

Remuneration of the Members of the Board

Information about the Remuneration of the Executive Director

The Executive Director, Joachim Kreuzburg, is at the same time Chairman of the Executive Board of the major shareholder of Sartorius Stedim Biotech S.A. He receives his fixed and variable remuneration from the major shareholder Sartorius AG. A portion of his remuneration is charged to Sartorius Stedim Biotech S.A., reflecting his role as Executive Director of the Company. A portion of his total remuneration is charged to the SSB Group for his management services based on his 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 his remuneration.

Remuneration of the Executive Director who is chairman of the Executive Board of the major shareholder Sartorius AG (Joachim Kreuzburg)

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 Executive member concerned, the Executive 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 annually 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 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 as follows:

- sales revenue | order intake 15%;
- EBITDA 20%;
- ratio of net debt to underlying EBITDA 15%.

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 at 25%.

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. It should be noted that this indemnity is paid by Sartorius AG. However, an allocation of this indemnity is 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 for Joachim Kreuzburg in connection with his third 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. The shares transferred are subject to a holding period that will end on November 10, 2019. Should Joachim Kreuzburg leave the company after November 11, 2017, and before November 11, 2019, at his own request, Joachim Kreuzburg shall be required to transfer half of the shares granted to him back to the company. 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 2018, an amount of €202 K was accordingly recognized in the accounts of Sartorius Stedim Biotech.

Pension Commitments

in T€	Expected pension p. a.	Present value of obligation		Service cost (IFRS)	
		31.12.2018	31.12.2017	2018	2017
Dr. Joachim Kreuzburg	243	3,385	2,989	257	258
	243	3,385	2,989	257	258

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 attendance 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 2018	Year 2017
Remuneration due	2,522	3,056
Valuation of options granted during the reporting period	0	0
Valuation of the performance of shares granted in previous years	0	0
Total	2,522	3,056

The amount cross-charged by the company Sartorius AG to the Sartorius Stedim Biotech Group concerning Joachim Kreuzburg is €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 €674 K.

Summary of the Remuneration for Each Executive Board Member

Joachim Kreuzburg¹⁾
(Chairman of the Board and Chief Executive Officer)

€ in K	Year 2018		Year 2017	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed remuneration	863	863	832	832
Variable remuneration				
Annually paid	455	363	363	418
Long-term incentive	1,189	588	1,846	602
Exceptional remuneration				
Director's attendance fees				
Benefits in kind ²⁾	15	15	15	15
Total	2,522	1,829	3,056	1,867

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 Attendance Fees and Other Remuneration Received by Non-executive Board Members

€ in K	Year 2018	Year 2017
Liliane de Lassus		
Director's attendance fees	47.4	52.2
Other remuneration		
Bernard Lemaître		
Director's attendance fees	47.4	52.2
Other remuneration		
Arnold Picot		
Director's attendance fees	0.0	41.8
Other remuneration		
Henri Riey		
Director's attendance fees	50.2	55.0
Other remuneration		
Susan Dexter		
Director's attendance fees	36.2	37.4
Other remuneration		
Anne-Marie Graffin		
Director's attendance fees	36.2	36.2
Other remuneration		
Lothar Kappich		
Director's attendance fees	51.4	38.2
Other remuneration		
Total	268.8	313.0

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	
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		2,685	239	Jan. 1, 2018	Jan. 1, 2022	
Liliane de Lassus						
Bernard Lemaître						
Lothar Kappich						
Henri Riey						
Susan Dexter						
Anne-Marie Graffin						
Total		2,685	239			

	2018 € in K	2017 € in K
Total	743	1,404
Phantom Stocks	239	163
Sartorius AG shares granted	504	1,241
Dr. Joachim Kreuzburg	743	1,404
Phantom Stocks	239	163
Sartorius AG shares granted	504	1,241

	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, 2017 € in K	Fair value at year-end on Dec. 31, 2018 € in K	Paid out € in K	Change in fair value in 2017	Exercisable
Dr. Joachim Kreuzburg								
Tranche of phantom stock units for 2014	8,032	21.01	169	422	0	422	0	
Tranche of phantom stock units for 2015	7,360	24.70	182	454	454	0	0	no
Tranche of phantom stock units for 2016	3,484	57.41	200	225	359	0	134	no
Tranche of phantom stock units for 2017	2,950	70.51	208	163	281	0	118	no
Total tranches previous years	21,826		759	1,264	1,094	422	252	
Tranche of phantom stock units for 2018	2,685	80.32	216	0	239	0	23	no
Total	24,511		975	1,264	1,333	422	275	

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 Exercised During the Reporting Period by Each Board Member

Not applicable

Stock Options Granted | Historical Information

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]		[3]		2,400		600	

[1] Joachim Kreuzburg has a service contract (without social security components) with Sartorius AG for his duties performed as members of the Executive Board of the major shareholder Sartorius AG. This is standard practice in Germany. The contract includes 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.

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