

# Remuneration report

## 1 Introduction

1.1 Categories of persons to whom the remuneration report applies:  
The RTL Group remuneration policy, as published on RTL Group's website, *company.rtl.com*, applies to the non-executive directors (the "**Non-Executive Directors**") and to the CEO and Deputy CEO (the "**Executive Directors**") of RTL Group S.A. ("**RTL Group**"), all together the "**Directors**".

1.2 The remuneration report concerns the financial year 2021.

### Non-Executive Directors

1.3 In order to achieve its goals, RTL Group must be able to attract a broad spectrum of competencies, skills, know-how and experience to its Board, mirroring RTL Group's diverse businesses. Furthermore, the composition of the Board of Directors must embody a thorough knowledge of business dynamics and markets in the sectors of audio-visual media, communication, information and all related technologies.

1.4 Non-Executive Directors are paid only a fixed remuneration. Due to the greater responsibility and time required by their respective functions, an additional annual remuneration is granted to the Chairman and the Vice-Chairman of the Board, and to the Chairmen of the Board's sub-committees. Such remuneration is prorated in case the Director concerned is appointed to or leaves the Board during the year.

1.5 The Board of Directors may grant additional remuneration or indemnities to those Board members who are entrusted with specific duties or missions. They shall not receive incentives nor other forms of variable compensation from RTL Group.

### Executive Directors

- 1.6 The remuneration policy's section addressing Executive Directors is designed to support RTL Group's high-performance culture and the creation of long-term sustainable value for its shareholders. Its goal is to reward Executive Directors with an attractive compensation, in line with the market, which is conditional upon both their own and RTL Group's performance, and which beyond driving performance, also aims to attract and retain the best talent. As a result of the general principles outlined above, the proportion of performance-related pay is generally higher for the Executive Directors than for lower ranking executives in the Group.
- 1.7 Executive Directors are compensated in line with their responsibilities, and according to both their own and the company's performance.

## 2 Remuneration of the Non-Executive Directors (or members of the Board of Directors)

In 2021, each Non-Executive Director received a fixed fee amounting to €90,000 for their attendance at the meetings of the RTL Group Board of Directors, except the following:

- Bernd Kundrun received an amount of €29,096 corresponding to €90,000 prorated until the end date of his mandate (28 April 2021).
- Rolf Schmidt-Holtz received an amount of €29,096 corresponding to €90,000 prorated until the end date of his mandate (28 April 2021).
- Pernille Erenbjerg received an amount of €61,151 corresponding to €90,000 prorated from the start date of her appointment to the Board (28 April 2021).
- Martin Taylor received an amount of €400,000 for his mandate as Chairman of the Board of Directors and Non-Executive Director.
- James Singh received an amount of €200,000 for his mandate as Vice-Chairman of the Board of Directors and Non-Executive Director.

No variable remuneration, pension rights, options, loans nor other benefits were granted to the Non-Executive Directors during the financial year 2021.

## 3 Remuneration of the CEO and Deputy CEO

### 3.1 Fixed remuneration (base salary)

The base salary for the CEO and the Deputy CEO is within a competitive range of the third quartile base salary for comparable positions in their peer groups. The base salary reflects the individual's position,

scope of responsibility, experience and contribution to the business. Base salary levels are generally reviewed every three years, and their development depends on the individual's performance and salary level in relation to the external benchmarks.

### 3.2 Board attendance fees

RTL Group does not pay any attendance fees to its Executive Directors. As a result, the CEO and Deputy CEO receive board attendance fees only from other Group entities.

### 3.3 Variable remuneration: annual short-term incentive plan (STIP) and long-term incentive plan (LTIP)

#### 3.3.1 STIP

The Executive Directors are eligible for a STIP which is capped at an amount stipulated in their employment contract.

The STIP payout is linked to the achievement of three sets of targets, as set out in the Executive Directors' bonus agreements:

– **Financial targets;**

This target is weighted higher than the business and leadership targets. Its calibration (e.g. EBITA, invested capital) is defined by the Nomination and Compensation Committee (NCC) on an annual basis.

– **Business targets;**

– **Leadership targets.**

The amount due under the STIP is paid in April of the following year.

The RTL Group remuneration policy, published in 2020 in accordance with the Shareholder Rights Directive II, foresees the possibility to temporarily derogate from the rules in this remuneration policy in exceptional circumstances, to serve the company's long-term interests and sustainability or to assure its viability. In 2020, to retain management and keep them focused on the business throughout the Covid-19 crisis, the NCC approved the recalibration of the 2020 bonus structure, reducing the weight of the EBITA-related bonus component, while retaining the weight of the business and leadership targets. The remaining weight was allocated to a new goal – "Crisis Management" – designed to incentivise management to develop and implement appropriate measures and initiatives to counter the effects of the crisis and preserve the company's cashflow, profitability, and long-term viability.

In 2021 the NCC agreed to apply the bonus structure as defined in the Remuneration Policy to the Executive Directors' annual bonuses.

#### 3.3.2 LTIP

RTL Group offers its Executive Directors a long-term incentive plan (LTIP), to reward them for entrepreneurial performance, to retain key executives and to align the interests of management and shareholders. The performance targets of the LTIP have been approved by the NCC and are based on financial metrics such as RTL Group Value Added ("RVA") or EBITA.

RTL Group's LTIP for the period 2020 to 2022 has the following features:

- The metric used in the plan is EBITA.
- The plan term is three years (N, N+1, N+2).
- Performance is measured based on yearly targets, which are defined annually.
- The vesting of the LTIP occurs at the end of the term (N+2).
- The payment occurs in N+3 (see below).
- The reward basis is the annual contractual maximum cash compensation.
- The maximum annual amount under the LTIP equals the reward basis multiplied by one third, multiplied by 1.5, multiplied by the participation rate.
- The total maximum amount over the three years of the plan corresponds to the sum of the maximum annual amounts, taking into account the length of participation in the plan.
- The actual annual LTIP amount equals the total maximum annual amount multiplied by the achievement rate. The resulting amount is accrued for deferred payment at the end of the LTIP term, subject to the terms and conditions of the plan.

The amount due under the LTIP in force for the period 2020 to 2022 is paid after the end of the term, within 90 days from the later of (i) the approval by RTL Group's shareholders of the financial statements of RTL Group for the previous year, (ii) the approval by the Business Unit's shareholders of the financial statements of the Business Unit for the previous year, and (iii) the payment of the individual yearly bonuses (STIPs), if applicable, related to the previous year.

### 3.4 Complementary pension plan

The pension plan granted to all employees of RTL Group S.A. is currently a defined benefit plan which also covers death and invalidity risks and is linked to (i) base salary (i.e. fixed salary, all benefits excluded), (ii) years of service, and (iii) legal pension entitlements. The employer accrues the reserves on its balance sheet on a yearly basis. The pension plan granted to all employees of RTL Group GmbH is currently a defined benefit plan, managed by Bertelsmann SE & Co KGaA. Each year, a capital component is set aside and accrued accordingly. The individual pension contribution is calculated by multiplying a basic pension contribution by the personal earnings ratio pursuant to the plan. A specific age factor applies for each age. The actuarial interest rate is reviewed annually on 1 April and adjusted in line with capital market developments.

### 3.5 Benefits

These comprise an accident insurance, which covers both death and disability, a complementary health insurance, and a car allowance to finance a company car at the executive's discretion.

## Remunerations of the CEO and Deputy CEO in 2021

The remuneration received by the executives during the period (i.e. already paid to the executives), and the remuneration earned during the period (i.e. the total amounts to which the executives are entitled under certain conditions for their services rendered during the period, including amounts already received and amounts still to be received) are summarised in Exhibit 1 on page 31.

### Chief Executive Officer ("CEO")

#### 3.6 Total amount and proportion of fixed vs variable remuneration

Thomas Rabe has a 50 per cent employment contract with RTL Group. The total amount of remuneration earned by Thomas Rabe in his capacity as CEO of RTL Group in the financial year 2021 amounts to €1,500,208. The fixed remuneration plus benefits represents 40 per cent and the variable remuneration represents 60 per cent of the total remuneration.

A total amount received by Thomas Rabe in his capacity as CEO of RTL Group in the financial year 2021 amounts to €1,302,208. Thomas Rabe does not participate in the LTIP of RTL Group.

#### 3.7 Fixed remuneration (base salary)

The amount of fixed remuneration earned and received by Thomas Rabe in his capacity as CEO of RTL Group in 2021 is €600,000.

#### 3.8 Variable remuneration: annual short-term incentive plan (STIP) and long-term incentive plan (LTIP)

##### 3.8.1 STIP

The amount of variable remuneration received by Thomas Rabe in his capacity as CEO of RTL Group in 2021 under the STIP 2020 is €702,000.

The amount of variable remuneration earned by Thomas Rabe in his capacity as CEO of RTL Group in 2021 under the STIP 2021 is €900,000. This will be paid to Thomas Rabe in April 2022.

##### 3.8.2 LTIP

Thomas Rabe did not earn any amount in 2021 under the LTIP 2020 to 2022 as he does not participate in the plan.

#### 3.9 Complementary pension plan

The CEO does not participate in the RTL Group complementary pension plan.

#### 3.10 Benefits

##### 3.10.1 Accident insurance, which covers both death and disability

This benefit represents €208 for 2021.

## Chief Operating Officer ("COO") and Deputy CEO of RTL Group

#### 3.11 Total amount and proportion of fixed vs variable remuneration

The total amount of remuneration earned by Elmar Heggen in 2021 in his capacity as Chief Operating Officer ("COO") and Deputy CEO and as a member of both the Métropole Télévision Supervisory Board (Groupe M6) and the Atresmedia Board of Directors is €4,976,725. The fixed remuneration plus benefits represent 24 per cent and the variable remuneration represents 76 per cent of the total remuneration.

The total amount of remuneration received by Elmar Heggen in 2021 in his capacity as COO and Deputy CEO and as a member of both the Métropole Télévision Supervisory Board and the Atresmedia Board of Directors is €3,459,925.

#### 3.12 Fixed remuneration (base salary and fixed allowances)

The amount of fixed remuneration earned and received by Elmar Heggen in his capacity as COO and Deputy CEO and as a member of both the Métropole Télévision Supervisory Board and the Atresmedia Board of Directors in 2021 is €1,172,603. This amount corresponds to (a) €960,000 base salary including any board attendance fees, (b) €188,603 fixed allowance for compensation of pension entitlements lost as a result of the change in the main working location, and (c) €24,000 housing allowance linked to the change in the main working location.

#### 3.13 Attendance fees at boards of other group entities

Elmar Heggen's contractual annual base remuneration for the year 2021 amounts to €960,000. As stipulated in the employment contract, this includes any board fees paid by other Group entities during the period. Accordingly, at the end of the year, the annual base remuneration is reduced by the amount of board fees for the period. In 2021, Elmar Heggen earned and received €32,601 as a member of the Métropole Télévision Supervisory Board and €53,000 as a member of the Atresmedia Board of Directors.

#### 3.14 Variable remuneration: annual short-term incentive plan (STIP), Transaction Bonus and long-term incentive plan (LTIP)

##### 3.14.1 STIP

The amount of variable remuneration received by Elmar Heggen in 2021 in his capacity as COO and Deputy CEO under the STIP 2020 is €1,123,200.

The amount of variable remuneration earned by Elmar Heggen in his capacity as COO and Deputy CEO in 2021 under the STIP 2021 is €1,440,000. This will be paid to Elmar Heggen in April 2022.

### 3.14.2 Transaction Bonus

Based on article 6 of the RTL Group remuneration policy, in exceptional circumstances, RTL Group may temporarily derogate from the remuneration policy in order to serve the long-term interests and sustainability of RTL Group as a whole or to assure its viability.

In 2021, RTL Group undertook several important transactions that go beyond RTL Group's regular course of business. These transactions are an integral part of the strategic repositioning of RTL Group, aimed at establishing national cross-media champions, and result in a significant change of RTL Group's business portfolio and geographic footprint.

In this context, the Nomination and Compensation Committee has approved the grant of an exceptional bonus (the "Transaction Bonus") to Elmar Heggen for his significant contribution to the following transactions: disposal of BBTv, disposal of SpotX, merger of Groupe M6 with Groupe TF1, merger of RTL Nederland with Talpa, disposal of RTL Belgium and acquisition of Gruner + Jahr by RTL Deutschland.

The related Transaction Bonus fulfills the conditions set by the remuneration policy, as they align the Executives' interest with the shareholders' interests and contribute to assuring RTL Group's long-term viability.

Elmar Heggen's Transaction Bonus amounts to €2,400,000 maximum across all transactions and is paid in two instalments for each transaction: 30 per cent of the amount allocated to each transaction vested and was payable at signature of the related

transaction, 70 per cent of the amount allocated to each transaction will vest and be paid at closing of the related transaction. Accordingly, €1,140,000 have been paid in 2021 to Elmar Heggen, in relation to the signature of all transactions and in relation to the closing of the BBTv and SpotX transactions, corresponding to 48 per cent of the maximum Transaction Bonus amount. The remaining portion of the Transaction Bonus will gradually become payable upon closing of the outstanding transactions.

### 3.14.3 LTIP

Elmar Heggen participates in the RTL Group LTIP 2020 to 2022. The amount of variable remuneration earned by Elmar Heggen in his capacity as COO and Deputy CEO in 2021 under the LTIP 2020 to 2022 is €1,200,000.

### 3.15 Complementary pension plan

Elmar Heggen participates in the pension plan of RTL Group GmbH, as described in section 3.4. In addition, Elmar Heggen has a pension entitlement from the defined benefit plan at RTL Group S.A. as described in section 3.4 linked to previous years of employment.

### 3.16 Benefits

#### 3.16.1 Accident insurance, which covers both death and disability

This benefit represents €333 for 2021.

#### 3.16.2 Health benefits

This benefit represents €3,989 for 2021.

#### 3.16.3 A company car financed via a car allowance

amounting to €19,800 for 2021.

Exhibit 1

	Earned 2021				Received 2021	
	Thomas Rabe		Elmar Heggen		Thomas Rabe	Elmar Heggen
	€	per cent	€	per cent	€	€
Annual base salary	600,000		874,399		600,000	874,399
Fixed allowances			188,603			188,603
Director fees earned 2020			85,601			85,601
Other allowances:						
– Housing allowance			24,000			24,000
Total fixed remuneration	600,000	40	1,172,603	24	600,000	1,172,603
Variable remuneration:						
– STIP 2020					702,000	1,123,200
– STIP 2021	900,000	60	1,440,000	29		
– Transaction Bonus			1,140,000	23		1,140,000
– LTIP 2020 to 2022 annualised*			1,200,000	24		0
Benefits:						
– Car allowance			19,800	–		19,800
– Other benefits	208	–	4,322	–	208	4,322
<b>Total remuneration</b>	<b>1,500,208</b>	<b>100</b>	<b>4,976,725</b>	<b>100</b>	<b>1,302,208</b>	<b>3,459,925</b>

\*Thomas Rabe does not participate in the LTIP