

COMPENSATION REPORT

In the following section, the compensation for members of the Management Board is detailed.

Compensation for the Management Board

Each Management Board member receives an annual fixed salary and benefits in kind, in particular, in the form of company cars are provided.

Each Management Board member continues to receive an annual bonus for the respective financial year depending on the achievement of pre-defined targets (short-term variable compensation). The bonus is K€ 140 when fully achieved and is paid after the Annual General Meeting for the previous year. For 2018, each Management Board member has been assigned three short-term goals corresponding to the respective area of responsibility.

In addition, each Management Board member receives long-term variable compensation depending on the achievement of defined goals during a three-year assessment period. Half of the long-term variable remuneration depends on the development of the Company's EBITDA and the other half on the achievement of a further target set by the Supervisory Board (so-called Key Performance Indicators or KPIs) or, alternatively, several further KPIs pre-defined by the Supervisory Board during a three-year assessment period. The amount of the annual bonuses and the long-term variable compensation are based on the degree to which the targets have been achieved and amount to K€ 160 when the targets have been fully met after three years. The target fulfillment achieved so far was recognized as a provision as of December 31, 2018.

BENEFITS GRANTED

Dr. Eric Taberlet, Chairman of the Management Board (Starting date: November 27, 2017)	2018	2018		2017
		Minimum value	Maximum value	
	in K€	in K€	in K€	in K€
Fixed compensation	251	251	251	27
Fringe benefits	38	38	38	0
Total	289	289	289	27
One-year variable compensation	140	0	140	29
Multi-year variable compensation (from 2018)	53	0	53	0
Total variable compensation	193	0	193	29
Other	0	0	0	0
Total compensation	482	289	482	56
Pension benefits	0	0	0	0
Comprehensive compensation	482	289	482	56

BENEFITS GRANTED

Nathalie Benedikt, Chief Financial Officer (Starting date: November 27, 2017)	2018	2018		2017
		Minimum value	Maximum value	
	in K€	in K€	in K€	in K€
Fixed compensation	220	220	220	20
Fringe benefits	20	20	20	0
Total	240	240	240	20
One-year variable compensation	140	0	140	13
Multi-year variable compensation (from 2018)	53	0	53	0
Total variable compensation	193	0	193	13
Other	0	0	0	0
Total compensation	433	240	433	33
Pension benefits	0	0	0	0
Comprehensive compensation	433	240	433	33

BENEFITS GRANTED

Dr. Ulrich von Hülsen, Member of the Management Board (Starting date: August 1, 2017)	2018	2018		2017
		Minimum value	Maximum value	
	in K€	in K€	in K€	in K€
Fixed compensation	220	220	220	92
Fringe benefits	8	8	8	3
Total	228	228	228	95
One-year variable compensation	140	0	140	125
Multi-year variable compensation (from 2018)	53	0	53	0
Total variable compensation	193	0	193	125
Other	0	0	0	0
Total compensation	421	228	421	220
Pension benefits	0	0	0	0
Comprehensive compensation	421	228	421	220

BENEFITS GRANTED

Dr. Matthias Wiemer, Member of the Management Board (Starting date: April 1, 2007)	2018	2018		2017
		Minimum value	Maximum value	
	in K€	in K€	in K€	in K€
Fixed compensation	350	350	350	290
Fringe benefits	14	14	14	23
Total	364	364	364	313
One-year variable compensation	140	0	140	300
Multi-year variable compensation (from 2018)	53	0	53	0
Total variable compensation	193	0	193	300
Other	0	0	0	0
Total compensation	557	364	557	613
Pension benefits	225	225	225	232
Comprehensive compensation	782	589	782	845

However, the long-term variable remuneration does not become due until two years later, and only in full if the average success of these two subsequent years is at least as high as the average success of the two previous years. If it falls below, the long-term incentive is reduced accordingly. The starting point of the calculation in both cases is an annual target amount, which is allocated for the long-term remuneration for the following three-year period. The payment of the long-term variable remuneration granted in 2018 can therefore be made for the first time after the end of the 2020 fiscal year.

The bonuses for the 2017 fiscal year were granted following a resolution of the Management Board Committee.

The aforementioned compensation is disclosed for the members of the Management Board active in 2018. There were no compensation elements granted or paid in 2018 for Manfred Bender who was dismissed as a member of the Management Board on November 27, 2017. In order to ensure the comparability of presentation of the active Board Member's compensation the previous year's figures with regard to Mr. Bender were adjusted accordingly.

Dr. Matthias Wiemer has received a pension commitment in the unchanged amount of 40% of the last fixed salary. In this context, net pension expenses pursuant to IFRS amounting to K€ 225 were recorded in the income statement in 2018 (previous year: K€ 232).

In addition, there are pension commitments to former Management Board members. The net pension costs of the completed fiscal year attributable to this group of persons amount to K€ 80 (previous year: K€ 327).

TOTAL BENEFITS GRANTED TO THE MANAGEMENT BOARD

	2018	2017
	in K€	in K€
Fixed compensation	1,041	429
Fringe benefits	80	26
Total	1,121	455
One-year variable compensation	560	467
Multi-year variable compensation (from 2018)	212	0
Total variable compensation	772	467
Other	0	0
Total compensation	1,893	922
Pension benefits	225	232
Comprehensive compensation	2,118	1,154

After K€ 240 was paid into the Pfeiffer Vacuum Trust e.V. in 2017, repatriation totaling K€ 53 was made. The net pension obligation for Management Board members and former Management Board members amounts to K€ 6,869 (previous year: K€ 5,777). Current pensions in 2018 amounted to K€ 371 (previous year: K€ 358).

BENEFITS RECEIVED TO THE COMPENSATION OF THE MANAGEMENT BOARD

	Dr. Eric Taberlet Chairman of the Management Board		Nathalie Benedikt Chief Financial Officer		Dr. Ulrich von Hülsen Member of the Management Board		Dr. Matthias Wiemer Member of the Management Board		Total	
	Starting date: November 27, 2017		Starting date: November 27, 2017		Starting date: August 1, 2017		Starting date: April 1, 2017			
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	in K€	in K€	in K€	in K€	in K€	in K€	in K€	in K€	in K€	in K€
Fixed compensation	278	0	240	0	220	92	350	290	1,088	382
Fringe benefits	38	0	20	0	8	3	14	23	80	26
Total	316	0	260	0	228	95	364	313	1,168	408
One-year variable compensation	29	0	29	0	109	0	300	337	467	337
Multi-year variable compensation (from 2018)	0	0	0	0	0	0	0	0	0	0
Total variable compensation	29	0	29	0	109	0	300	337	467	337
Other	0	0	0	0	0	0	0	0	0	0
Total	345	0	289	0	337	95	664	650	1,635	745
Pension benefits	0	0	0	0	0	0	0	0	0	0
Comprehensive compensation	345	0	289	0	337	95	664	650	1,635	745