

**Declaration by the Executive Board and the Supervisory Board of Bilfinger SE
to the recommendations of the
"Government Commission on the German Corporate Governance Code"
pursuant to section 161 of the German Stock Corporation Act (*Aktiengesetz*)**

Updating the Declaration of Compliance of April 14, 2021, the following is declared: Bilfinger SE has complied with all recommendations of the German Corporate Governance Code in the version of December 16, 2019, ("**GCGC**") since the last Declaration of Compliance was issued on April 14, 2021, and will continue to comply with all recommendations of the GCGC, with the following exceptions within the timeframe specified in each case:

- Recommendation B.3, according to which the initial appointment of Executive Board members should be for a maximum of three years, was not followed in one individual case: On November 9, 2021, the Supervisory Board of Bilfinger SE appointed Dr. Thomas Schulz as member and Chairman of the Executive Board of Bilfinger SE as of March 1, 2022, for a term of five years. The Executive Board member service agreement of Dr. Schulz also has a term of five years. In the opinion of the Supervisory Board, the five-year term of the appointment and the service agreement was necessary in order to be able to attract Dr. Schulz to the position and activity at Bilfinger and to ensure the stability necessary for the future at Bilfinger in the current phase. The Supervisory Board intends to again comply with recommendation B.3 for future initial appointments of Executive Board members.
- Recommendation G.6 was not and will not be followed insofar as it relates to the long-term variable remuneration component (long-term incentive, LTI) being formally based on a long-term-oriented target. The LTI under the revised Executive Board remuneration system as resolved by the Supervisory Board of Bilfinger SE on February 9, 2021, and approved by the Annual General Meeting of Bilfinger SE on April 15, 2021, (the "**New Remuneration System**") is designed as a performance share plan with a one-year performance period under which the target achievement of the relevant performance target ROCE is determined after one year. According to the determined target achievement, the members of the Executive Board receive a value-equivalent number of Bilfinger shares signed over or the corresponding cash amount paid out with the obligation to purchase Bilfinger shares. These shares must then be held for three years. The LTI thus has an overall term of four years and a corresponding long-term orientation, but the performance target is formally only one year. By combining a one-

year performance target with an obligation to hold shares for several years, this structure ensures a transparent incentive effect for the Executive Board members, which is oriented towards the long-term welfare of the Company and the interests of the shareholders. In the opinion of the Supervisory Board, this structure in particular – also taking into account the situation of the Company and the market as a whole – is in the interest of the Company and supports the implementation of the growth strategy.

- Furthermore, Recommendation G.7 sentence 1 was not and will not be followed with respect to the linking of remuneration components to specific targets in advance regarding the possibility of special payments at the reasonable discretion of the Supervisory Board. This allows the Supervisory Board, in exceptional cases, to make such a payment in recognition and as a further incentive in the event of outstanding, extraordinary successes or individual achievements by a member of the Executive Board that are significantly beneficial to the Company and bring the Company future-related benefits. In this context, a corresponding special payment is subject to a strict obligation to justify it and is limited in that, as part of the total remuneration, it is subject to the appropriateness requirement and the maximum remuneration cap.
- Recommendation G.7 sentence 1 on the determination of the performance criteria for all variable remuneration components prior to the beginning of the financial year was not followed with regard to the short-term operational and strategic objectives of the short-term incentive (STI) to be determined as well as the target of the LTI for the financial year or the tranche 2021, as the case may be. The New Remuneration System, which sets out the new STI and LTI and whose validity for the Executive Board members was to be agreed retroactively as of 1 January 2021, was not resolved by the Supervisory Board until the meeting on 9 February 2021 and the corresponding targets were set at the same time. A timely determination of the performance criteria for all variable remuneration components under the previously applicable old remuneration system was not possible due to the budgeting process for 2021, which was hampered and delayed by the Corona pandemic, and the corresponding accompanying circumstances. The determination of the performance criteria for all variable remuneration components for the 2022 financial year was already carried out in the 2021 financial year in accordance with the recommendation. The Supervisory Board intends to comply with the recommendation in G.7 sentence 1 also in the future.
- Furthermore, recommendation G.12 was not followed to the effect that, upon termination of an Executive Board member service agreement, the payment of outstanding variable remuneration components attributable to the period up to the termination of the agreement is made in accordance with the originally agreed targets and comparison parameters as well as in accordance with the due dates specified in the agreement. By way of exception, it was agreed with regard to the short-term variable remuneration 2021 of the departing Chairman of the Executive Board that this would be paid

out in the amount of the pro-rata target value ahead of schedule at the regular termination date of the service agreement. This arrangement formed part of the overall agreement in connection with the mutually agreed departure of the Chairman of the Executive Board. The payment was made accordingly ahead of schedule. The Supervisory Board intends to fully follow the recommendation in G.12 again in the future.

- Furthermore, recommendation G.13 sentence 1 regarding the severance payment cap is not followed insofar as this limitation also relates to severance payments on the occasion of a premature termination of an Executive Board member service agreement in the event of a change of control. For the Executive Board members Christina Johansson and Duncan Hall, in such a case the provision recommended until the entry into force of this version of the GCGC continues to provide that a severance payment compensates the remaining term of the service agreement up to a maximum of three years' remuneration (i.e. annual base salary, STI and LTI). In the interest of the Company and in line with the New Remuneration System, the Supervisory Board has decided to continue this severance payment provision to this extent as an exception. In view of the fact that, due to the limited term of the extended service agreements of the incumbent Executive Board members Christina Johansson and Duncan Hall, there is only a slight risk that the severance payment cap under recommendation G.13 sentence 1 will be exceeded, the Supervisory Board has deemed it expedient to grant the two incumbent Executive Board members protection of the status quo for their previous arrangements. For newly appointed Executive Board members, on the other hand, the New Remuneration System provides that no severance payment is granted in the event of premature termination due to a change of control, so that the present deviation is only a temporary exception. Accordingly, no severance payment has been provided for the newly appointed Chairman of the Executive Board Dr. Schulz as of March 1, 2022, in the event of a change of control.

Mannheim, December 15, 2021

For the Supervisory Board



- Dr. Eckhard Cordes -

For the Executive Board



- Christina Johansson -