

Remuneration policy for members of the Supervisory Board of Frequentis AG

1. Establishment of principles for the remuneration of Supervisory Board members

In its resolution of 27 March 2020, the Supervisory Board of Frequentis AG (Frequentis AG or the company) adopted the following principles for the remuneration (remuneration policy) of the Supervisory Board members elected by the General Meeting or delegated by shareholders in accordance with article 5.1.2 of the company's articles of association; the principles shall be applied after submission to the 13th Annual General Meeting of Frequentis AG.

2. Objective of the remuneration policy

The objective of the remuneration policy is to ensure that the members of the Supervisory Board are granted remuneration that is commensurate with their tasks and responsibilities, and with the company's economic situation. The remuneration policy also takes into account the size of the company, its international focus, the business model of Frequentis AG, and the role and qualifications of the Supervisory Board members.

The remuneration policy is structured to ensure that qualified persons can be gained to perform the tasks of the Supervisory Board of a listed company with global operations. Therefore, the overall structure of the remuneration must be competitive and market-oriented as well as ensuring an appropriate relationship to the customary remuneration at comparable companies. In addition, it should allow a balanced professional and personal composition of the board. Special attention is paid to diversity with regard to the representation of both genders, a balanced age structure, and the professional background of the members.

The remuneration policy supports the balanced and qualified composition of the Supervisory Board and provides appropriate compensation for the tasks and responsibilities of the office. In this way, the remuneration policy supports the implementation of the business strategy and the long-term positive development of the company.

3. Remuneration of the members of the Supervisory Board

The remuneration of the Supervisory Board members is adopted on the basis of a proposal submitted to the General Meeting by the Executive Board and the Supervisory Board. The Executive Board and Supervisory Board draw up the remuneration proposal for each financial year at the start of the following financial year. Remuneration for a year is paid retrospectively following adoption of the resolution by the General Meeting.

The employee representatives on the Supervisory Board perform their function voluntarily in accordance with Section 110 (3) of the Austrian Labour Relations Act (ArbVG) and do not receive separate remuneration therefor. The remuneration of the elected/delegated Supervisory Board members comprises basic annual remuneration and attendance-related components.

The basic annual amount is defined as a fixed amount per Supervisory Board member, and the amount may be graduated and measured on a different basis depending on the member's function

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and the scope of his/her tasks and responsibilities (e.g. chairperson, deputy chairperson). The basic annual remuneration for 2020 shall be between EUR 12,000.00 and EUR 15,000.00 per Supervisory Board member.

The attendance-related component is paid as an appropriate fee for attending meetings and is calculated as a flat rate for each meeting of the full Supervisory Board and of its committee that a member attends. The attendance fee may be graduated and measured on a different basis, in particular depending on the member's function and the scope of his/her tasks and responsibilities (e.g. chairperson, deputy chairperson). Further, the chairperson and deputy chairperson of the Supervisory Board may be granted appropriate attendance fees for attendance at and functions in connection with the company's general meetings. The attendance-related component of the remuneration policy reflects the fact that the number of meetings and the related time requirements can vary, especially in connection with membership of committees. The attendance fee for 2020 shall be between EUR 2,000.00 and EUR 2,500.00 per (committee) meeting. For attendance at the General Meeting and the related tasks, the fee shall be between EUR 2,000.00 and EUR 2,500.00.

The basic remuneration and attendance fees, including those for attendance and tasks relating to a General Meeting, are subject to annual adjustment on the basis of the criteria outlined, including an inflation adjustment. Insofar as the General Meeting resolves on the annual remuneration in part or in full as a total amount for all Supervisory Board members, the chairperson of the Supervisory Board shall allocate the total amount among the Supervisory Board members, taking into account the above principles.

There is no provision for performance-related remuneration components (e.g. based on the performance of the share price) and stock option programmes for Supervisory Board members.

If a Supervisory Board member takes on a specific function in the interests of the company, he/she may be granted special remuneration for this by a resolution of the General Meeting. Every Supervisory Board member, including the employee representatives on the Supervisory Board, is entitled to reimbursement of out-of-pocket expenses.

The members of the Supervisory Board may be included in a customary directors' and officers' liability insurance and a legal expenses insurance policy offering appropriate cover.

4. Remuneration and employment conditions of employees

Furthermore, there should be an appropriate relationship between the total annual remuneration of a Supervisory Board member and the average gross annual remuneration of the employees of Frequentis AG, calculated on the basis of full-time employment.

5. Term of office of the Supervisory Board

The Supervisory Board members elected by the General Meeting shall, unless they are elected for a shorter term of office, be elected for the period until the end of the General Meeting that resolves on ratification of their actions for the fourth financial year after their election. The financial year in which they are elected is not included in this calculation. The members of the Supervisory Board

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delegated by shareholders are members of the Supervisory Board for an unlimited period. The parties who delegated them may revoke their appointment at any time and replace them by others. There is no employment contract between the elected or delegated Supervisory Board members and the company. Therefore, no details are given of the term of contracts with Supervisory Board members, the main elements of supplementary pension systems, early retirement arrangements, or severance conditions and the related payments.

Business relations between Frequentis AG and Supervisory Board members and companies where Supervisory Board members have a significant investment or a seat on the supervisory board are undertaken at arm's length. The company is required to report on contracts with related parties (companies and individuals) in its annual financial statements.

6. Procedure for the remuneration policy

This remuneration policy was drafted by the Committee for Executive Board Issues in its role as remuneration committee and adopted by the Supervisory Board of Frequentis AG in its resolution of 27 March 2020. The remuneration policy will be submitted to vote at the 13th Annual General Meeting of Frequentis AG. In accordance with Section 98a in conjunction with Section 78b (1) AktG, the remuneration policy must be submitted to the General Meeting for a vote every fourth financial year.

The Supervisory Board is required to adopt a resolution on the remuneration policy at least every fourth financial year and on every significant change in the remuneration policy and to submit a corresponding proposal for a resolution to the General Meeting. The General Meeting takes a binding decision on the remuneration entitlements of the Supervisory Board members; in this, conflicts of interest of the Supervisory Board members in connection with the remuneration policy shall be avoided.

7. Temporary deviation from the remuneration policy

With the approval of the General Meeting, a temporary deviation from this remuneration policy is possible in exceptional circumstances; such deviation may only relate to subsection 3. Exceptional circumstances are defined exclusively as situations where deviation from the remuneration policy is necessary for the long-term development of the company or to ensure its profitability.

8. Significant changes in the remuneration policy

Since this is the first resolution on the present remuneration policy, information on this is not required.