

Remuneration system

for the members of the
Board of Management of Jungheinrich AG

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About this document

We have optimised the PDF version of this document for PCs and tablets. The landscape format with individual page view is better suited for viewing on a monitor. The links in the table of contents enable the reader to navigate all chapters quickly and easily. Useful links and standardised function buttons on each page make it easier for the reader to reference sections and present its contents in a more user-friendly and transparent manner.

Remuneration system for the members of the Board of Management of Jungheinrich AG

DEVELOPMENT OF THE REMUNERATION SYSTEM

In March 2026, the Supervisory Board of Jungheinrich AG (hereinafter “Jungheinrich” or “the company”) decided to further develop certain aspects of the remuneration system for the members of the Board of Management approved by the Annual General Meeting on 15 May 2024.

During the last financial year, the Supervisory Board conducted an in-depth review of the remuneration system, taking into consideration regulatory conditions and standard market practice, and identified potential for further development. The goal of the amendments to the remuneration system is to align the structure of the Board of Management remuneration more closely with the long-term performance of Jungheinrich, to emphasise the relationship between the remuneration of the Board of Management and the performance achieved (“pay for performance”), and to ensure that the structure of the Board of Management remuneration is competitive and attractive.

The further developed remuneration system presented below will take effect as of 1 January 2026, subject to it being presented to the 2026 Annual General Meeting. The remuneration system fundamentally implements the regulatory requirements of the German Stock Corporation Act (AktG) as well as the principles, recommendations and suggestions of the German Corporate Governance Code (GCGC) dated 28 April 2022 and corresponds to standard market practice.

The remuneration system is applicable to all new employment contracts with members of the Board of Management and to contract extensions. The existing members of the Board of Management will be transferred to the amended remuneration system with effect from 1 January 2026. The amendments to the remuneration system are explained below:

Long-term incentive

The further developments of the long-term variable remuneration (long-term incentive – LTI) relate to the peer group for the relative total shareholder return (relative TSR) and the amount of the payment cap.

In the last financial year, the Supervisory Board focused extensively on the existing peer group for the relative TSR and reviewed it to determine its optimal composition with regard to an appropriate “pay for performance” relationship. The resulting amendments place a greater emphasis on listed companies and direct competitors that are comparable to Jungheinrich, have a related business model and operate in a similar economic environment.

In order to additionally create greater incentives for a positive share price performance and strong capital market performance by Jungheinrich in the future, the LTI payment cap of 180 per cent will be increased to what is still a standard market level of 200 per cent. A clear increase in the share price over the three-year term of the LTI will therefore be appropriately rewarded. Since the amended peer group for the relative TSR in conjunction

with the other performance criteria of the LTI will result in ambitious targets for the Board of Management overall, a higher payment cap will also ensure that the opportunity and risk profile for the Board of Management remains balanced.

Maximum remuneration in accordance with Section 87a of the German Stock Corporation Act

The maximum remuneration previously specified in accordance with Section 87a, Paragraph 1, Sentence 1, Item 1 of the German Stock Corporation Act will be adjusted, as the target remuneration, but not the maximum remuneration, has been increased in the past. This meant that the existing maximum remuneration no longer made it fully possible to exceed the performance criteria and participate in a disproportionate increase in the share price. Amending the maximum remuneration is intended to continue to provide the members of the Board of Management with incentives to exploit the maximum possible opportunities of the LTI (and the STI), while also ensuring that there is a balanced opportunity and risk profile for the Board of Management.

The maximum remuneration will be increased from €3.5 million to €5.5 million for the Chairman of the Board of Management and from €2.3 million to €3.2 million for the ordinary members of the Board of Management, bringing it closer to the market standard.

I. PRINCIPLES OF THE REMUNERATION SYSTEM AND CONTRIBUTION TO ADVANCING THE BUSINESS STRATEGY AND TO LONG-TERM PERFORMANCE

The structure of the Board of Management remuneration system enables the Supervisory Board to pursue the following overall objectives:

Focus on strategy

The aim of the remuneration system is to support the achievement of the strategic goals of Jungheinrich and to ensure appropriate remuneration for the members of the Board of Management. By selecting performance criteria for short-term and long-term variable remuneration and setting ambitious targets for the individual performance criteria, the Supervisory Board has ensured that the remuneration system is consistent with the long-term business strategy of Jungheinrich.

Sustainability

The Board of Management remuneration system is consistent with the corporate strategy of Jungheinrich, which is focused on creating sustainable value in addition to achieving profitable growth. Incorporating sustainability targets into short and long-term variable remuneration gives greater priority to social and environmental issues and promotes sustainable action by the company.

The character of a family business

The remuneration system reflects the character of Jungheinrich as a family business and places a focus on trust and long-term relationships. Any tendency towards too high a level of short-term risk is counteracted by an emphasis on the fixed remuneration components. Within variable remuneration, the share of long-term variable target remuneration is higher than the share of short-term variable target remuneration.

Interests of shareholders and other stakeholders

The remuneration system of Jungheinrich takes the interests of shareholders into consideration in addition to those of employees and customers. The share aspect of the long-term variable remuneration and the incorporation of share-based performance criteria take account of shareholders' interests.

Comprehensibility and regulatory compliance

The remuneration system for the members of the Board of Management of Jungheinrich is clearly and comprehensibly structured. It complies with the provisions of the German Stock Corporation Act in the version of the act transposing the second Shareholder Rights Directive dated 12 December 2019 and fundamentally takes account of the recommendations of the GCGC dated 28 April 2022.

II. COMPONENTS OF THE REMUNERATION SYSTEM

A. Overview of the remuneration components

The remuneration of the members of the Jungheinrich Board of Management is comprised of non-performance-related and performance-related remuneration components. The non-performance-related component consists of basic remuneration, fringe benefits and a company pension.

The performance-related remuneration consists of two components: short-term variable remuneration with a one-year term as a short-term incentive (STI) and virtual performance shares with a term of three years as a long-term incentive (LTI).

The remuneration system also includes malus and clawback provisions as well as a maximum remuneration pursuant to Section 87a of the German Stock Corporation Act.

The following overview summarises the remuneration system:

Remuneration components of Jungheinrich			Strategic alignment
Non-performance-related remuneration	Basic remuneration	Fixed remuneration paid as monthly payments	Forms the basis for attracting and retaining highly qualified members of the Board of Management to develop and implement the strategy
	Fringe benefits	Primarily company car and insurance policies	
	Pension	<ul style="list-style-type: none"> ■ Fixed annual maintenance payment for members for personal retirement planning ■ For members of the Board of Management who were first appointed before 2024: Defined benefit commitment and/or fixed annual maintenance payment 	
Performance-related remuneration	Short-term variable remuneration	<ul style="list-style-type: none"> ■ Plan type: Target bonus ■ Term: One year ■ Performance criteria: <ul style="list-style-type: none"> – 45% Group EBT return on sales – 35% increase in Group revenue – 20% lithium-ion equipment ratio – Target achievement: 0 – 150% ■ Discretionary factor of 0.8 to 1.2 ■ Payment cap: 150% of target amount 	Rewarding the operational implementation of the corporate strategy within a financial year
	Long-term variable remuneration	<ul style="list-style-type: none"> ■ Plan type: Virtual-performance share plan ■ Term: Three years ■ Leistungskriterien: <ul style="list-style-type: none"> – 60% return on capital employed (ROCE) – 20% relative total shareholder return (TSR) compared with an individual peer group – 20% sustainability target – Target achievement: 0 – 150% ■ Discretionary factor of 0.8 to 1.2 ■ Payment cap: 200% of target amount 	
Malus / Clawback		Option to reduce or reclaim variable remuneration on a pro rata basis in the event of significant, deliberate or grossly negligent breaches of duty	Ensuring responsible corporate governance for Jungheinrich
Maximum remuneration		Limit on total remuneration granted for one financial year in accordance with Section 87a, Paragraph 1, Sentence 2, Item 1 of the German Stock Corporation Act: <ul style="list-style-type: none"> ■ Chair of the Board of Management: €5,500,000.00 ■ For each ordinary member of the Board of Management: €3,200,000.00 	Limit on remuneration to a level that is in line with market standards and competitive
Severance cap		Severance equal to the total of basic remuneration, STI and LTI for two years at a maximum or the remainder of the term of office at a maximum	Limit on amount of severance that can be paid in the event of severance

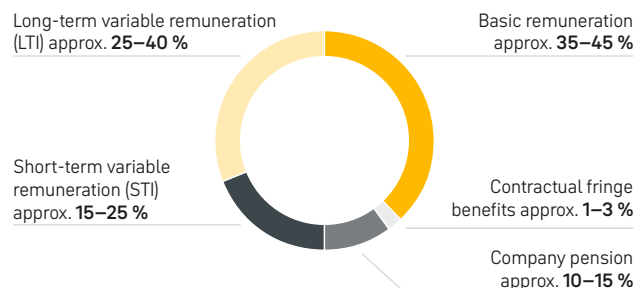
1. Remuneration structure

The target total remuneration consists of the sum of the following remuneration components:

- Basic remuneration
- Target amount of short-term variable remuneration (STI)
- Target amount of long-term variable remuneration (LTI)
- Company pension
- Contractual fringe benefits

Overall, the remuneration of the Board of Management is structured on the basis of the long-term and short-term performance of Jungheinrich pursuant to the regulatory requirements of Section 87, Paragraph 1 of the German Stock Corporation Act. Within the performance-related variable remuneration components, the LTI accounts for a larger share than the STI. This complies with recommendation G. 6 of the GCGC, according to which the share of remuneration linked to the achievement of long-term targets exceeds the share linked to the achievement of short-term targets. In addition, the majority of variable remuneration is share-based. The share of the individual remuneration components within the target total remuneration is as follows:

Remuneration structure of Board of Management members (target total remuneration)



The relative share of the individual remuneration components may differ depending on the individual use of the contractual fringe benefits, the individual expenses for the company pension and any event-based remuneration components when a member is first appointed to the Board of Management.

2. Maximum remuneration

The remuneration of the Board of Management is limited in two regards. First, the variable remuneration components are limited in terms of their amount (short-term variable remuneration: 150 per cent of the target amount, virtual performance shares: 200 per cent of the target amount). This creates incentives to exceed the performance criteria, while also ensuring appropriate remuneration.

Second, the Supervisory Board has set a maximum remuneration in accordance with Section 87a, Paragraph 1, Sentence 2, Item 1 of the German Stock Corporation Act limiting the remuneration that is granted for a financial year, irrespective of the actual payment date. The maximum remuneration comprises all remuneration components (basic remuneration, fringe benefits, company pension and payments under the STI and LTI).

The maximum remuneration is €5,500,000.00 for the Chairman of the Board of Management and €3,200,000.00 for each of the ordinary members of the Board of Management.

B. Remuneration components in detail

1. Non-performance-related remuneration

The non-performance-related remuneration comprises the basic remuneration, fringe benefits and pension.

a. Basic remuneration

The basic remuneration is a fixed amount and is paid as monthly payments.

b. Fringe benefits

Each member of the Board of Management also receives fringe benefits in the form of emoluments in kind and other emoluments. The fringe benefits essentially consist of a company car and accident insurance for members of the Board of Management.

The Board of Management members are also covered by standard directors and officers liability insurance (referred to as D&O insurance), the deductible of which complies with the requirements of company law.

c. Pension

The members of the Board of Management can be granted a fixed annual maintenance payment which is paid once a year in addition to the basic remuneration. The members of the Board of Management can use this pension payment to manage their pension on an independent basis.

Members of the Board of Management who were first appointed before financial year 2024 are entitled to a retirement and disability pension as well as support for surviving family members. The pension takes the form of a defined benefit commitment that entitles the Board of Management member to a pension payable for life when they turn 63.

Aspect	Specification
Commitment type	Defined benefit commitment
Commencement of pension	End of 63 rd year
Basic amount	€30,000.00 per year
Increase per year on Board of Management	€4,200.00 per year
Payment options	Monthly payment (annual increase of 1%)
Disability/death	Disability: 100 % Death: 50 %

In the case of new members of the Board of Management who were already salaried employees of the Jungheinrich Group before their appointment and therefore have a commitment to receive a company pension, the Supervisory Board can continue this commitment as an exception.

d. Other event-related remuneration components

If a newly appointed Board of Management member has outstanding entitlements from previous employment relationships, event-related remuneration components may be granted by individual agreement to compensate for lost entitlements from the previous employer when appropriate proof is provided. The compensation for lost variable remuneration from the previous employer is made in several instalments and is subject to payment conditions.

The Supervisory Board may also decide to grant transfer benefits, such as the reimbursement of moving costs, for a limited time in individual cases.

2. Performance-related remuneration

The performance-related remuneration comprises the short-term variable remuneration with a one-year term and the virtual performance shares with a three-year term. It incentivises the implementation of the strategy of Jungheinrich as well as the long-term and sustainable performance of the company. The Supervisory Board sets ambitious short and long-term targets for the performance criteria every year that are based on operating management and the corporate strategy. The amount of the variable remuneration depends on the achievement of the targets set, among other things.

a. Short-term variable remuneration (STI)

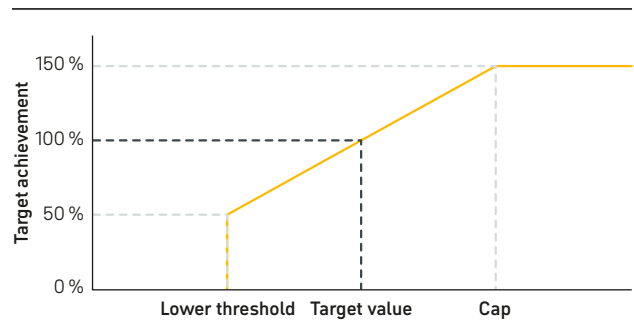
The short-term variable remuneration contributes to the advancement of the business strategy by rewarding the operational implementation of the corporate strategy within a financial

year. The performance criteria for assessing success are as follows: 45 per cent for Group earnings before taxes return on sales (Group EBT-ROS), 35 per cent for an increase in Group revenue, and 20 per cent for the equipment ratio of trucks with lithium-ion batteries.

The Group EBT-ROS and the increase in Group revenue contribute to the company’s strategy of growing profitably and increasing operating performance. The equipment ratio of trucks with lithium-ion batteries reflects the social and environmental responsibility of Jungheinrich in the form of a sustainability target. The expansion of the product portfolio to include additional trucks with fully integrated lithium-ion batteries is an important strategic initiative that makes an effective contribution to sustainability.

At the start of the financial year, challenging thresholds, targets and caps are set for each performance criterion. The target values are derived from operational or strategic corporate planning. If the performance is below the threshold value, the target achievement is 0 per cent, and the STI can be completely disregarded. At the upper end, target achievement is capped at 150 per cent. Between the defined values, the target achievement is calculated using linear interpolation. A sample bonus curve can be represented as follows:

Bonus curve – STI

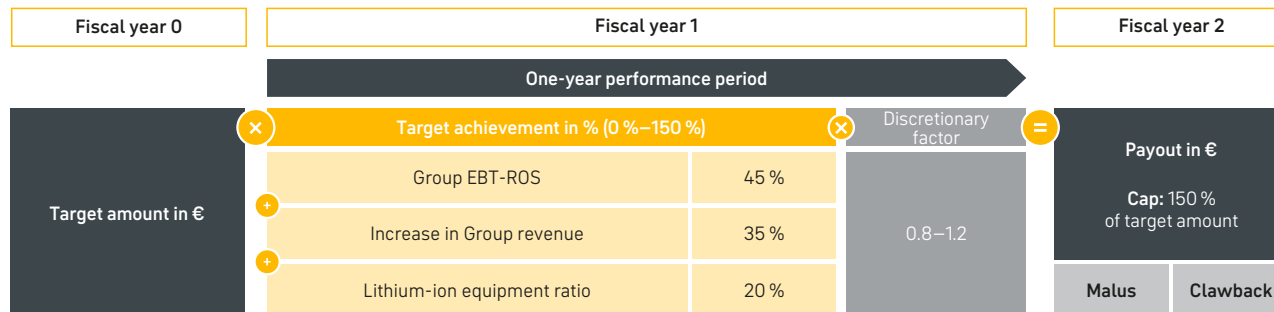


The thresholds, targets and caps of the performance criteria are published in the remuneration report for the respective financial year, provided that this is not detrimental to the market position of Jungheinrich.

The amount of the short-term variable remuneration for a financial year is determined using the target achievement of the set performance criteria. After the Supervisory Board approves the consolidated financial statements relevant for the financial year, the target achievement is determined for each performance criterion. This is done by comparing the actual values achieved with the set target values. The target achievements calculated in this way are multiplied by the respective weighting of the performance criterion and then added together to determine the overall target achievement.

On an exceptional basis, the Supervisory Board can multiply, and thus adjust, the overall target achievement by a factor of between 0.8 and 1.2 in the form of a discretionary decision due to extraordinary events or due to the special individual performance of one or more members of the Board of Management. The overall target achievement is multiplied by the target amount to determine the payment amount. This is limited to 150 per cent of the target amount.

Overall, the STI functions as follows:



The performance criteria and target values for the performance criteria may in principle not be subsequently changed. In accordance with recommendation G.11 of the GCGC, the Supervisory Board may, at its discretion, take extraordinary developments into account in justified exceptional cases that are not related to the Board of Management's performance when determining the achievement of targets.

Extraordinary developments include, for example, significant company sales or acquisitions, changes in tax or accounting regulations with substantial effects, and unforeseeable and far-reaching changes in the economic situation, but not unfavourable market developments. If exceptional developments occur that require an adjustment as described above, this will be reported in the next annual remuneration report.

b. Long-term variable remuneration (LTI)

The share-based LTI contributes to the advancement of the business strategy by rewarding a long-term increase in the value of Jungheinrich. Since the strategy of achieving profitable growth is largely dependent on the capital available, it is particularly important to focus on value in the long term with regard to the use of the capital employed. By incorporating absolute and relative

share price performance, the LTI also helps to link the interests of shareholders and members of the Board of Management more closely together. Overall, an incentive is created to increase the company's value on a long-term and sustainable basis. The LTI is granted every year in rolling tranches as virtual performance shares. At the start of the term, the target amount of the LTI is divided by the average share price of Jungheinrich AG (arithmetic mean of the closing prices in the last 120 trading days before the start of the performance period) to calculate the number of virtual shares assigned conditionally (virtual performance shares – VPSs). This number of VPSs can increase or decrease depending on the target achievement of the cumulatively linked performance criteria of return on capital employed (ROCE), relative total shareholder return (TSR) compared with an individual peer group, and a sustainability target. The number of VPSs can also be completely disregarded if the targets set are missed by a significant amount.

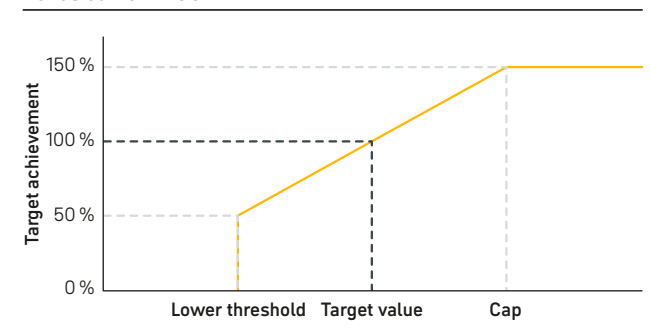
ROCE

The first LTI performance criterion is the ROCE, which is weighted at 60 per cent. ROCE measures the ratio between profit and capital employed and, as a performance criterion, promotes the efficient use of capital and the profitability of Jungheinrich.

The target value set by the Supervisory Board is based on the strategically expected return on capital employed. After the Supervisory Board approves the consolidated financial statements relevant to the last financial year of the performance period, the achievement of the ROCE target is determined. This is done by comparing the actual ROCE achieved in the last financial year of the three-year performance period with the set target value.

Between the values defined, the target achievement is calculated using linear interpolation.

Bonus curve – ROCE



The defined thresholds, targets and caps, as well as the determined target achievement, are disclosed transparently in the remuneration report.

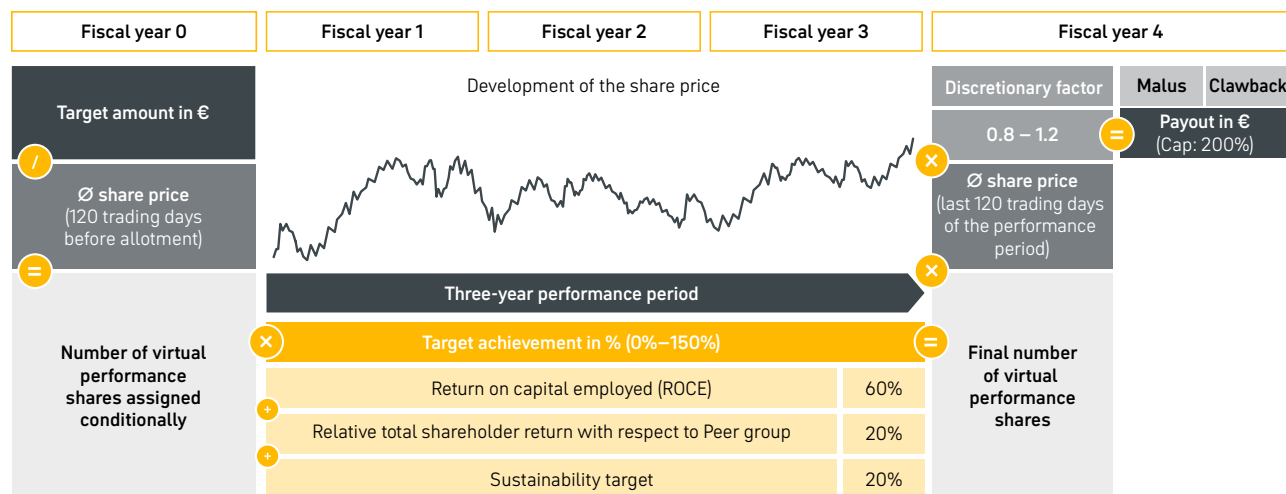
Relative total shareholder return

The total shareholder return (TSR) takes into account not only share price performance but also fictitiously reinvested shares. The use of relative TSR measures the capital market performance of Jungheinrich and creates incentives to outperform a predefined peer group. The relative TSR is weighted at 20 per cent.

The peer group used to calculate the relative TSR consists of twenty listed companies that are selected based on industry affiliation and business model criteria. The Supervisory Board has the option of modifying the peer group for future tranches if a company no longer meets the criteria for membership of the peer group (e.g. no longer listed, change in strategic direction).

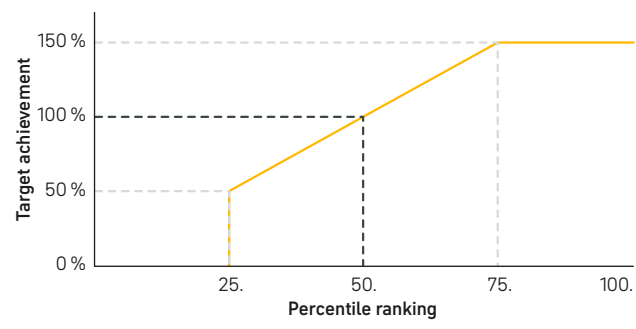
The TSR performance is determined for both Jungheinrich and each company in the peer group after the performance period ends. It is calculated as the ratio of the TSR at the end of the performance period to the TSR at the start of the performance period. The average TSR values on the 60 trading days prior to the start and end of the performance period are used for the start and end values. The resulting individual values are subsequently ranked and assigned a percentile rank, with the 0th percentile ranking corresponding to the lowest TSR performance and the 100th percentile ranking to the highest TSR performance.

The target achievement for the relative TSR is determined using the percentile ranking of Jungheinrich: up to the 25th percentile ranking, the target achievement is 0 per cent; at the 25th percentile ranking, 50 per cent; at the 50th percentile ranking, 100 per cent; and from the 75th percentile ranking, 150 per cent.



Between the percentile rankings mentioned, the target achievement is interpolated on a linear basis.

Bonus curve – relative TSR



If the defined bonus curve is no longer sufficient to optimally incentivise the Board of Management, the Supervisory Board has the option of setting a different bonus curve at the start of an LTI tranche. In this case, the adjusted curve as well as the reason for the adjustment are provided in the remuneration report.

Sustainability target

The third performance criterion comprises a sustainability target, which is weighted at 20 per cent. The Supervisory Board selects the sustainability target from a catalogue of criteria before the start of an LTI tranche. The list of criteria is derived from the materiality matrix and the sustainability strategy and covers the categories that are relevant to Jungheinrich for promoting sustainability. An exemplary list of criteria could look as follows:

Sample List of Criteria

Climate change (e.g., reduction of CO ₂ emissions)	Circular economy (e.g., adoption rate of lithium-ion batteries)
Company employees (e.g., Health & Safety)	Workers in the value chain (e.g., working conditions)
Consumers and end users (e.g., workplace safety at customer sites)	Business Management (e.g., Supplier Relationship Management)

At the start of an LTI tranche, the Supervisory Board sets challenging thresholds, targets and caps for the selected sustainability target for the new tranche, which remain valid for the entire three-year term of the tranche.

The specific details of the sustainability target are published in the remuneration report, provided that this is not detrimental to the competitive position of Jungheinrich.

Determining the LTI

The target achievement calculated for ROCE, relative TSR and the sustainability target are multiplied by the respective weighting of the performance criterion and then added together to determine the overall target achievement.

The final number of virtual performance shares is determined after the performance period ends by multiplying the originally assigned number of VPSs by the overall target achievement. The final number of virtual performance shares is subsequently multiplied by the average share price at the end of the performance period (arithmetic mean of the closing prices of Jungheinrich AG in the last 120 trading days before the end of the performance period) to determine the payment amount.

On an exceptional basis, the Supervisory Board can multiply, and thus adjust, the payment amount by a factor of between 0.8 and 1.2 in the form of a discretionary decision due to extraordinary events or due to the special individual performance of one or more members of the Board of Management. In any case, the payment amount is limited to 200 per cent of the target amount.

The performance criteria and target values for the performance criteria may in principle not be subsequently changed. In accordance with recommendation G.11 of the GCGC, the Supervisory Board may, at its discretion, take extraordinary developments into account in justified exceptional cases that are not related to the Board of Management's performance when determining the achievement of targets. Extraordinary developments include, for example, significant company sales or acquisitions, changes in tax or accounting regulations with substantial effects, and unforeseeable and far-reaching changes in the economic situation, but not unfavourable market developments. If exceptional developments that require an adjustment as outlined above occur, corresponding details will be provided in the next annual remuneration report.

3. Miscellaneous

Malus and clawback

The short-term variable remuneration and virtual performance shares are subject to malus and clawback conditions. In case of significant, deliberate or grossly negligent breaches of duty by the members of the Board of Management, the Supervisory Board is entitled to retain up to 50 per cent of the yet unpaid variable remuneration granted (malus) and to reclaim up to 50 per cent of the variable remuneration already paid for a specific period of time (clawback). The Supervisory Board's decision in this regard is based on its prudent judgement. The potential liability of the member of the Management Board for damages to the company in accordance with Section 93, Paragraph 2 of the German Stock Corporation Act is not affected by this.

III. REMUNERATION-RELATED LEGAL TRANSACTIONS

1. Terms of Board of Management employment contracts

The Board of Management employment contracts are concluded for the duration of the respective appointment and extended for the duration of the re-appointment. Ordinary members of the Board of Management are appointed for three years as a rule and the Chairman of the Board of Management for four years as a rule.

The Board of Management employment contracts do not contain an ordinary termination option for either party. This does not affect the mutual right to terminate the Board of Management employment contract without notice for good cause. Subject to any deviating individual agreements and taking into account appropriate deadlines, the employment contract ends without any need for termination if the appointment as a member of the Board of Management ends due to the end of a term, withdrawal, resignation or termination by mutual consent or if the member of the Board of Management becomes permanently unable to work or passes away.

2. Appointment or departure during the year

If a member joins or leaves the Board of Management during a financial year, the remuneration is granted pro rata temporis.

In the event of a (premature) termination of the employment contract without cause or the commencement of a pension, the as yet unpaid virtual performance shares of the ongoing LTI tranches will remain at the agreed amount (pro rata temporis if the member leaves during the year) and be paid after the Supervisory Board assesses the target achievement in accordance with the regular specifications. Early payment will not occur. Virtual performance shares from ongoing tranches will cease without any substitution if the employment contract of a member of the Board of Management is extraordinarily terminated by the company with cause or the member of the Board of Management resigns from their position.

3. Benefits upon termination of office or contract

In the event of a premature termination of the appointment as a member of the Board of Management or the employment contract, any payments to the member of the Board of Management that may be required (in the absence of cause as defined in Section 626 of the German Civil Code), including fringe benefits, should not exceed the sum of the basic remuneration, STI remuneration and LTI remuneration for two years or the value of the remuneration for the remaining term of the employment contract (severance cap). Payments are credited against any leave

compensation in connection with any agreed post-contractual non-competition clauses.

4. Change of control

There are no commitments in the event of a premature termination of a position on the Board of Management as a result of a change of control.

5. Remuneration of Supervisory Board mandates within and outside of the Jungheinrich Group

Any remuneration of a member of the Board of Management for Supervisory Board mandates at companies in which Jungheinrich or a company affiliated with Jungheinrich has a significant shareholding are taken into account for the emoluments of the member of the Board of Management. The Supervisory Board has the right to decide whether and to what extent the remuneration payable to the member of the Board of Management for holding Supervisory Board mandates outside of the Group should be taken into account for the emoluments of the member of the Board of Management.

IV. METHOD FOR ESTABLISHING, IMPLEMENTING AND REVIEWING THE REMUNERATION SYSTEM

The Personnel Committee develops recommendations for the Board of Management remuneration system that are based, among other things, on the recommendations and suggestions of the GCGC in its applicable version. The Supervisory Board deliberates on the recommendations of the Personnel Committee and decides on the system for remunerating the Board of Management. The Supervisory Board can bring in an external consultant and ensure their independence in the appointment process.

The Supervisory Board presents the remuneration system that it has decided on to the Annual General Meeting for approval. If the Annual General Meeting does not approve the system presented, the Supervisory Board presents a reviewed remuneration system to the next Annual General Meeting at the latest for approval.

In accordance with the remuneration system presented to the Annual General Meeting, the Supervisory Board determines the specific target remuneration as well as the short and long-term

performance criteria of the variable remuneration components for the upcoming financial year. To ensure market-standard, competitive remuneration, the Supervisory Board reviews the remuneration system and remuneration amounts of the Board of Management every two years. The Personnel Committee supports the Supervisory Board with this review by undertaking preparations and providing recommendations.

As part of the review, the degree to which the remuneration is horizontally standard (comparison with Board of Management remuneration at other companies) and vertically standard (remuneration and employment conditions within Jungheinrich) is examined and assessed. For horizontal comparison (market comparison), companies that are comparable with Jungheinrich, particularly with regard to country and size (Section 87, Paragraph 1 of the German Stock Corporation Act), are used. Criteria used to determine size are usually turnover, number of employees and

market capitalisation. Both domestic and European listed peer companies can be taken into consideration.

Both senior management and the workforce are consulted when considering the current remuneration relationship within Jungheinrich and its development over time. Senior management comprises management level A and management level B in Germany. The total workforce consists of other salaried employees in Germany (excluding trainees and apprentices).

Changes to the remuneration system are made by the Supervisory Board if needed. The remuneration system is presented to the Annual General Meeting again for approval at least once every four years or in the event that significant changes are decided on.

With regard to the method for establishing, implementing and reviewing the remuneration system, the provisions applicable for handling conflicts of interest are also observed.

V. TEMPORARY DEVIATION FROM THE REMUNERATION SYSTEM

The Supervisory Board may temporarily deviate from the remuneration system in accordance with the legal provision of Section 87a, Paragraph 2, Sentence 2 of the German Stock Corporation Act if extraordinary circumstances necessitate a deviation in the interest of the company's long-term welfare. This requires a Supervisory Board resolution that establishes the need for a deviation in a transparent and justified manner. Generally unfavourable market developments are explicitly not included under extraordinary circumstances.

Even in the event of a temporary deviation from the Board of Management's remuneration system, the Board of Management's remuneration must continue to be focussed on the company's

long-term and sustainable performance and take account of the company's situation and the performance of the Board of Management members. The components of the remuneration system from which deviations are possible under the circumstances mentioned are the remuneration structure as well as the set performance criteria and targets in the STI and LTI. In this case, the Supervisory Board may also grant additional remuneration components on a temporary basis.

In addition, the components specifically affected by the deviation from the remuneration system and the need for this deviation must be explained to the shareholders in the remuneration report pursuant to Section 162 of the German Stock Corporation Act.

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