



Remuneration system for the members of the Executive Board (since 2015)

Basic features of the Executive Board remuneration system and appropriateness of the remuneration

The remuneration system of the Executive Board from 2015 is geared toward a long-term and sustainable, profitable development of Bilfinger. It is thus also intended to promote the business strategy. Executive Board remuneration first of all comprises a fixed annual salary and variable remuneration with two components, one single-year component and one multi-year component. In this context, the major portion of the granted variable remuneration components has a multi-year assessment basis and thus a long-term orientation. Executive Board members can participate in a sustainable increase in the value of Bilfinger and are incentivized in a way that allows them to focus on the long-term well-being of the Company. The one-year variable remuneration component is based not only on economic success factors but also on personal performance indicators, which also include non-financial aspects. Other elements of the remuneration system include fringe benefits and retirement benefits. There are also regulations for Executive Board members that are related to remuneration, in particular on termination of service, which are also described separately below.

At the same time, the current remuneration system shall ensure that remuneration appropriately relates to the tasks and performance of the Executive Board members and the position of the Company. Outstanding performance is more strongly rewarded; whereas shortfalls in performance lead to a noticeable reduction in remuneration. The appropriateness of the Executive Board remuneration is reviewed annually by the Presiding Committee and, on the basis of its recommendation, by the Supervisory Board.

For the appropriateness review and assessment of the customary nature of the specific total remuneration for the members of the Executive Board, the Presiding Committee and Supervisory Board in addition to the remuneration data of the companies from the SDAX will henceforth, in accordance with recommendation G.3 of the GCGC, also use remuneration data from a selected group of German and European companies (Peer Group), which the Supervisory Board has selected primarily according to the criteria of comparability by sector, number of employees or similar situation of the company (so-called turnaround companies), taking into account the availability of remuneration data. The Supervisory Board reviews the composition of this Peer Group annually. For the financial year 2021, the Peer Group is made up of Arcadis, Fraport, GEA Group, Heidelberger Druckmaschinen, MTU Aero Engines, Knorr-Bremse, Krones, Petrofac and Wood Group. At the same time, the Presiding Committee and the Supervisory Board take into account the ratio of the remuneration of the Executive Board members to the average

remuneration of management level 1 which, according to the Company's internal definition, includes employees at management levels 1 and 1a, as well as of the entire Bilfinger workforce in Germany in accordance with recommendation G.4 of the GCGC

Annual fixed salary

The annual fixed salary amounts to €600 thousand for ordinary members of the Executive Board, €650 thousand for Christina Johansson as Chief Financial Officer and €1,200 thousand for the Chairman of the Executive Board.

Variable remuneration

The variable remuneration shall consist of two components, a variable remuneration with a one-year assessment basis, the short term incentive (STI), and a variable remuneration with a multi-year assessment basis, the long term incentive (LTI). In addition, the granting of a special or recognition bonus is at the discretion of the Supervisory Board.

The STI is based on the achievement of the economic success targets adjusted EBITA and free cash flow. With an individual performance factor (IPF), which is also included, the Supervisory Board can take account of the individual performance of each member of the Executive Board as well as unforeseen events that have a material impact on the activities of the members of the Executive Board. The target value and the scope of the economic success targets with the upper and lower limit as well as the criteria for the IPF of the respective member of the Executive Board are determined at the beginning of the relevant financial year by the Supervisory Board. In line with recommendation G.7 of the GCGC, it is planned for the future that a determination will be made prior to the start of the relevant financial year.

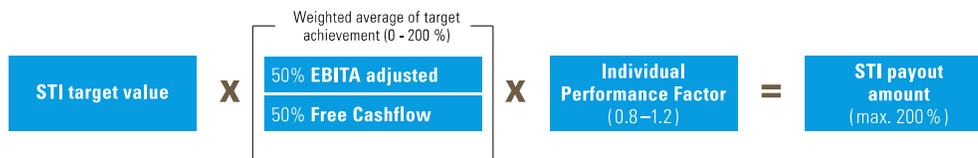
The annual initial value of the STI, corresponding to a 100 percent target achievement, amounts to €500 thousand for ordinary members of the Executive Board, €600 thousand for Christina Johansson as Chief Financial Officer and €1,000 thousand for the Chairman of the Executive Board. This figure changes depending on the achievement of the target values defined each year by the Supervisory Board for the development of adjusted EBITA and free cash flow of the Bilfinger Group. Achievement of these equally weighted targets only counts within a corridor between an absolute upper and lower limit. These limits are set by the Supervisory Board for each performance target together with the target value for the relevant financial year. Below the lower limit, the degree of target achievement is zero. With achievement of the lower limit, the degree of target achievement amounts to 50 percent. It increases on a linear basis up to the target of 100 percent and from there, also on a linear basis, up to the absolute upper limit to 200 percent ('cap').



The criteria used to assess the IPF of each member of the Executive Board include strategy implementation, leadership, innovation, market success factors, corporate culture and Environment, Social & Governance (ESG).

Disbursement of the STI is made following the conclusion of the relevant financial year if the targets are met and is calculated by multiplying the initial value with the arithmetic mean of the degree of achievement of the two economic success targets and the IPF determined for each member of the Executive Board for the relevant financial year (factor 0.8 to 1.2). The IPF is based on the evaluation of individual overall performance of the Executive Board member, oriented toward the defined criteria and unforeseen events in the financial year. In the case of the assumption or termination of an Executive Board mandate during the year, there is an entitlement to payment of the STI for this financial year pro rata temporis.

SHORT TERM INCENTIVE



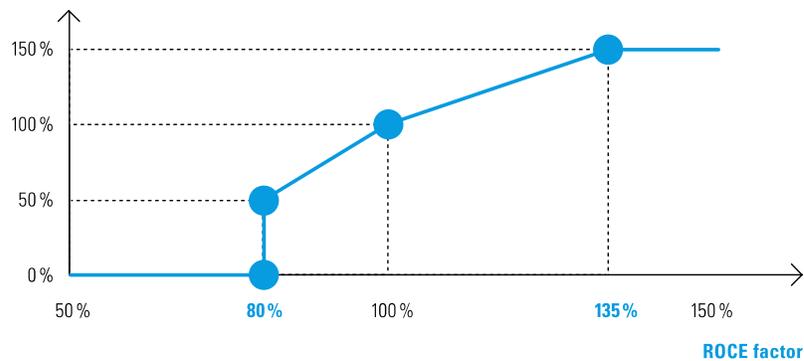
The LTI is designed to reward the sustainable long-term development of the Company. It includes the annual issue of virtual shares of Bilfinger SE, so-called performance share units (PSUs). Their number can change over the course of a three-year performance period depending on the degree of target achievement of the two success targets ROCE and development of the relative total shareholder return figure (TSR figure) of the Company shares pursuant to the regulations below.

The resulting number of PSUs corresponds to the number of real shares of Bilfinger SE, which the relevant Executive Board member can receive at the conclusion of the performance period.

At the beginning of each financial year, ordinary members of the Executive Board receive PSUs with a current market value of €630 thousand; Christina Johansson as Chief Financial Officer receives PSUs with a current market value of €700 thousand, and the Chairman of the Executive Board receives PSUs with a current market value of €1,400 thousand. In the case of the assumption or termination of an Executive Board mandate during the year, the number of PSUs allocated for this financial year is decreased pro rata temporis.

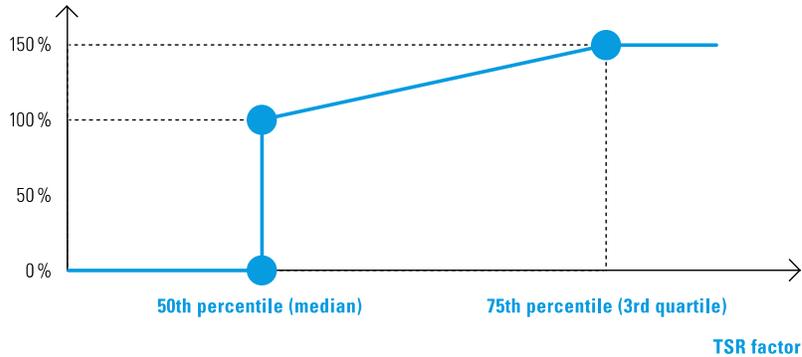
ROCE is determined as unadjusted ROCE after taxes. The ROCE target achievement level for the performance period is determined as the quotient of the average of the ROCE values actually achieved to the average value of the achievement of annual target values set by the Supervisory Board in the relevant years (ROCE factor). Only an ROCE factor within the corridor of 80 to 135 percent of the ROCE target value (minimum and maximum value), calculated as the arithmetic mean of the defined annual ROCE target values in the performance period, counts towards target achievement. The degree of target achievement is zero below the minimum value. If the minimum value of 80 percent of the goal is achieved, the degree of target achievement is 50 percent. It then increases on a linear basis up to the ROCE target value with a degree of target achievement of 100 percent and from there again on a linear basis up to a maximum value of 135 percent of the target value to a maximum degree of target achievement of 150 percent ('cap').

ROCE level of target achievement



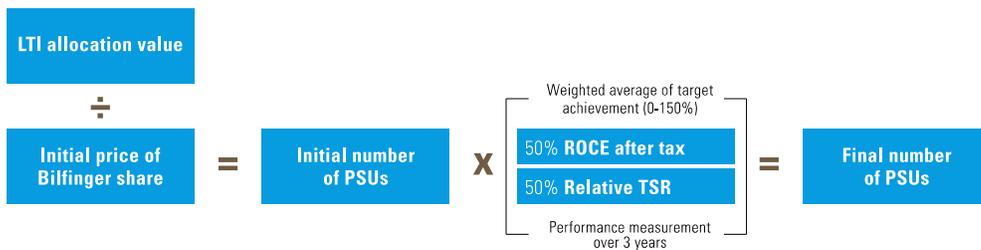
The second success factor for the LTI, the relative TSR value, is determined on the basis of a comparison of the TSR values of the shares of the companies listed on the MDAX during the whole performance period. If Bilfinger is positioned below the median in comparison to the other MDAX companies through the performance period, the target achievement amounts to zero percent. In case of the achievement of the median, the target achievement amounts to 100 percent. It then increases on a linear basis and can, in the case of a positioning at the 75th percentile or above, amount to a maximum of 150 percent.

TSR level of target achievement



The final number of PSUs is calculated by multiplying the initial number of PSUs with the arithmetic mean of the degree of target achievement for the two success targets. The final number is subject to a cap of a maximum 150 percent of the initial number of PSUs ('Number-Cap'). In addition, the Supervisory Board is authorized, in the case of extraordinary events or developments, especially in the case of extreme increases in the share price, to appropriately reduce the mathematical final number of PSUs. At the end of the performance period, members of the Executive Board receive a number of real Bilfinger shares corresponding to the final number of PSUs. The Company is authorized, however, to make a full or partial cash settlement in place of the delivery of Bilfinger shares, the amount of which is measured based on the current market price.

CALCULATION OF THE FINAL NUMBER OF PSUS



In addition to the STI and LTI, the Supervisory Board can, at its own discretion, grant a member of the Executive Board, on the basis of a previously concluded target-setting agreement, a special bonus or retroactively a recognition bonus for special achievement. Basically, there is no legal entitlement to such a bonus on the part of the member of the Executive Board except in the case of an explicit commitment from the Supervisory Board.

Own investment in Bilfinger shares

Members of the Executive Board are obliged to purchase Bilfinger shares, the purchase price of which equals one year's gross annual fixed salary, and to hold them for the period of their appointment to the Executive Board. The purchase is to be made within a time period of five years, whereby shares with a value of at least one-fifth of the total amount to be applied must be purchased in each financial year. Shares that are granted to a member of the Executive Board within the scope of the LTI at the end of the performance period are counted against this purchase obligation.

Fringe benefits

The Executive Board remuneration system provides for fringe benefits in the form of benefits in kind and allowances, for the most part consisting of allowances to insurance and the use of company cars, including a pool driver. Where relevant, the values to be accounted for in accordance with tax guidelines are taken as a basis.

Retirement benefits

Retired members of the Executive Board receive pension payments from the age of 62. In case of the death of a member of the Executive Board with pension entitlement and assuming further conditions are met, dependents are entitled to pension benefits in the form of widow and orphan pensions, insofar as other arrangements have not been made in individual cases. For new contracts since the third quarter of 2016, benefit entitlements for surviving dependents will exclusively take the form of capital payments to the extent this has been agreed. The current members of the Executive Board have not made any such relevant agreement. The entitlements described above have been transferred to an external institution in the form of a reinsured relief fund and are based on contributions made by the Company to the relief fund and contractually agreed with the members of the Executive Board in the amount of 45 percent of the fixed remuneration (50 percent in the case of Ms. Johansson). All future pension entitlements are fully funded so that there is no financial burden on the Company in the event of a claim. For all contracts, there is a right to select between payment of the retirement benefit as a capital payment or as a life-long pension. The benefits of the external institutions also cover the risk of occupational disability, insofar as other arrangements have not been made in individual cases. The pension arrangement of Ms. Johansson covers pension payments only. Mr. Hall has not concluded a pension arrangement, but instead receives the annual contribution paid out as salary in one amount.

Other arrangements for the members of the Executive Board

In the case of a change of control, i.e., if a shareholder in the Company reaches or exceeds a shareholding of 30 percent of the Company's voting rights and in addition, due to an allocation of responsibilities decided upon by the Supervisory Board, a significant change occurs in the Executive Board members' responsibilities, or if the Company enters into a domination agreement as the controlled company, the members of the Executive Board have a special right of termination for their contracts of service. In the case of termination of a contract of service due to a change of control, the members of the Executive Board receive severance compensation for the remaining periods of their contracts of service subject to a maximum of three years. Severance

compensation comprises the annual fixed salary as well as the variable remuneration, i.e. STI and LTI. The amount accounted for by STI is calculated based on the average variable remuneration from the last five full financial years, the amount accounted for by the LTI on the annual allocation value of the PSUs. In the event of a change of control, the severance payment is limited to 150 percent of the general severance payment cap of two years' compensation and to the remuneration for the remaining term of the contract of service.

In the case of the termination of the Executive Board member's service contract (with the exception of termination in the case of a change of control), the member of the Executive Board is subject to— under pain of a contractual penalty – a 24-month post-contractual prohibition of competition for which the Company shall pay compensation for each month of the prohibition in the amount of one-twelfth of 50 percent of the annual remuneration of the member of the Executive Board (annual fixed salary and variable remuneration). Other remuneration during this period is charged at 50 percent against the respective monthly compensation; a pension of the member of the Executive Board at 100 percent. The Company can waive the post-contractual prohibition of competition at any time, but only with a six-month period of notice for the continued payment of the compensation (except in the case of a valid extraordinary termination by the Company).

* * *