

PRESS RELEASE**MERCK WINS THE EUROSHAREHOLDERS' AWARDS THANKS TO MOST SHAREHOLDER-FRIENDLY DIRECTOR'S PAY SYSTEM**

28 November 2018 - Yesterday evening Euroshareholders, the shareholders branch of BETTER FINANCE, announced the winners of the 2018 Euroshareholders Awards at a ceremony in Wiesbaden, Germany.

This year, the Euroshareholders' "Shareholder-friendly" Award, awarded to a DAX 30 company with the most shareholder-friendly director's pay system, went to Merck.

The evaluation criteria for this award focused on the appropriateness of the total remuneration, the sustainability of the variable remuneration as well as the clarity and transparency of the arrangement. In addition, the total remuneration had to be approved by at least 90% of the shareholders at the company's Annual General Meeting.

"Merck's compensation system convinced in almost all areas and, following considerable improvements with respect to the previous year, has really earned the title 'shareholder-friendly'," stated Jella Benner-Heinacher, Deputy Chief Executive Officer of DSW (the leading German Investors' Association) and President of BETTER FINANCE.

The Euroshareholders' Special Award, awarded to a DAX 30 company that has shown most improvement in matters of executive pay over the last year, went to SAP. The company was awarded for its exemplary response to criticism by shareholders denouncing the lack of transparency on its compensation system for the Executive Board, especially with regards to long-term bonuses.

"SAP not only made the compensation system much more transparent and understandable. SAP also took the opportunity to introduce gender diversity into the Management Board and Supervisory Board and to initiate a generational change in management [...] Today we can say that SAP is a true role model for all German companies in terms of transparency and clarity," said Jella Benner-Heinacher.

Guillaume Prache, Managing Director of BETTER FINANCE, had the honour of handing over the Euroshareholders' Award 2018 to Prof. Dr. Theo Siegert of the Merck KGaA Supervisory Board and member of the Shareholder Committee and the Personnel Committee who decide on Merck's directors' pay system.

The award criteria for the award today are primarily derived from the EuroVote 2018 Voting Guidelines. EuroVote is a unique European Voting Platform for European Private Investors, with Guidelines striving for a transparent and understandable pay structure for directors with long-term variable elements which are appropriate compared to the performance of the company.

More information:

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