

## Remuneration system for Executive Board members of Hapag-Lloyd AG

### 1. OBJECTIVE AND BASIC FEATURES OF THE REMUNERATION SYSTEM

The Hapag-Lloyd AG vision: to set new standards in the shipping container industry, define quality standards and thus demonstrate outstanding reliability and quality of service to our customers. To achieve this vision, the Company is focused on four strategic core objectives: quality leadership, continued presence of the Company as a global player as well as sustainable profitability over the entire economic cycle and our perception of ourselves as driver of sustainability. Long-term profitable growth serves as an indicator and is measured by the development of transport volumes and the strategic operating indicators EBITDA and EBIT, as well as the return on invested capital. In addition, sustainable economic, ecological and social action is a fundamental corporate principle for the Company. In addition to being compliant with high legal and ethical standards, Hapag-Lloyd AG has an emphasis on environmental protection, high quality standards also for its suppliers, economic efficiency and the health and safety of its employees. In 2020, the Company explicitly laid down these standards in Hapag-Lloyd's values "We care. We move. We deliver." On the basis of a comprehensive process involving both employees and employee representatives, these values are the core of sustainable, long-term action and form a material basis for the everyday work of the employees and the Executive Board.

The remuneration system for members of the Executive Board of Hapag-Lloyd AG provides effective long-term incentives for implementing the vision and achieving the core objectives of the strategy taking into account the fundamental corporate principles and values of the Company. To this end,

- it provides for performance criteria and targets derived from the strategic operating indicators, and
- integrates an ambitious ESG target into the long-term remuneration components.

The remuneration system thus contributes to promoting the business strategy and to the Company's long-term development. At the same time, it ensures appropriate and competitive remuneration which enhances the retention of the Executive Board members in the Company.

In addition, the remuneration system takes into account the Company's shareholder structure. Due to the limited free float of the Hapag-Lloyd AG share and the resulting volatility, it is not intended to pay remuneration in the form of shares or share-based remuneration. However, the remuneration system provides for performance criteria which are also material for the intrinsic value of the Hapag-Lloyd AG share. In addition, the long-term incentive effect of the variable remuneration components for Executive Board members of Hapag-Lloyd AG is ensured by cross-period performance measurement.

The following table provides an overview of the essential, regularly granted components of the remuneration system.

Main Regularly Provided Components of Executive Board Remuneration - Overview		
Fixed Remuneration	<b>Fixed Annual Salary</b>	<ul style="list-style-type: none"> <li>Fixed remuneration that is paid in twelve equal monthly installments</li> </ul>
	<b>Fringe Benefits</b>	<ul style="list-style-type: none"> <li>Benefits in kind, such as company car, use of driving service, benefits for insurance coverage (e.g. accident insurance)</li> </ul>
	<b>Pension Benefits</b>	<ul style="list-style-type: none"> <li>Annual one-off payment equal to 20% of the individual fixed annual remuneration</li> </ul>
Variable Remuneration	<b>Short-Term Variable Remuneration</b>	<ul style="list-style-type: none"> <li>Individually defined percentage of annual Group EBIT</li> <li>Caps (values relevant on first-time application of the remuneration system):                             <ul style="list-style-type: none"> <li>CEO – EUR 900,000</li> <li>CFO – EUR 660,000</li> <li>Ordinary Executive Board member – 600.000 EUR</li> </ul> </li> <li>Settlement in cash after the end of a financial year</li> </ul>
	<b>Long-Term Variable Remuneration</b>	<ul style="list-style-type: none"> <li>Multi-year bonus divided into three parts with a three-year term/performance period</li> <li>Grant amount (values relevant on first-time application of the remuneration system):                             <ul style="list-style-type: none"> <li>CEO – EUR 1,000,000</li> <li>CFO – EUR 700,000</li> <li>Ordinary Executive Board member – 650.000 EUR</li> </ul> </li> <li>Allocation of the grant amount as follows:                             <ul style="list-style-type: none"> <li>40% performance component (taking into account EBITDA, ROIC and EAT)</li> <li>40% retention component (taking into account EBITDA)</li> <li>20% ESG component (taking into account Average Efficiency Ratio – AER)</li> </ul> </li> <li>Cap at 150% of the grant amount</li> <li>Settlement in cash after the end of the term</li> </ul>

## 2. PROCEDURE FOR DEFINING AND IMPLEMENTING AS WELL AS REVIEWING THE REMUNERATION SYSTEM

The Supervisory Board is responsible for defining, implementing and reviewing both the remuneration and the remuneration system for Executive Board members. Its Presidential and Personnel Committee prepares the relevant Supervisory Board decisions.

The Supervisory Board submitted a remuneration system to the Annual General Meeting on 28 May 2021, which was approved by the latter with a majority of 99.76% of the votes cast. The Supervisory Board reviewed last year's remuneration system in accordance with the procedure provided for therein and described below, added an ESG target which is pivotal for Hapag-Lloyd and further developed the system as a whole, while retaining the existing principal features of the remuneration. This further developed remuneration system is used for determining remuneration in the event of new appointments or reappointments of Executive Board members and changes made to the remuneration during the current term of office after the Annual General Meeting held on 25 May 2022. Accordingly, it is also possible to amend the existing employment contracts for Executive Board members and the remuneration of the current Executive Board members after the Annual General Meeting held on 25 May 2022 such that they are fully consistent with this remuneration system. This amendment can also be made with retroactive effect as of 1 January 2022. In this regard, this remuneration system already applies with effect from 1 January 2022.

In order to review and further develop the remuneration system, a horizontal comparison of the remuneration structure and amount with suitable companies (in particular sector, size, country) was performed. This comparison was based on market data of two comparison groups defined by the Supervisory Board and comprising national companies of comparable size and sector-specific international companies. The first comparison group included companies from relevant stock exchange segments (MDAX); the second comparison group comprised international (listed) companies of the shipping and logistics sector as well as comparable sectors. In addition, the Supervisory Board considered the amount of the Executive Board remuneration in relation to the remuneration level of the Company's employees. For the purpose of this vertical comparison, the average remuneration awarded to the Executive Board members was compared with the average remuneration awarded to the senior management of the Company (the first and second management

levels below the Executive Board) and the pay awarded to the Company's workforce as a whole, including how these comparisons developed over time. For the horizontal comparison and the vertical comparison, an external remuneration expert was consulted, who is independent of the Executive Board and the Company.

This remuneration system was prepared by the Presidential and Personnel Committee of the Supervisory Board. The Supervisory Board, upon recommendation of its Presidential and Personnel Committee, then resolved on this remuneration system for Executive Board members on 9 March 2022.

The Supervisory Board will review the Executive Board members' remuneration and the remuneration system at least once a year. In this context, it will in particular review the appropriateness of the overall remuneration awarded to the individual members of the Executive Board. If necessary, the Supervisory Board will adjust the remuneration system and submit the adjusted system to the next Annual General Meeting for approval. Otherwise, the remuneration system will be resubmitted to the Annual General Meeting for approval every four years. If the relevant Annual General Meeting does not approve the remuneration system, a revised remuneration system will be submitted to the next following Annual General Meeting. In this regard, all decisions to be made by the Supervisory Board on this issue will be prepared by the Presidential and Personnel Committee, too. Where an external remuneration expert is consulted, their independence of the Executive Board and the Company will be observed.

It is almost impossible for conflicts of interest to arise in this context due to the fact that the law awards responsibility for defining, reviewing and implementing the remuneration system for Executive Board members to the Supervisory Board. No conflicts of interest faced by individual members of the Supervisory Board in the context of decisions passed by the Supervisory Board or its Presidential and Personnel Committee on issues relating to the remuneration system for Executive Board members have arisen in the past. Should such conflicts arise in future, the Supervisory Board member in question will, depending on the nature of the conflict, abstain from voting and, if necessary, not participate in the discussions relating to this agenda item. Where such conflicts of interest relating to the identity of the Supervisory Board member are material and not merely temporary, the respective member shall resign their position on the Supervisory Board.

### 3. REQUIREMENTS REGARDING THE AMOUNT AND STRUCTURE OF THE EXECUTIVE BOARD REMUNERATION

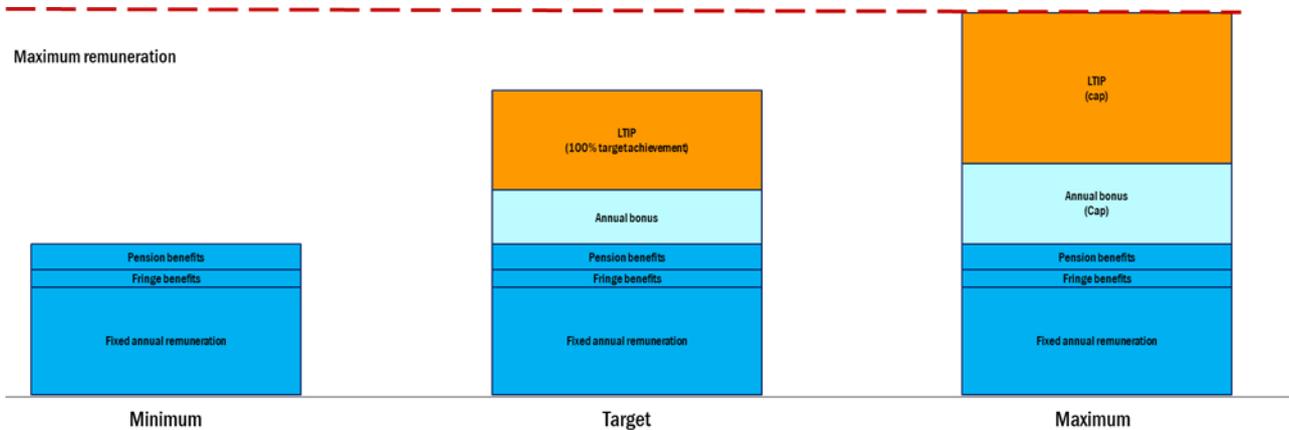
The remuneration system offers Hapag-Lloyd AG the necessary degree of flexibility in order to be able to continue to offer appropriate and competitive remuneration packages in the future. The remuneration system thus supports the Company in competing worldwide for highly skilled executives. The Supervisory Board will utilise this flexibility only to the extent that it in fact appears appropriate in view of the respective prevailing circumstances.

#### 3.1 Target total remuneration and maximum remuneration

The target total remuneration is the value paid to an Executive Board member in total for a financial year if target achievement for all variable components is 100%. The remuneration system permits target total remuneration of up to EUR 3,200,000 for the Chairman of the Executive Board, of up to EUR 2,300,000 for the Chief Financial Officer and of up to EUR 2,000,000 for the other ordinary Executive Board members. This scope of remuneration is not required to be fully exhausted at any point in time.

The maximum remuneration is the maximum value that may be paid to an Executive Board member in total for a financial year. The maximum remuneration is EUR 4,240,000 for the Chairman of the Executive Board, EUR 3,047,500 for the Chief Financial Officer and EUR 2,650,000 for the other ordinary Executive Board members. If compensation for the expiry of rights is granted in the event

of joining Hapag-Lloyd AG, the maximum remuneration for the relevant financial year increases by the value of such compensation, i.e. a maximum of EUR 2,560,000 for the Chairman of the Executive Board, EUR 1,840,000 for the Chief Financial Officer and EUR 1,600,000 for the other ordinary Executive Board members.



### 3.2 Structure of the Executive Board remuneration

The remuneration for Executive Board members comprises fixed and variable components. The fixed components comprise the fixed annual remuneration, fringe benefits and the pension benefits. The variable components comprise the short-term variable remuneration (annual bonus) and the long-term variable remuneration in the form of the long-term incentive plan (LTIP). These five components are taken into account in the target total remuneration. In addition, further components can be provided for which do not form part of the target total remuneration. These components include, in particular, additional remuneration, compensation for the costs of a change of residence and compensation for the expiry of rights in the event of joining Hapag-Lloyd AG.

The share of the variable remuneration in the target total remuneration must range between 50% and 65%; the annual bonus can range between 20% and 25% and the LTIP between 30% and 40% and the LTIP must in any event be higher than the bonus. To this end, the annual bonus is set at two thirds of the cap (see section 4.2.1), the LTIP is set at the grant amount and fringe benefits are set at the maximum amount possible pursuant to section 4.1.2.

The share of the fixed annual remuneration, the annual bonus and the LTIP in the total direct remuneration, i.e. the target total remuneration excluding fringe benefits and pension benefits, must be within the following ranges:

Fixed annual remuneration:	30% to 40%
Annual bonus:	20% to 30%
LTIP:	35% to 45%

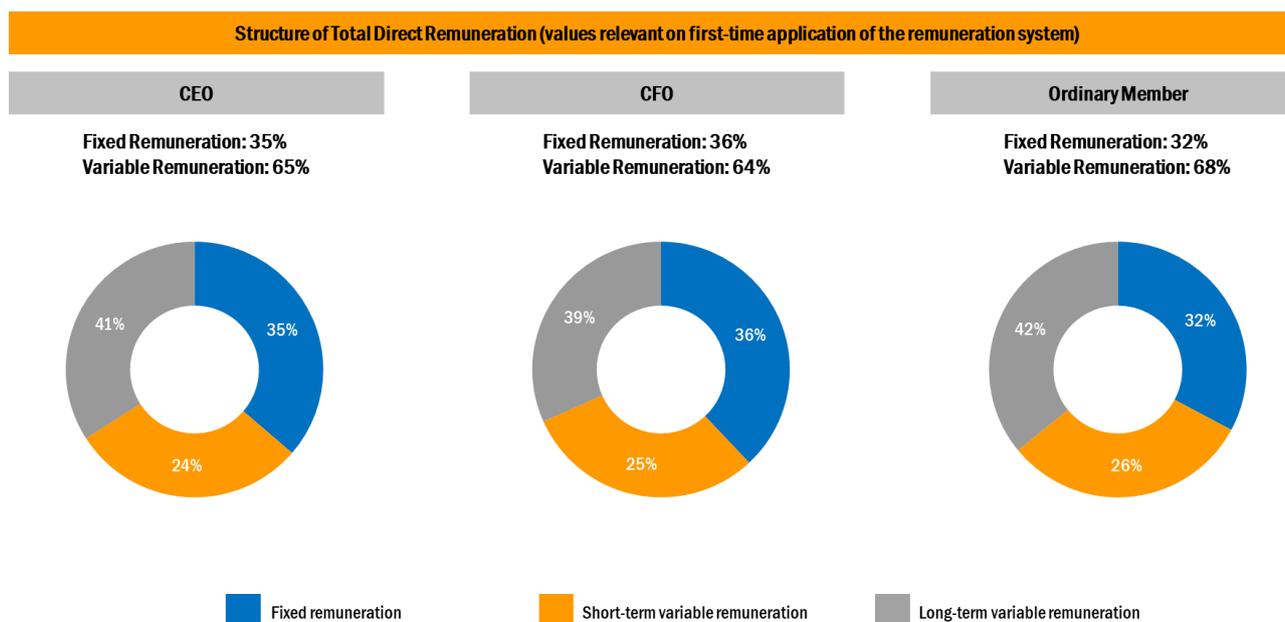
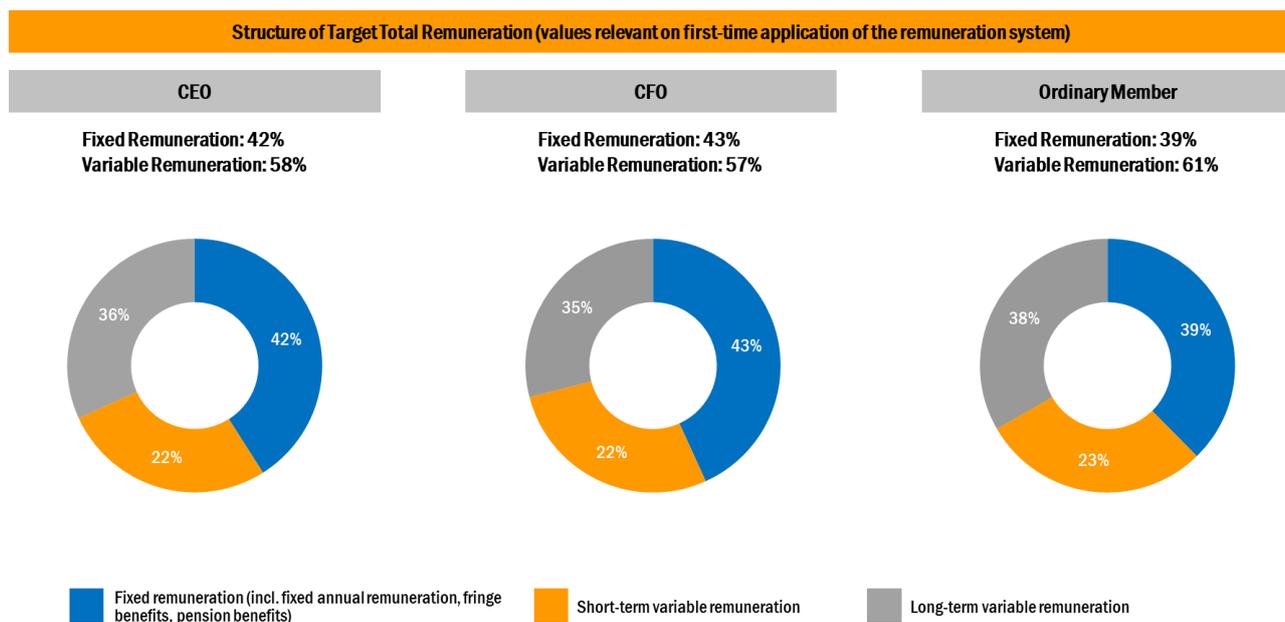
### 3.3 Defining the specific remuneration for individual Executive Board members

First, the Supervisory Board will define the specific target total remuneration and then the remuneration structure for the individual Executive Board member.

This calculation is based on the specific target total remuneration amounts and remuneration structures existing for the Executive Board of Hapag-Lloyd AG at the time the relevant amount is defined. The first-time application of this remuneration system is to be based on the following values in this regard (amounts in each case in EUR; fringe benefits are set at the maximum amount possible pursuant to section 4.1.2, the annual bonus is set at two thirds of the cap pursuant to section 4.2.1 and the LTIP is set at the grant amount.):

	Chairman of the Executive Board	Chief Financial Officer	Other ordinary Executive Board members
Fixed annual remuneration	850,000	650,000	500,000
Fringe benefits	127,500	97,500	75,000
Pension benefits	170,000	130,000	100,000
Annual bonus	600,000	440,000	400,000
LTIP	1,000,000	700,000	650,000

Based on the foregoing, the structure of target total remuneration and total direct remuneration is as follows:



When subsequently determining new specific target total remuneration amounts it is possible to deviate from the values specified in the table above within the scope of this remuneration system if this appears necessary in order to take reasonable account of the duties conferred on the Executive

Board member, their experience and past performance, as well as prevailing market conditions. This is conditional upon the remuneration also being appropriate in the context of the Company's situation and not exceeding the standard remuneration amount without a specific reason. In order to identify the standards prevailing in other companies (horizontal comparison), reference will be made by the Supervisory Board to suitable comparison groups comprising domestic and foreign companies, with the composition of these groups being disclosed. In order to ascertain whether the compensation may be deemed proportionate within Hapag-Lloyd AG (vertical comparison), the Supervisory Board will compare the remuneration awarded to Executive Board members with the pay awarded to the executives of the Company and with the pay awarded to the Company's workforce as a whole, including how these comparisons develop over time. Where an external remuneration expert is consulted, their independence of the Executive Board and the Company will be observed.

When defining the specific target total remuneration, the level of the cost of living at the place of service, the tax burden of the Executive Board member in question and additional burdens resulting from a change of residence due to the office on the Executive Board or from maintaining two households may also be taken into account within reasonable and normal limits.

#### 4. STRUCTURE OF THE INDIVIDUAL REMUNERATION COMPONENTS

##### 4.1 Non-performance-related fixed remuneration components

###### 4.1.1 Fixed annual remuneration

The fixed annual remuneration is a cash remuneration relating to the financial year. It is paid out in twelve equal monthly instalments.

###### 4.1.2 Fringe benefits

The Executive Board members receive standard benefits in kind. This may include, in particular, the provision of a company car and the company driver service, including for private use, funeral allowances and allowances for surviving dependants and insurance cover (e.g. accident insurance, legal costs insurance, D&O insurance). In addition, location-specific benefits may be paid to Executive Board members based outside Germany. The value of the fringe benefits granted in a financial year may not exceed 15% of the fixed annual remuneration.

Additional fringe benefits which, however, must not be taken into account in the target total remuneration are set out in sections 4.3.2 and 4.3.3.

###### 4.1.3 Pension benefits

The Company awards to the Executive Board members an annual one-off payment for the purposes of personal retirement benefits. The one-off payment is equal to 20% of the relevant fixed annual remuneration for each full calendar year. The Company may, in agreement with the Executive Board member, also make the payment directly to an insurance company or a pension institution specified by the Executive Board member, provided that this does not result in any disadvantages for the Company.

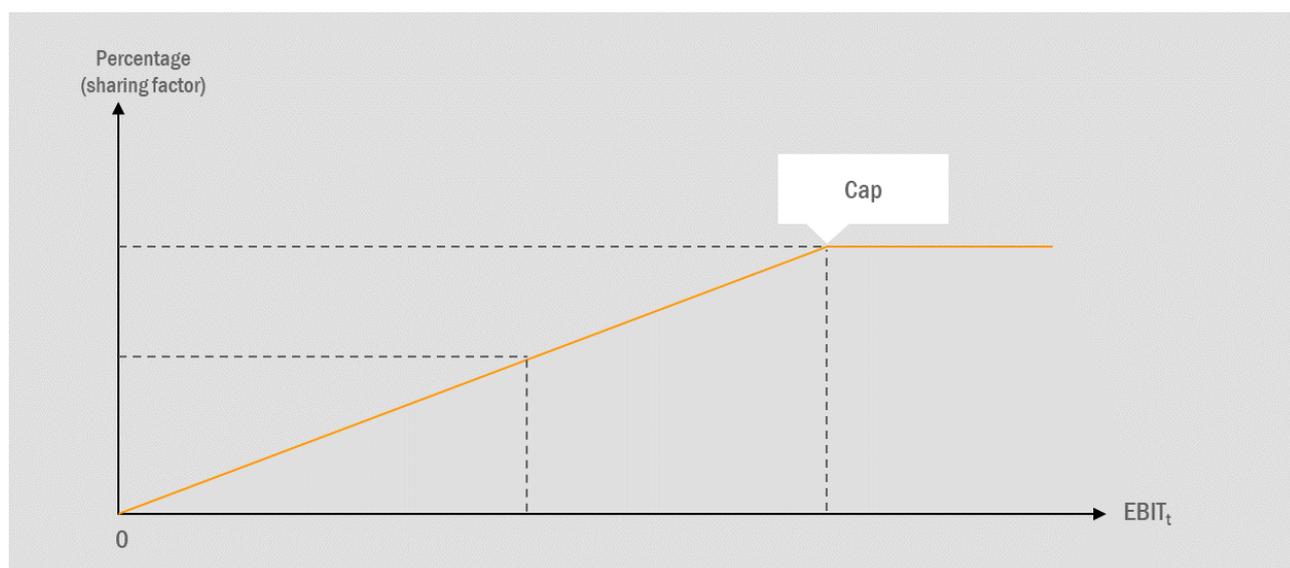
To the extent that the Company already awarded a pension commitment to an Executive Board member in the form of a contribution-based payment obligation in the past, such commitment may also be awarded in the future. The contribution is equal to 20% of the relevant fixed annual remuneration for each full calendar year.

## 4.2 Performance-related variable remuneration components

### 4.2.1 Annual bonus

The annual bonus is a short-term, performance-related remuneration component for a single year which is granted annually. The annual bonus incentivises the Executive Board members with regard to the Group's strategic operating indicator earnings before interest and taxes (EBIT), thereby contributing to promoting the business strategy and to the Company's long-term development.

The Supervisory Board defines a fixed percentage (sharing factor) of the Group's annual EBIT for each Executive Board member which will be paid to the relevant Executive Board member. The sharing factor is regularly revised and adjusted, if necessary. The annual bonus is limited to a specific EUR amount (cap).



Executive Board members who are appointed for the first time may be awarded a guaranteed bonus as minimum amount for the first 12 months of their term of office which for each month corresponds to a maximum of one twenty-fourth of the cap.

The amount of the annual bonus is determined by the Supervisory Board at the accounts meeting where it adopts the consolidated financial statements for the relevant financial year, on the basis of the amounts set out in the approved consolidated financial statements. It will then be due in cash. A specific later due date can be agreed with the Executive Board members, which must be no later than 30 April of the financial year following the relevant financial year. The Executive Board members may freely dispose of the paid (net) amount.

### 4.2.2 LTIP

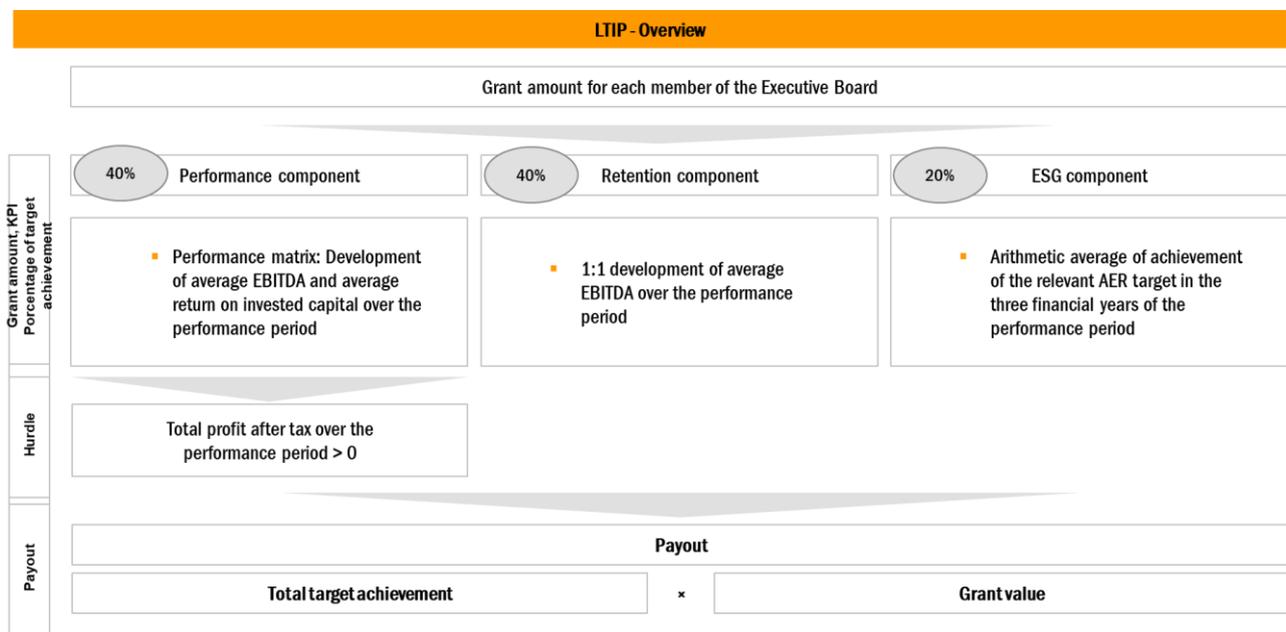
The LTIP is a long-term, performance-related remuneration component for several years which is granted annually. The LTIP incentivises the Executive Board members with regard to the strategic operating indicators earnings before interest, taxes, depreciation and amortisation (EBITDA), average return on invested capital (ROIC) as well as with regard to a central target relating to environment, social and governance (ESG target) and thereby, and by looking at a multi-year performance period, contributes to promoting the business strategy and the Company's long-term development.

Under the LTIP, a specified amount (grant amount) is allocated to each Executive Board member from which a payout amount is derived after the end of a three-year performance period depending

on the target achievement and the duration of their membership on the Executive Board, which ranges between 0% and 150% of the grant amount.

The LTIP comprises three components: a performance component and a retention component, which are attributed a weighting of 40% each, and an ESG component, which is attributed a weighting of 20%. The grant amount is accordingly divided into these three components. All three components are linked to performance criteria. The performance period commences on 1 January of the financial year in which the grant is made and ends on 31 December of the second year following the financial year of grant. In the event that an Executive Board member is appointed during the second half of a financial year, provision may be made for the performance period to commence only on 1 January of the following year and to end on 31 December of the third year following the financial year of grant.

The following illustration provides an overview of the LTIP.



#### 4.2.2.1 Performance component

In a first step, the target achievement of the performance component is determined on the basis of two financial targets and in a second step depends on the achievement of a performance hurdle (which is also of a financial nature).

##### *Taking account of the two financial targets*

Accordingly, the target achievement is initially determined in a first step with regard to two financial performance criteria: the development of the average Group EBITDA and the average Group ROIC over the performance period. The Supervisory Board defines a separate target achievement curve for both financial performance criteria, which are combined to derive a target matrix. The target achievement regarding the financial performance criteria for the relevant performance period can be inferred on the basis of the target matrix. The table below shows an example of a performance matrix structure.

Achieved average EBITDA versus reference EBITDA in %	Average ROIC over the performance period		
	< 6.5%	≥ 6.5-7.5%	> 7.5%
≥ 125%	120%	130%	150%
≥ 110%-125%	100%	115%	125%
≥ 100%-110%	75%	100%	100%
≥ 90%-100%	50%	65%	75%
≥ 85%-90%	25%	40%	50%
< 85%	0%	0%	0%

In this connection, the following applies:

- The development of the average Group EBITDA over the performance period is determined as relative development. To this end, the percentage ratio between the arithmetic average of the annual Group EBITDA of the three financial years of the performance period (performance EBITDA) and the reference EBITDA is determined. The reference EBITDA corresponds to the average annual Group EBITDA of the three financial years preceding the performance period.
- The average Group ROIC is calculated on the basis of the arithmetic average of the annual Group ROIC over the performance period. Group ROIC compares net operating profit after taxes (EBIT less taxes) with invested capital (invested capital) as at the reporting date. Invested capital is defined as the total of the assets excluding cash and cash equivalents less liabilities excluding financial debt.

The target achievement on the basis of the two financial performance criteria is set to a minimum of 0% and a maximum of 150%.

#### *Performance hurdle*

As an additional condition for payment of the performance component, the total of the Group's earnings after taxes (Group EAT) for the three financial years of the performance period must be greater than zero. Otherwise, the target achievement under the performance component will be set to 0%.

#### *Payout amount under the performance component*

The payout amount under the performance component is determined by multiplying the 40% of the grant amount attributable to the performance component by the target achievement percentage as determined above.

#### 4.2.2.2 Retention component

The target achievement as regards the retention component is also linked to the relative Group EBITDA development over the three-year performance period compared to the three-year average preceding the performance period. In this context, the target achievement of the retention component results directly from the percentage ratio between the performance EBITDA and the reference EBITDA, with this target achievement being set to a minimum of 0% and a maximum of 150%, and the performance EBITDA and the reference EBITDA being determined in the same manner as for the performance component.

The payout amount under the retention component is determined by multiplying the 40% of the grant amount attributable to the retention component by the target achievement percentage as determined above.

#### 4.2.2.3 ESG component

The target achievement as regards the ESG component is determined on the basis of a central ESG performance criterion as follows: The ESG performance criterion is the average efficiency ratio (AER) used to measure the carbon intensity of the Group's own fleet. For this ESG performance criterion, the Supervisory Board determines a value for each financial year corresponding to a target achievement of 100%. These values are derived from Hapag-Lloyd AG's Sustainability Linked Bond Framework dated 17 March 2021. A specific target achievement curve will in each case be determined on this basis. The target achievement for each of the three financial years of the performance period can be inferred from the target achievement curve. In this regard, the percentage of target achievement arising from the application of the ESG factor is set to a minimum of 0% and a maximum of 150%.

AER values corresponding to a target achievement of 0%, 100% and 150% Interim values are calculated by way of linear interpolation			
Financial year	= 0%	= 100%	= 150%
2022	8.616	7.18	5.385
2023	8.52	7.10	5.325
2024	8.196	6.83	5.1225
2025	8.04	6.70	5.025
2026	7.5272	6.31	4.7325
2027	7.02	5.85	4.3875
2028	6.516	5.43	4.0725
2029	6.072	5.06	3.795
2030	5.604	4.67	3.5025

The payout amount under the ESG component is determined by multiplying 20% of the grant amount attributable to the ESG component by the arithmetic mean of the target achievement percentages for the three financial years of the performance period as determined above.

#### 4.2.2.4 Payment of the LTIP

To the extent that no lapse has occurred (see section 4.2.2.5), the amount of the LTIP will be determined by the Supervisory Board on the basis of the amounts stated in the approved consolidated financial statements and the information on the AER relevant under the Sustainability Linked Bond Framework at the accounts meeting where it approves the consolidated financial statements for the third financial year of the performance period. The payment under the LTIP will then be due in cash. A specific later due date can be agreed with the Executive Board members, which must be no later than 30 April of the financial year following the performance period. The Executive Board members may freely dispose of the paid (net) amount.

#### 4.2.2.5 Lapse of performance component, retention component and ESG component

In case the term of office of an Executive Board member has ended during the three-year performance period without another term of office, the performance component, the retention

component and the ESG component will lapse in full or in part, depending on the reason or the circumstances of the termination or upon termination, as follows:

- The performance component, the retention component and the ESG component will each lapse in full, if
  - the Executive Board member has resigned from office without cause (*ohne wichtigen Grund*),
  - the employment contract for Executive Board members is terminated by Hapag-Lloyd AG for cause (*aus wichtigem Grund*) within the meaning of section 626 (1) of the German Civil Code (*Bürgerliches Gesetzbuch; BGB*), or
  - the employment contract for Executive Board members has only been in place for a term of 12 months or less.
- In all other cases, the performance component, the retention component and the ESG component will each lapse only if the employment contract for Executive Board members has already ended in the financial year for which the grant amount was awarded; in such case, they will lapse *pro rata temporis* based on the proportion of the period between the end of the employment contract for Executive Board members and the end of the financial year to the period of the entire financial year.

#### 4.2.2.6 Special provisions in the event of a change of control, adjustment options

The following special provisions may be agreed with the Executive Board members in the event that a shareholder acquires control over Hapag-Lloyd AG within the meaning of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetzes; WpÜG*) prior to the end of the performance period (change of control): The LTIP and thus also the performance period will end at the time the change of control occurs. The performance component, the retention component and the ESG component will each be deemed vested upon occurrence of the change of control. The payout amount will be calculated applying the process used for the three-year performance period. If the performance period ends during the year, however, the following will apply as regards the determination of the relevant EBITDA, ROIC and EAT figures as well as the AER target achievement for the financial year in which the performance period ends:

- If the performance period ends during the first half of the financial year, the EBITDA, ROIC and EAT figures as well as the AER target achievement of the previous financial year are to be applied for the relevant financial year.
- If the performance period ends during the second half of the financial year, the EBITDA, ROIC and EAT as well as the AER target achievement figures of the full financial year during which the performance period ends are to be applied for the relevant financial year.

If the payout amount calculated this way is lower than the grant amount, the Executive Board member will receive a payment equalling the grant amount instead. The payment under the LTIP will fall due no later than the end of the sixth calendar month after the change of control has occurred.

Subject to the criteria set out in section 87 (2) of the German Stock Corporation Act (*Aktiengesetz; AktG*), the Supervisory Board may modify or replace the provisions of the LTIP in whole or in part without the consent of the Executive Board members as well as reduce the payout amount in retrospect.

In the event of extraordinary developments, the Supervisory Board has the option to eliminate or at least prevent their effects when determining the relevant EBITDA, ROIC, EAT and AER figures.

### 4.3 Further components

#### 4.3.1 Additional remuneration

If special circumstances exist or extraordinary services are performed, the Supervisory Board may grant an additional remuneration up to a maximum amount of 100% of the fixed annual remuneration.

#### 4.3.2 Compensation in the event of change of residence

If an Executive Board member (together with their family (if applicable)) changes residence in the interest of the Company, the Company may grant compensation for costs associated with such change of residence (such as relocation costs, costs for the apartment search, maintenance of two households, tax advisory costs) and, temporarily, also reimbursement for costs of temporary accommodation and weekly flights home. In such case, the value of the fringe benefits granted in a financial year may not exceed 50% of the fixed annual remuneration.

#### 4.3.3 Compensation for the expiry of rights

Where, prior to a member's move to the Executive Board of Hapag-Lloyd AG, any remuneration payments already accrued expire due to this move, the Supervisory Board may grant a compensation. Any such compensation will not be taken into account when calculating the target total remuneration. However, the value of such compensation may not exceed EUR 2,560,000 for the Chairman of the Executive Board, EUR 1,840,000 for the Chief Financial Officer and EUR 1,600,000 for the other ordinary Executive Board members. The compensation is to be paid in cash. It may take the form of a one-off payment or be paid in several instalments (over one or several financial years) and may be made conditional in whole or in part on whether or not the relevant member remains on the Company's Executive Board. The Supervisory Board may grant the compensation subject to the condition that the amount must be invested in whole or in part in shares of Hapag-Lloyd AG to be held for a minimum period determined by the Supervisory Board.

### 4.4 Commencement and end of contractual term during the course of a calendar year

Should a contractual term end or commence during a calendar year, the fixed annual remuneration, regular fringe benefits, pension benefits and the annual bonus will be granted and/or paid *pro rata temporis*; any cap applicable to the payout amount will be reduced *pro rata temporis*. Should the contractual term commence during a calendar year, the LTIP will be granted *pro rata temporis*. Should a contractual term end during a calendar year or should the term in office end during the three-year performance period, section 4.2.2.5, and possibly section 4.2.2.6, will apply.

### 4.5 Revocation of appointment while guaranteeing reappointment

In the event of a revocation of appointment while guaranteeing reappointment pursuant to section 84 (3) AktG, the fixed annual remuneration, regular fringe benefits, pension benefits, the annual bonus and the LTIP will be awarded and/or paid *pro rata temporis*; any cap applicable to the payout amount will be reduced *pro rata temporis*. In deviation of the aforesaid, the Supervisory Board may provide that the fixed annual remuneration, regular fringe benefits and pension benefits will continue to be awarded without any deductions in full or in part.

## 5. FURTHER PROVISIONS RELATING TO REMUNERATION

### 5.1 Malus and clawback

Annual bonus payments and payments of the LTIP may be refused or reclaimed by the Supervisory Board if it subsequently emerges that the payout amount was incorrectly determined and/or all or part of the payment was made erroneously because targets were in fact not achieved or not achieved

to the extent assumed, on the basis of false information, when the payout amount was calculated. In such case, the Executive Board member will, in particular, be obliged to pay back the net amount by which the payment made under the annual bonus exceeds the payout amount which would have been determined if the actual target values had been taken into account. The scope of this clawback claim is defined in section 818 BGB. The clawback claim will become time-barred once three years have elapsed since payment was made.

In the event that an Executive Board member commits a serious breach of their statutory duties or the Company's internal code of conduct, the Supervisory Board will be entitled to reclaim from the Executive Board member the variable remuneration paid for the relevant performance period in whole or in part or withhold the variable remuneration granted but not yet paid for this period.

Provisions may be agreed with the Executive Board members specifying that annual bonus payments may be reclaimed and payments of the LTIP may be withheld or reclaimed in the event that the target achievement defined by the Supervisory Board for the payment or granting proves not sustainable in subsequent years.

Moreover, in the case of the LTIP, all rights under the LTIP will expire without replacement in the event of termination for cause within the meaning of section 626 (1) BGB.

## 5.2 Set-off of remuneration received for offices assumed within and outside the Group

At the request of the Company, Executive Board members will also assume offices in current or future affiliated entities in Germany and abroad; such offices are generally covered by their remuneration as Executive Board members. If an Executive Board member assumes an office on a supervisory board within the Group and remuneration for such office cannot be ruled out, such remuneration will be offset against their remuneration as an Executive Board member.

Executive Board members may only assume offices on supervisory boards of companies outside the Group if approval has been granted by the Supervisory Board. If an Executive Board member wishes to assume an office on a supervisory board outside the Group, the Company's Supervisory Board will also decide whether any remuneration received for such office is to be offset against their remuneration as an Executive Board member.

## 5.3 Adjusting the remuneration

Should the position of the Company, after the amount of the total remuneration of the Executive Board member has been determined, deteriorate such that a continued payment of the remuneration would be unreasonable for the Company, the Supervisory Board will be entitled pursuant to section 87 (2) AktG to reduce the remuneration to an appropriate level. This will not affect any statutory extraordinary right of termination of the Executive Board member constituted by this.

Provisions may be agreed with the Executive Board members providing the Supervisory Board with the option to take reasonable account of extraordinary developments. These provisions may relate to the annual bonus, the LTIP or the variable remuneration as a whole. In this context, provisions may be agreed which, in order to restore appropriateness, eliminate or at least counter the effects on the value of the payout amount resulting from the extraordinary developments.

Specifically for the LTIP, the adjustment options set out in section 4.2.2.6 will also apply.

## 5.4 Continued payment of remuneration in the event of sickness

In the event of temporary inability to work that was not caused wilfully by the Executive Board member, the fixed annual remuneration will continue to be paid in the same amount for a period of twelve months, with such payment being ceased at the latest when the employment contract ends.

From such payment, all amounts received by the Executive Board member from funds or insurances in the form of sick pay, daily sickness allowance (*Krankentagegeld*) or pensions will be deducted unless such benefits are based exclusively on contributions made by Executive Board member. Corresponding provisions may also be stipulated for fringe benefits and pension benefits. In the event of short-term sickness (up to six weeks) it may be agreed that all remuneration components will be granted without deductions.

#### 5.5 Payments in the event of permanent inability to work or death

In the event that the Executive Board member becomes permanently unable to work during the term of the employment contract, they will continue to be paid, despite the early termination of the employment contract (see section 6.3), that part of the fixed annual remuneration that is attributable to the month in which the permanent inability to work was determined and the six months thereafter, but not exceeding the original term of the employment contract.

In the event that the Executive Board member dies during the term of the employment contract, their spouse or, in the absence of a spouse, their dependent children (the latter as joint and several creditors) will continue to be paid, despite the early termination of the employment contract (see section 6.3), that part of the fixed annual remuneration that is attributable to the month of the Executive Board member's death and the six months thereafter, but not exceeding the original term of the employment contract.

#### 5.6 Post-contractual non-compete obligation

Provisions may be agreed with the Executive Board members specifying that the Executive Board members are subject to a post-contractual non-compete obligation for the duration of 24 months following the end of the employment contract for Executive Board members, with the option to also provide for a waiver or release of the Company as regards the non-compete obligation. For the duration of the post-contractual non-compete obligation, the Company will pay the Executive Board member half of the last remuneration package received by the Executive Board member as compensation. The Executive Board member must have any other payments received offset against such compensation, insofar as, when added to the compensation, they exceed 100% of the last remuneration package.

Where the Company owes payment of compensation under a post-contractual non-compete obligation, any severance payment is to be offset against such compensation payment.

### 6. REMUNERATION-RELATED LEGAL TRANSACTIONS

#### 6.1 Employment contracts for Executive Board members

The basic provisions governing Executive Board remuneration are agreed with the Executive Board members in their employment contracts. The term of the employment contracts for Executive Board members is, subject to any prior mutually agreed amendment, the period of appointment. In the case of reappointment, it may, subject to a corresponding agreement, be extended for the duration of such reappointment. The following principles apply for the period of the appointment or reappointment: The first appointment as a member of the Executive Board of Hapag-Lloyd AG is generally for a term of three years; reappointment is generally for a period of three to five years. The Supervisory Board will generally decide on any reappointment in the first ordinary Supervisory Board meeting, which is held 12 months prior to the expiry of the appointment period.

#### 6.2 Separate legal transactions regarding performance-related remuneration components

Separate agreements will be concluded regarding the LTIP, in particular in order to determine the specific targets. Upon the grant amount agreed in the employment contract for Executive Board

members being awarded, the LTIP or the relevant tranche will be created, which will be paid subject to the conditions and in accordance with the separate agreements and taking into account additional provisions (if any) set out in the employment contract for Executive Board members.

### 6.3 Notice of termination and other early termination of the employment contracts for Executive Board members

No ordinary notice of termination may be served on the employment contract for Executive Board members. Termination is only possible in the following circumstances:

- The employment contract for Executive Board members may be terminated with immediate effect by either Hapag-Lloyd AG or the Executive Board member for cause within the meaning of section 626 (1) BGB.
- In the event that their remuneration is reduced, the Executive Board member may terminate the employment contract for Executive Board members pursuant to section 87 (2) sentence 4 AktG by giving six months' notice to the end of the following quarter.

In the event that the Executive Board member becomes permanently unable to work during the term of the employment contract, the employment contract will end to the end of the quarter in which the permanent inability to work was determined, to the extent that the original term of the employment contract is longer.

If the appointment as a member of the Executive Board is revoked, the employment contract will end (unless it has been terminated earlier for cause within the meaning of section 626 (1) BGB) upon expiry of the calendar month following the revocation. Upon revocation of the appointment, the Company is entitled to release the Executive Board member from the obligation to render their services under this contract.

In all other respects, the employment contract for Executive Board members will end early if the employment contract is terminated by mutual agreement or if the Executive Board member dies.

### 6.4 Severance payments

Any severance payments agreed with an Executive Board member in or for the event of an early termination of the Executive Board activities must not exceed twice the annual remuneration and must not remunerate more than the remaining term of the employment contract. For the calculation of this maximum amount, the remuneration of the past financial year or, if the relevant Executive Board member has served on the Executive Board already for at least two full financial years, the average remuneration of the past two full financial years will be decisive. It is possible to specify that when calculating the maximum amount, only the fixed annual remuneration, the annual bonus and the fringe benefits or their maximum value, respectively, will be taken into account.

In the event of an early termination for cause for which the Executive Board member is responsible (section 626 BGB) or proven inability to work, any severance payment is ruled out.

### 6.5 Main features of pension and pre-pension provisions

The main features of pension and pre-pension provisions are as follows:

- The Company awards to the Executive Board members annual one-off payments for establishing personal retirement benefits.

- The Company may, in agreement with the Executive Board member, also make payments directly to an insurance company or a pension institution specified by the Executive Board member, provided that this does not result in any disadvantages for the Company.
- To the extent that the Company already awarded a pension commitment to an Executive Board member in the form of a contribution-based payment obligation in the past, such commitment may also be awarded in the future.

## 7. TEMPORARY DEVIATION

The Supervisory Board may temporarily deviate from the remuneration system if this is necessary in the interest of the Company's long-term good. Any deviation is only possible with a corresponding resolution passed by the Supervisory Board based on a proposal by the Presidential and Personnel Committee and after careful review of whether such deviation is necessary. The components of the remuneration system which may be subject to such deviation are the provisions regarding the Executive Board remuneration structure, the determination of the specific remuneration and the individual remuneration components. Further, the Supervisory Board may temporarily grant additional remuneration components or replace individual remuneration components by other remuneration components to the extent that this is necessary in order to restore the appropriateness of the remuneration in the specific situation.