fixed and variable remuneration components ensures that the achievement of short-term, bonus-relevant targets does not take precedence.

## **3.4 Presentation of the development of total remuneration**

As recommended in the AFRAC Opinion, § 78c (2) 2 of the Austrian Stock Corporation Act (AktG) is applied with the proviso that only the average remuneration in the period since the business year after the new provisions of the Stock Corporation Amendment

Act 2019 came into force is included in the comparison. This is outlined in Annex 1.

### **3.5 Comparison to company performance and employee remuneration**

The remuneration and employment conditions of the Company's employees were adequately taken into account when determining the remuneration of the Management Board. As shown in the table below, there is no unreasonable imbalance in the wage structure.

Table (in k€)

	2020/21 vs. 2019/20	
	In %	In k€
Dipl.-Ing. Johann Marihart	-7.8%	-133.55
Mag. Stephan Büttner	-4.1%	-41.24
Mag. Dipl.-Ing. Dr. Fritz Gattermayer	-4.2%	-48.58
Dipl.-Ing. Dr. Norbert Harringer <sup>1</sup>	–	–
Average total remuneration of AGRANA employees per capita (AGRANA Beteiligungs-AG)	+9.2%	+5.15

<sup>1</sup> Dr. Harringer has been a member of the Management Board since September 01, 2019, therefore there is no comparability.

### **3.6 Information on share-based remuneration**

AGRANA's Management Board members were not offered or granted any shares within the meaning of § 78c (2) 4 of the Austrian Stock Corporation Act (AktG).

### **3.7 Reclaim of variable remuneration components**

No variable remuneration components were reclaimed in the past business year.

### **3.8 Deviations from the remuneration policy**

In the past business year, there were no deviations from the Remuneration Policy or from the procedure described therein for its implementation within the meaning of § 78c (2) 6 of the Austrian Stock Corporation Act (AktG).

## **4 Report on the remuneration of Supervisory Board members in the business year 2020/21**

### **4.1 General information**

In order to provide AGRANA's shareholders with a clear and comprehensible overview of the total remuneration of the Supervisory Board members based on the requirements of § 98a in conjunction with § 78c of the Austrian Stock Corporation Act (AktG), the total remuneration of the Supervisory Board members is presented in

tabular form in Annex 2, based on the presentation format proposed in the AFRAC Opinion.

In the past business year 2020/21, which covered the period from March 1, 2020 to February 28, 2021, the Supervisory Board of AGRANA consisted of twelve members, of which eight are shareholder representatives elected by the Annual General Meeting, and four are employee representatives delegated by the Works Council. The shareholder representatives were Mag. Erwin Hameseder (Chairman of the Supervisory Board), Dr. Wolfgang Heer (formerly 1<sup>st</sup> Deputy Chairman; resigned from function on March 04, 2020), Mag. Klaus Buchleitner, MBA (2<sup>nd</sup> Deputy Chairman), Dipl.-Ing. Helmut Friedl, Dr. Hans-Jörg Gebhard (1<sup>st</sup> Deputy Chairman since the departure of Dr. Heer), Dipl.-Ing. Ernst Karpfinger, Dr. Thomas Kirchberg and Dipl.-Ing. Josef Pröll. Dr. Wolfgang Heer announced his resignation as a member of the Supervisory Board in a letter dated March 04, 2020. Dr. Andrea Gritsch was elected to the Supervisory Board with effect from the end of the Annual General Meeting on July 03, 2020 until the end of the Annual General Meeting that resolves on the ratification of actions for the business year 2021/22.

The Supervisory Board members nominated by the employee representatives were Thomas Buder (Chairman of the Central Works Council), Andreas Klamlar, Gerhard Kottbauer and Dipl.-Ing. Stephan Savic.

The Remuneration Policy stipulates that no variable remuneration is granted to members of the Supervisory Board of the Company, but they receive an appropriate annual fixed remuneration. This is designed to be proportionate and in line with the market in relation to the situation, size and complexity of the Company. The amount remunerated to the individual Supervisory Board members is based on their functional position on the Supervisory Board. In addition, individual members of the Supervisory Board may be granted an appropriate attendance fee for attending meetings.

The amount of the annual Supervisory Board remuneration is decided by the Company's Annual General Meeting. The Supervisory Board members nominated by the employee representatives – Thomas Buder (Chairman of the Central Works Council), Andreas Klamlar, Gerhard Kottbauer and Dipl.-Ing. Stephan Savic – exercise their functions on an honorary basis in accordance with § 110 (3) of the Austrian Labor Constitution Act (ArbVG) and do not receive any Supervisory Board remuneration.

## **4.2 Total remuneration**

### **4.2.1 Fixed remuneration components**

In the business year 2020/21, the Supervisory Board remuneration for the shareholder representatives on the Supervisory Board who served in the business year 2019/20 (period from March 01, 2019 to February 29, 2020) was disbursed. These were Mag. Erwin Hameseder (Chairman of the Supervisory Board), Dr. Wolfgang Heer (formerly 1<sup>st</sup> Deputy Chairman; resigned from function on March 04, 2020), Mag. Klaus Buchleitner, MBA (2<sup>nd</sup> Deputy Chairman), Dipl.-Ing. Helmut Friedl, Dr. Hans-Jörg

Gebhard, Dipl.-Ing. Ernst Karpfinger, Dr. Thomas Kirchberg and Dipl.-Ing. Josef Pröll.

The Annual General Meeting on July 03, 2020 resolved annual remuneration for the Supervisory Board members in the amount of k€ 325 for the business year 2019/20 and entrusted the Supervisory Board with the distribution. No attendance fees were paid.

The Supervisory Board remunerations disbursed were allocated to the individual members as follows:

	<b>2020/21*</b>	<b>2019/20*</b>
Mag. Erwin Hameseder (Chairman of the Supervisory Board)	k€ 60	k€ 60
Dr. Wolfgang Heer (resigned from function on March 04, 2020) (1. Vice Chairman of the Supervisory Board)	k€ 45	k€ 45
Mag. Klaus Buchleitner, MBA (2. Vice Chairman of the Supervisory Board)	k€ 45	k€ 45
Dipl.-Ing. Helmut Friedl	k€ 35	k€ 35
Dr. Hans-Jörg Gebhard	k€ 35	k€ 35
Dipl.-Ing. Ernst Karpfinger	k€ 35	k€ 35
Dr. Thomas Kirchberg	k€ 35	k€ 35
Dipl.-Ing. Josef Pröll	k€ 35	k€ 35
Dr. jur. Andrea Gritsch (appointed Supervisory Board member as of July 3, 2020)	–	–

\*Remuneration in each case for the previous year

There is a D&O insurance policy for the Supervisory board, whose costs are borne by the Company.

#### **4.2.2 Variable remuneration components**

In accordance with the Remuneration Policy, no performance-related variable remuneration components were disbursed to Supervisory Board members.

Nor are there any long-term incentive programs for members of the Supervisory Board.

#### **4.3 Consistency of the total remuneration with the Remuneration Policy**

The total remuneration paid to the members of the Supervisory Board in the past business year was in line with the Remuneration Policy.

#### **4.4 Information on share-based remuneration**

No stock option program has been established at AGRANA, and no shares have been offered or granted to Supervisory Board members.

## **4.5 Other information and explanations**

### **4.5.1 Deviations from the remuneration policy**

In the business year, there were no deviations from the Remuneration Policy or from the procedure described therein for its implementation.

### **4.5.2 Reclaim of variable remuneration components**

No variable remuneration components were reclaimed in the past business year.

ANNEX 1 (in k€)	Business year 2020/21						Business year 2019/20					
	Marihart	Büttner	Gattermayer	Harringer	Kölbl <sup>1</sup>	Total	Marihart	Büttner	Gattermayer	Harringer <sup>2</sup>	Kölbl <sup>3</sup>	Total
<i>Fixed remuneration</i>												
Basic annual salary	700.00	430.00	500.00	300.00	-	<b>1,930.00</b>	700.00	430.00	500.00	142.89		<b>1,772.89</b>
Benefits in kind	12.42	11.70	11.27	8.82	-	<b>44.20</b>	12.60	11.70	11.90	4.41		<b>40.61</b>
<b>Subtotal</b>	<b>712.42</b>	<b>441.70</b>	<b>511.27</b>	<b>308.82</b>	-	<b>1,974.20</b>	<b>712.60</b>	<b>441.70</b>	<b>511.90</b>	<b>147.30</b>		<b>1,813.50</b>
<i>Variable remuneration</i>												
Premium for previous year	804.20	518.58	603.00	150.00	-	<b>2,075.78</b>	871.33	559.82	650.95	-		<b>2,082.10</b>
Inventor bonus	40.00					<b>40.00</b>	40.00					<b>40.00</b>
<b>Subtotal</b>	<b>844.20</b>	<b>518.58</b>	<b>603.00</b>	<b>150.00</b>	-	<b>2,115.78</b>	<b>911.33</b>	<b>559.82</b>	<b>650.95</b>	-		<b>2,122.10</b>
<i>Remuneration by affiliated companies</i>												
Management Board activities					801.46	<b>801.46</b>						
Supervisory Board activities	16.20				71.77	<b>87.97</b>	82.43					<b>82.43</b>
Activities as a Managing Director of AGRANA Stärke GmbH (20/21 subsequent settlement)				3.71		<b>3.71</b>				129.87		<b>129.87</b>
Premium for Managing Director activities				27.32		<b>27.32</b>				27.95		<b>27.95</b>
<i>Total remuneration</i>												
Fixed	712.42	441.70	511.27	308.82		<b>1,974.20</b>	712.60	441.70	511.90	147.30		<b>1,813.50</b>
Variable	844.20	518.58	603.00	150.00		<b>2,115.78</b>	911.33	559.82	650.95	-		<b>2,122.10</b>
Affiliated companies	16.20	-	-	31.03	873.23	<b>920.46</b>	82.43	-	-	157.82		<b>240.25</b>
<b>Total remuneration</b>	<b>1,572.82</b>	<b>960.28</b>	<b>1,114.27</b>	<b>489.84</b>	<b>873.23</b>	<b>5,010.44</b>	<b>1,706.36</b>	<b>1,001.52</b>	<b>1,162.85</b>	<b>305.12</b>		<b>4,175.85</b>
Relative proportion of fixed remuneration (basic salary)	45%	46%	46%	67%	-		42%	44%	44%	48%		
Relative proportion of variable remuneration	54%	54%	54%	33%	-		53%	56%	56%	0%		
Change in total remuneration absolute <sup>4</sup>	-133.55	-41.24	-48.58	-	-	<b>-74.45</b>						
Change in total remuneration in per cent <sup>4</sup>	-7.8%	-4.1%	-4.2%	-	-	<b>-5.8%</b>						
Average remuneration of AGRANA employees (AGRANA Beteiligungs-AG)						<b>61.12</b>						<b>55.97</b>
Change in average remuneration of AGRANA employees per capita (AGRANA Beteiligungs-AG) absolute						<b>5.15</b>						
Change in average remuneration of AGRANA employees per capita (AGRANA Beteiligungs-AG) in per cent						<b>9.2%</b>						
<b>Total remuneration Management Board members AGRANA Beteiligungs-AG<sup>1</sup></b>						<b>4,137.21</b>						<b>4,175.85</b>

<sup>1</sup> Based on the syndicate agreement between Südzucker AG, Mannheim|Germany, and Zucker-Beteiligungsgesellschaft m.b.H., Vienna, Dkfm. Thomas Kölbl does not receive any emoluments for exercising the board function.

<sup>2</sup> Appointment as a member of the Management Board on September 1, 2019

<sup>3</sup> In the business year 2019/20 the Südzucker General Meeting resolved not to disclose individualized remuneration.

<sup>4</sup> Without remuneration Dr. Norbert Harringer and Dkfm. Thomas Kölbl, as there is no comparability.



ANNEX 2 (k€)	2020/21 <sup>1</sup> financial year										2019/20 <sup>1</sup> financial year									
	Hameseder	Buchleitner	Heer	Friedl	Gebhard	Karpfinger	Kirchberg	Pröll	Gritsch	Total	Hameseder	Buchleitner	Heer <sup>2</sup>	Friedl	Gebhard	Karpfinger	Kirchberg <sup>2</sup>	Pröll	Total	
<i>Fixed remuneration</i>																				
Basic annual salary	60.00	45.00	45.00	35.00	35.00	35.00	35.00	35.00	-	325.00	60.00	45.00	45.00	35.00	35.00	35.00	35.00	35.00	35.00	325.00
Benefits in kind																				
<b>Subtotal</b>	<b>60.00</b>	<b>45.00</b>	<b>45.00</b>	<b>35.00</b>	<b>35.00</b>	<b>35.00</b>	<b>35.00</b>	<b>35.00</b>	<b>-</b>	<b>325.00</b>	<b>60.00</b>	<b>45.00</b>	<b>45.00</b>	<b>35.00</b>	<b>35.00</b>	<b>35.00</b>	<b>35.00</b>	<b>35.00</b>	<b>35.00</b>	<b>325.00</b>
<i>Variable remuneration</i>																				
Premium for previous year																				
<i>Remuneration by affiliated companies</i>																				
Supervisory Board activities	90.00			98.00	269.20		36.77				90.00			98.00	270.55					
Management Board activities							780.88													
<b>Subtotal</b>	<b>90.00</b>	<b>-</b>	<b>-</b>	<b>98.00</b>	<b>269.20</b>	<b>-</b>	<b>817.64</b>	<b>-</b>	<b>-</b>		<b>90.00</b>	<b>-</b>	<b>-</b>	<b>98.00</b>	<b>270.55</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<i>Total remuneration</i>																				
Fixed	60.00	45.00	45.00	35.00	35.00	35.00	35.00	35.00	-	325.00	60.00	45.00	45.00	35.00	35.00	35.00	35.00	35.00	35.00	325.00
Variable																				
Affiliated companies	90.00	-	-	98.00	269.20		817.64	-			90.00	-	-	98.00	270.55	-	-	-	-	
<b>Subtotal</b>	<b>150.00</b>	<b>45.00</b>	<b>45.00</b>	<b>133.00</b>	<b>304.20</b>	<b>35.00</b>	<b>852.64</b>	<b>35.00</b>	<b>-</b>	<b>1,599.84</b>	<b>150.00</b>	<b>45.00</b>	<b>45.00</b>	<b>133.00</b>	<b>305.55</b>	<b>35.00</b>	<b>35.00</b>	<b>35.00</b>	<b>35.00</b>	<b>783.55</b>
Relative proportion of fixed remuneration (basic salary)																				
Relative proportion of variable remuneration																				
Change in total remuneration absolute	-	-	-	-	-1.35	-		-	-											
Change in total remuneration in per cent <sup>3</sup>	0%	0%	0%	0%	0%	0%	0%	0%	0%											
Change in average remuneration of employees																				
<b>Total</b>										<b>1,599.84</b>										<b>783.55</b>

<sup>1</sup> Remuneration for previous year

<sup>2</sup> In the business year 2019/20 the Südzucker General Meeting resolved not to disclose individualized remuneration.

<sup>3</sup> Without regard to the remuneration from affiliated companies. See footnote<sup>2</sup>