

RATH AG
Remuneration Report
2021

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Remuneration Report 2021

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REPORT ON THE REMUNERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD 2021

PRINCIPLES OF THE REMUNERATION POLICY

The remuneration report of RATH Aktiengesellschaft ("RATH AG" or the "Company") unifies the remuneration of the Management Board and the Supervisory Board, taking into account the principles used to determine such remuneration.

The principles of the remuneration (the Remuneration Policy) of the members of the Management Board and the Supervisory Board of RATH AG were submitted to the Annual General Meeting on June 02, 2021, for voting and adopted. In the past business year 2021, there was no deviation from or adjustment to the group's remuneration policy.

MANAGEMENT BOARD REMUNERATION

OVERVIEW

The remuneration of the Management Board comprises fixed and variable/performance-related components and is structured as follows for the 2021 business year:

TITLE	NAME	FUNCTION	FIXED K€	VARIABLE K€	OTHER REMUNERATIONS K€	TOTAL 2021 K€
	Andreas Pfneiszl	Member of the Management Board	235	96	10	341
DI	Ingo Gruber	Member of the Management Board	235	93	10	338
						680

TITLE	NAME	FUNCTION	FIXED K€	VARIABLE K€	OTHER REMUNERATIONS K€	TOTAL 2020 K€
	Andreas Pfneiszl	Member of the Management Board	217	0	10	227
DI	Ingo Gruber	Member of the Management Board	217	0	10	227
						454

VARIABLE/PERFORMANCE-RELATED REMUNERATION COMPONENTS

At RATH AG, performance-related remunerations are not granted via stock options but are dependent on variable success criteria. Part of this is a predefined target achievement regarding the operating results and qualitative and quantitative goals.

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The amount of the variable remuneration is limited to 50 % of the basic salary. Any amount exceeding this is credited as variable remuneration to the subsequent years. If the consolidated result falls below a defined minimum amount, this gives rise to a penalty, which is also carried forward to subsequent years and leads to a reduction in future variable salary components.

The variable/performance-related remuneration was regulated as follows for 2021:

ANDREAS PFNEISZL

IN K€	PORTION	THEREOF PORTION	ACTUAL K€	GOAL K€	RANGE
Monetary targets:	85 %				
Sales-related		53 %	47	42	80 % to 120 %
Profit-related:					
EBITDA		47 %	39	38	80 % to 120 %
Individual goals:	15 %				
Product launch		100 %	10	14	
Overall target achievement	100 %		96	94	

DI INGO GRUBER

IN K€	PORTION	THEREOF PORTION	ACTUAL K€	GOAL K€	RANGE
Monetary targets:	70 %				
Sales-related		43 %	30	28	80 % to 120 %
Profit-related:					
EBITDA		57 %	39	38	80 % to 120 %
Individual goals:	30 %				
Production start of new product, facility concept		100 %	24	28	
Overall target achievement	100 %		93	94	

FIXED AND OTHER REMUNERATION COMPONENTS

The members of the Management Board were granted entitlements to pension benefits - life insurance. These are paid by RATH AG to the insurance company once a year. The amount of the pension entitlement is contractually fixed at € 10,000 per year and Management Board member and is not subject to indexation/increase in value. In the event of premature termination of the employment relationship, the contributions paid up to this point in time become vested for the Management Board.

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For Company cars, which can also be used privately by the members of the Management Board, k€ 7 was paid to Mr. Pfneiszl in the business year (previous year: k€ 10) and to Mr. Gruber k€ 12 (previous year: k€ 11) as remuneration in kind.

In case of termination of the function of the Management Board member, no claims or entitlements beyond the statutory requirements exist. No advances or loans were granted to members of the RATH AG Management Board.

RATH AG has taken out directors' and officers' liability insurance (D&O insurance) for the management, Supervisory Board, Management Board, managing directors and senior staff of the RATH Group. The policyholder is RATH AG, the costs are borne by the Company. The D&O insurance covers certain personal liability risks of the responsible persons of the RATH Group. The annual costs amount to k€ 12 (previous year: k€ 10).

REMUNERATION OF FORMER MEMBERS OF THE MANAGEMENT BOARD

The following pension payments were made to former members of the Management Board and the widow of a former member of the Management Board, respectively, in the business year:

TITLE	NAME	PAYMENTS 2021 k€	ACCRUAL OR PROVISION 31.12.2021 k€	PAYMENTS 2020 k€	ACCRUAL OR PROVISION 31.12.2020 k€
Dr.	Ernst Rath	113	1,346	113	1,435
Dkfm.	Paul Rath	22	0	86	571
	Widow of Dkfm. Paul Rath	39	765	0	0
		174	2,111	200	2,006

SUPERVISORY BOARD REMUNERATION

The Supervisory Board remuneration (including attendance fees) for the business year 2021, subject to the approval of the Annual General Meeting, amounts to a total of k€ 83 (previous year: k€ 87) and is distributed among the individual Members of the Supervisory Board as follows:

TITLE	NAME	REMUNERATION (INCL. ATTENDANCE FEES) k€
Mag.	Stefan Ehrlich-Adám (Chairman of the Supervisory Board)	20
CPA Mag.	Philipp Rath (Vice Chairman)	18
Mag.	Dieter Hermann	15
Dr.	Andreas Meier	15
Mag. Dr.	Ulla Reisch	15
		83


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The remunerations for Members of the Supervisory Board consist of fixed and attendance-dependent components. The fixed element consists of a total amount, and the second element of an attendance fee which is determined by a fixed amount per meeting that a member participates in.

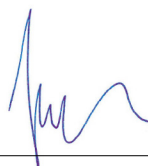
DESIGNATION	BASIC REMUNERATION €
Chairman	13,500
Deputy	11,250
Member	10,000
Supervisory Board meeting	650
Strategy Committee	650
Audit Committee	650
Remuneration Committee	650

At the 32nd Annual General Meeting, the remuneration report for the emoluments of the members of the Management Board and the Supervisory Board was unanimously approved and adopted with 1,101,134 votes cast, corresponding to 73.41 % of the total number of votes of the Company (1,500,000). The remuneration report of RATH AG for the business year 2021 has been prepared by the Management Board and the Supervisory Board and will be submitted to the 33rd Annual General Meeting in 2022 for voting.

The Management Board



Andreas Pfneiszl



DI Ingo Gruber

VIENNA, APRIL 27, 2022

