

Remuneration of the Members of the Board

The purpose of this report is to present a detailed explanation of the information mentioned in the Article L. 225-37-3 I of the French commercial code concerning the remuneration due or awarded to the corporate officers for the 2019 financial year. This information will be subject to a resolution that will be proposed to the approval of the shareholders on March 24th, 2020.

In accordance with Article L225-37-2 of the French Commercial Code, the corporate officers' compensation policy, as described herein, will also be subject to a resolution to be proposed to the approval of the shareholders on March 24th, 2020.

Information about the Remuneration of the Directors who are members of the Executive Board of the major shareholder

The Executive Director, Joachim Kreuzburg, is at the same time Chairman of the Executive Board and René Fáber is member of the Executive Board of the major shareholder of Sartorius Stedim Biotech S.A. Both receive their fixed and variable remuneration from the major shareholder Sartorius AG. A portion of this remuneration is charged to Sartorius Stedim Biotech S.A., reflecting their roles as Executive Director and Director of the Company. A portion of both total remunerations is charged to the SSB Group for their management services based on their proportional work for Sartorius Stedim Biotech (please refer also to section "Related Parties" of the "Financial Statements and Notes"). This allocation key is applied to all components of their remuneration.

Remuneration of the Director who are chairman or member of the Executive Board of the major shareholder Sartorius AG (Joachim Kreuzburg, René Fáber)

General and Fixed Remuneration

The total amount of the remuneration of the chairman of the Executive Board of Sartorius AG, as well as for other members of this Executive Board, reflects the scope of the responsibilities of the member concerned, the member's personal performance, the company's economic situation and sustainable progress. In addition, this amount is benchmarked with those at peer companies and with the vertical remuneration structure within the company as well as at peer companies. Remuneration is comprised of both fixed

non-performance-based components and of variable performance-based components, and is reviewed regularly to ensure that it remains appropriate. The variable performance-based remuneration components consist of those to be paid annually and of multi-year components intended to have a long-term incentive. Fixed non-performance-based remuneration is paid in the year in which it is granted. For 100% target achievement, the variable annual and long-term performance-based components generally represent at least half of total remuneration, which excludes pension commitments under a defined benefit plan as well as fringe benefits. The targets set for the performance-based remuneration refer to financial key figures of the Sartorius Group in which the Sartorius Stedim Biotech Group is fully consolidated. Specifically, Sartorius Stedim Biotech represents approx. 80% of the business and assets of the Sartorius Group. Therefore, the development of Sartorius Stedim Biotech has a significant influence on the financial results of the Sartorius Group and thus on the variable remuneration of Sartorius AG's Executive Board members. However, all components of the remuneration described below refer to parameters and financial key figures of the Sartorius Group in total.

Variable Remuneration

The variable portion of this remuneration contains components that are paid annually (subordinate targets measured against sales revenue | order intake, underlying EBITDA and ratio of net debt to EBITDA) and components determined by multi-year assessment (measured against (i) consolidated net profit and (ii) the phantom stock plan).

The components to be annually paid and the elements determined by multi-year assessment each make up one half of the target achievement that is possible. A cap is provided for all variable components to be paid.

Of the total that can be awarded for 100% target achievement, the subordinate targets of the components to be annually paid are weighted within the components that are settled annually for the chairman of the Executive Board (Joachim Kreuzburg) as follows:

- sales revenue | order intake Group 30%;
- underlying EBITDA Group 40%;
- ratio of net debt to underlying EBITDA Group 30%.

Of the total that can be awarded for 100% target achievement, the subordinate targets of the components to be annually paid are weighted within the components that are settled annually for the member of the Executive Board responsible for the Bioprocess Solutions division (René Fáber) as follows:

- sales revenue | order intake Group 9%;
- underlying EBITDA Group 12%;
- ratio of net debt to underlying EBITDA Group 9%;
- sales revenue | order intake BPS division 30%;
- underlying EBITDA BPS division 40%;

The subordinate targets constituted by (i) consolidated net profit and (ii) the phantom stock plan as components determined by multi-year assessment are each weighted within the components with long-term incentive effect at 50%.

a) Annually paid variable remuneration

The portion of the variable remuneration that is to be paid annually depends on the degree to which the target is achieved, which the Supervisory Board of Sartorius AG defines by setting each individual subordinate target. Thus, target achievement is subdivided into the previously mentioned three subordinate targets, which are each separately paid.

Sales Revenue | Order Intake

If the degree of target achievement is below 90%, no remuneration is paid. If 90% is achieved, 50% of the sum awarded is paid out. Thereafter, payment increases linearly up to a target achievement of 104%, at which a maximum of 120% of the sum awarded is paid out. The degree of payment of 120% constitutes the cap for this subordinate target at the same time.

Underlying EBITDA

If the degree of target achievement is below 70%, no remuneration is paid. If 70% is achieved, 70% of the sum awarded is paid out. Thereafter, payment increases linearly up to a target achievement of 120%, at which a maximum of 120% of the sum awarded is paid out. The degree of payment of 120% constitutes the cap for this subordinate target at the same time.

Ratio of Net Debt to underlying EBITDA

No remuneration is paid if the ratio of net debt to underlying EBITDA achieved is below the lower limit defined. If this defined value is achieved, 50% of the sum awarded is paid out. Thereafter, payment increases linearly up to a target achievement of 120%, at which a maximum of 120% of the sum awarded is paid out. The degree of payment of 120% constitutes the cap for this subordinate target at the same time.

b) Variable remuneration with multi-year components

On the one hand, components determined by multi-year assessment depend on the degree to which the target is achieved, which the Supervisory Board of Sartorius AG defines by setting the subordinate target constituted by consolidated net profit. On the other hand, these multi-year components depend on the value of the monetary sum ascribed to the Executive Board member at the beginning of each year.

Consolidated Net Profit

For this subordinate target, the basis for assessment is the consolidated net profit after non-controlling interest excluding amortization (amortization of the value of intangible assets, such as customer databases or patents, which results from purchase price allocation within the scope of business combinations pursuant to IFRS 3). Target achievement for assessing annual variable remuneration is based on the average taken over a period of three fiscal years, beginning with the present fiscal year.

To smooth the amounts to be paid out, a partial payment amounting to 50% of the target achievement for a fiscal year will be effected. Any overpayments as a result of these partial payments will be offset in the following year against other remuneration components (fixed or variable). No partial payment will be made in the year prior to an Executive Board member's resignation. Full account is thus taken of any negative results, and the effects thereof continue to have an impact on the remuneration of the Executive Board member concerned even after he or she has left the company. If a defined minimum value is attained, payment of the awarded sum will increase linearly from 0% to a maximum of 120% of the subordinate target achievement value defined by the Supervisory Board. The degree of payment of 120% constitutes the cap for this subordinate target at the same time.

Phantom Stock Plan

Through the issue of shadow shares, called phantom stocks, the Executive Board members are treated as if they were owners of a certain number of shares in Sartorius AG, without, however, being entitled to receive dividends. The development of the value of these phantom stocks are linked with the development of the Sartorius share; both increases and decreases in the share price are taken into account. Later, this phantom stock is valued based on the share price at the time and its equivalent is paid out, provided that the associated conditions are met. Phantom stocks cannot be traded and does not entail any share subscription rights.

According to the Sartorius phantom stock plan, each Executive Board member is credited at the beginning of every year with phantom stock units valued at an agreed monetary sum. The value of these phantom stocks can be paid out only as an entire annual tranche. Payment can be requested, at the earliest, after a period of four years and no later than after eight years.

An Executive Board member is entitled to receive payment for phantom stock units only if the share price at the time of the payment request has appreciated at least 7.5% per year relative to the time the phantom stock was assigned or if the share price outperformed the TecDAX® as a comparative index. The phantom stock plan rules out subsequent changes to the parameters used for comparative stock valuation.

The amount to be paid is capped at a maximum of 2.5 times the share price at the time the phantom stocks were assigned, based in each case on the actual annual tranche concerned.

Assignment of this phantom stock and payment of its monetary equivalent depend on the mean value calculated from the average prices of the preference share in the closing auction of Xetra trading on the Frankfurt Stock Exchange over the last 20 days of trading of the previous year or over the last 20 days of trading prior to submission of the payment request. This serves to compensate for any short-term fluctuations in the share price.

Payment for phantom stocks is blocked for the four weeks preceding the scheduled publication date of quarterly and preliminary year-end results and for 20 days of trading on the stock exchange following the actual publication of quarterly and preliminary year-end results. These blackout periods are intended to prevent Executive Board members from profiting from potential insider knowledge.

Pension Commitments

According to the company's remuneration policy, Executive Board members of Sartorius AG receive performance-related benefit commitments under a defined benefit plan when reappointed for the first time. In addition to including a basic pension, these commitments provide for the Executive Board member to make his own contribution from his variable earnings and for the company to match this contribution by a bonus amount. An Executive Board member may choose to receive such defined benefits in the form of a monthly retirement pension for old age or as a one-time payment to cover the member's retirement pension for old age and invalidity as well as in the form of survivor's benefits for the surviving spouse and children of the decedent.

Beyond such commitments, Joachim Kreuzburg is additionally entitled under a former company pension scheme to receive performance-based retirement benefits based on the salary of a German federal civil servant classified as grade 10 of salary class B for ministry officials according to the Federal Civil Service Remuneration Act [Bundesbesoldungsgesetz]. Such benefits are paid in the form of a retirement pension for old age and invalidity as well as in the form of survivors' benefits for the surviving spouse and children of the decedent.

After a member has turned 65, this shall be considered the regular age limit at which this member shall automatically be entitled to receive all such benefits.

Other Remuneration Components

The remuneration system provides that the Supervisory Board of Sartorius AG at its discretion may grant an Executive Board member special compensation based on that member's exceptional performance.

Severance Caps

The service contracts include a severance pay cap of a maximum of two annual salaries to cover cases in which Sartorius AG Executive Board membership is terminated prematurely. Potential amounts have to be paid by Sartorius AG.

Non-competition Clause

All Executive Board members of Sartorius AG have a post-contractual non-competition obligation, which is in accordance with German law. This obligation will last

for two years after an Executive Board member has left the Group. During this time, if the non-competition clause is not waived or terminated, this Executive Board member may claim half of his most recent annual remuneration received from the company. Other income of the Executive Board member during this two year period is deducted from this payment. It should be noted that this payment is paid by Sartorius AG. However, an allocation of this payment would be recharged by Sartorius AG to Sartorius Stedim Biotech S.A. at the date of its payment.

Fringe Benefits

The members of the Executive Board of Sartorius AG are each entitled to use a company car, reclaim expenses incurred on business travel and to be covered by accident insurance and D&O insurance as fringe benefits in addition to receiving the remuneration components mentioned. The D&O insurance provides for the application of a deductible or excess in the amount required by law.

Share-based Payment

The remuneration policy for Executive Board members of Sartorius AG does not provide for the transfer of Sartorius AG shares as compensation for members. An exception to this was made in December 2014 and December 2019 for Joachim Kreuzburg in connection with his third and fourth appointment as a member of the Executive Board and its Chairmann and CEO.

Consequently he holds now 100,000 shares of each class of shares out of his third appointment. The shares transferred are subject to a holding period that ended on November 10, 2019. The amount resulting since December 16, 2014, for the shares granted are to be spread as an employee benefits expense over the full vesting period and recognized as such in profit or loss. In fiscal 2019, an amount of €212 K (2018: €202 K) was accordingly recognized in the accounts of Sartorius Stedim Biotech.

The fourth term of Dr. Kreuzburg as a member and Chairman, as well as CEO, of the Executive Board of the company will expire on November 10, 2020. By resolution passed by the Supervisory Board on December 5, 2019, Dr. Kreuzburg was reappointed as a member and Chairman, as well as CEO, of the Executive Board of the company for the term from November 11, 2020, to November 10, 2025. Due to Dr. Kreuzburg's special achievements in developing the Sartorius Group since the start of his tenure on the Executive Board on November 11, 2002, the company

wished to continue this successful collaboration with him. The new remuneration agreement therefore provides that 13,785 ordinary shares and 13,785 preference shares shall be transferred as a supplementary compensation component to Dr. Kreuzburg. This share-based payment is subject to the rules of IFRS 2 and is deemed to have been granted upon the resolution approved by the Supervisory Board on December 5, 2019. The following basic structure has been agreed upon: The transfer of the shares granted shall be effected at the time to be determined by Dr. Kreuzburg, but no earlier than on November 11, 2020. The shares granted shall be subject to a holding period that will end on November 10, 2024. Should Dr. Kreuzburg leave the company prior to November 11, 2022, at his own request, his entitlements to be granted said shares by transfer shall lapse in their entirety. If Dr. Kreuzburg leaves the company after November 11, 2022, and before November 11, 2024, at his own request, half of his entitlements to be granted said shares shall lapse. Shares already transferred and for which his entitlements have lapsed shall be returned to the company. This remuneration component is to be included in his total remuneration at fair value as of the grant date of these shares. This respective fair value is to be derived from the number of shares granted and the price of each class of share on the grant date and amounts to €5,000 K. Considering the conditions agreed, the amount resulting as of December 5, 2019, is to be spread as an employee benefits expense over the full vesting period of the plan and recognized as such in profit or loss. In fiscal 2019, an amount of €94 K was accordingly recognized as an employee benefits expense resulting from the grant of shares.

Pension Commitments

in T€	Expected pension p. a.	Present value of obligation		Service cost (IFRS)	
		31.12.2019	31.12.2018	2019	2018
Dr. Joachim Kreuzburg	252	4,416	3,385	270	257
	252	4,416	3,385	270	257

Information about the Remuneration of the Non-Executive Directors

The remuneration for non-executive board members is defined in the Board of Directors internal rules of Sartorius Stedim Biotech S.A. and comprises fixed remuneration, meeting Directors' fees and reimbursement of out-of-pocket expenses. Members also serving as a member of a committee of the Board receive higher fixed remuneration.

Tables Summarizing the Remuneration and Options and Shares Granted to Each Executive Board Member

Joachim Kreuzburg
(Chairman of the Board and Chief Executive Officer)

€ in K	Year 2019	Year 2018
Remuneration due	2,735	2,522
Valuation of options granted during the reporting period	0	0
Valuation of the performance of shares granted in previous years	0	0
Total	2,735	2,522

The amount cross-charged by the company Sartorius AG to the Sartorius Stedim Biotech Group concerning Joachim Kreuzburg is €1.166 K (2018: €1.348 K), the amount charged to Sartorius Stedim Biotech S.A. is submitted to the vote of the Annual Shareholders' Meeting in accordance with the AFEP-MEDEF code and amounted to €583 K (2018: €674 K).

Summary of the Remuneration for Each Executive Board Member

Joachim Kreuzburg¹⁾

(Chairman of the Board and Chief Executive Officer)

€ in K	Year 2019		Year 2018	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration	888	888	863	863
Variable remuneration				
Annually paid	495	455	455	363
Long-term incentive	1,337	643	1,189	588
Exceptional remuneration				
Director's fees				
Benefits in kind ²⁾	15	15	15	15
Total	2,735	2,001	2,522	1,829

¹⁾ Joachim Kreuzburg receives his salary from Sartorius AG for his duties performed for the entire Sartorius Group. His remuneration is determined annually by the Supervisory Board of Sartorius AG.

²⁾ Company Car

Table on Directors' Meeting Fees and Other Remuneration Received by Non-executive Board Members

€ in K	Year 2019	Year 2018
Liliane de Lassus		
Director's fees	13.7	47.4
Other remuneration		
Bernard Lemaître		
Director's fees	13.7	47.4
Other remuneration		
Pascale Boissel		
Director's fees	37.3	0.0
Other remuneration		
Henri Riey		
Director's fees	46.4	50.2
Other remuneration		
Susan Dexter		
Director's fees	37.7	36.2
Other remuneration		
Anne-Marie Graffin		
Director's fees	45.5	36.2
Other remuneration		
Lothar Kappich		
Director's fees	55.0	51.4
Other remuneration		
René Fáber¹⁾		
Director's fees	0.0	0.0
Other remuneration		
Total	249.3	268.8

¹⁾ René Fáber receives his salary from Sartorius AG for his duties performed for the entire Sartorius Group. His remuneration is determined annually by the Supervisory Board of Sartorius AG.

Performance Shares Available for Each Board Member

Performance shares available for each corporate officer

Performance shares available for each corporate officer ¹⁾	Date of the plan	Number of shares available during the reporting period	Acquisition conditions
Joachim Kreuzburg		Not applicable	
René Fáber		Not applicable	
Liliane de Lassus		Not applicable	
Bernard Lemaître		Not applicable	
Lothar Kappich		Not applicable	
Henri Riey		Not applicable	
Susan Dexter		Not applicable	
Anne-Marie Graffin		Not applicable	
Total			

¹⁾ The performance shares are bonus shares allocated to the Board members within the framework of the L225-197-1 articles and following of the commercial law, and which are subjected to additional requirements laid down by the recommendations AFEP/MEDEF of October 2008.

The performance shares are bonuses allocated pursuant to the provisions of Articles L225-197-1 and the following of French commercial law and according to the recommendations of the AFEP/MEDEF Code.

Performance Shares Granted to Board Members

There is no performance share program in place for the board members of Sartorius Stedim Biotech S.A.

The information provided in the table below refers to the phantom stock plan of Sartorius AG. This plan only relates to Joachim Kreuzburg who is Chairman of the Executive Board of Sartorius AG.

Performance shares granted by the AGM during the reporting period to any corporate officer by the issuer or any other company of the Group	Date of the plan	Number of shares granted during the year	Valuation of the shares according to the consolidated accounts methodology	Date of acquisition	Date of availability	Performance conditions
Joachim Kreuzburg		1,950	335	Jan. 1, 2019	Jan. 1, 2023	
René Fáber		934	160	Jan. 1, 2019	Jan. 1, 2023	
Liliane de Lassus						
Bernard Lemaître						
Lothar Kappich						
Henri Riey						
Susan Dexter						
Anne-Marie Graffin						
Total		2,884	495			

	2019 € in K	2018 € in K
Total	1,026	743
Phantom Stocks	495	239
Sartorius AG shares granted	531	504
Dr. Joachim Kreuzburg	866	743
Phantom Stocks	335	239
Sartorius AG shares granted	531	504
Dr. René Fáber	160	0
Phantom Stocks	160	0

	Number of phantom stock units	Subscription price in €	Fair value when granted on Jan. 1 of the particular year € in K	Fair value at year-end on Dec. 31, 2018 € in K	Fair value at year-end on Dec. 31, 2019 € in K	Paid out € in K	Change in fair value in 2019	Exercisable
Dr. Joachim Kreuzburg								
Tranche of phantom stock units for 2015	7,360	24.70	182	454	0	454	0	paid in 2019
Tranche of phantom stock units for 2016	3,484	57.41	200	359	500	0	141	no
Tranche of phantom stock units for 2017	2,950	70.51	208	281	520	0	239	no
Tranche of phantom stock units for 2018	2,685	80.32	216	239	493	0	254	no
Total tranches previous years	16,479		806	1,333	1,513	454	634	
Tranche of phantom stock units for 2019	1,950	113.78	222	0	335	0	113	no
Total	18,429		1,028	1,333	1,848	454	747	
Dr. René Fáber								
Tranche of phantom stock units for 2019	934	113,78	106	0	160	0	54	no
Total	934		106	0	160	0	54	

Stock Options Granted During the Reporting Period to the Board Members by the Issuer or Any Other Company of the Group

Not applicable

Stock Options Granted | Historical Information

Not applicable

Stock Options Exercised During the Reporting Period by Each Board Member

Not applicable

Stock Options Granted to the Top Ten Non-corporate Officers and Exercised by Them

Not applicable

Additional Information about the Executive Board Members

Corporate officer	Employment contract		Additional pension plan		Indemnities or compensation due with regard to termination of contracts or positions		Non-competition clause indemnities	
	Yes	No	Yes	No	Yes	No	Yes	No
Joachim Kreuzburg CEO and Chairman	[1]		[2]			3,600		900

[1] Joachim Kreuzburg has a service contract (without social security components) with Sartorius AG for their duties performed as members of the Executive Board of the major shareholder Sartorius AG. This is standard practice in Germany. The contracts include a cap regarding potential severance payments at the maximum of a two years annual remuneration. Furthermore there is a post-contractual non-competition clause obligation, that will last for two years after an Executive Board member has left the Group. During this time, if the non-competition clause is not waived or terminated, this Executive Board member may claim half of his most recent annual remuneration received from the company.

[2] Additionally there is a general pension plan in place at the Sartorius AG level for Joachim Kreuzburg. The level of the entitlement to benefits paid under this plan depends on his respective tenure.