

QIAGEN N.V.



2020

REMUNERATION REPORT

# Letter from the Chair of the Compensation Committee

We are pleased to present our Remuneration Report for 2020.

2020 was a dynamic year for QIAGEN. Our 5,600 colleagues worldwide, under our new CEO, Thierry Bernard, responded rapidly and effectively to the increasing demands for our molecular testing solutions that have been essential in the response to the COVID-19 pandemic. The ability to address the urgent needs of customers around the world was due to the unparalleled efforts of our employees and resulted in a year of rapid growth and excellent results. In March, the Company received a takeover bid that in August was not accepted by our shareholders. QIAGEN is moving forward as a strong and viable independent company.

At the Annual General Meeting of Shareholders (AGM) in June 2020, the Remuneration Policies for the Supervisory Board and the Managing Board were submitted to shareholders for adoption. The policy for the Supervisory Board was overwhelmingly approved by shareholders. However, the proposed policy for the Managing Board did not receive the required support and the advisory vote on the Remuneration Report was negative. We received feedback from shareholders and proxy agencies on the reason for the votes against the policy and report. It centered on two main issues: firstly, more transparency on short-term incentive award levels, target metrics and target setting and secondly, a change in policies going forward for severance and change-of-control arrangements.

We have worked to address these issues as well as other observations in the updated Remuneration Policy proposal for the Managing Board.

## True to our mission and vision

Our remuneration policies are intended to fully comply with relevant legislation and governance best practices. They build on principles and practices that have proven to be effective for QIAGEN and are modified as appropriate to take into account current practices and shareholder feedback. The Supervisory Board ensures that the policies and their implementation are linked to our company objectives, both short and long-term.

QIAGEN's mission and vision is to make improvements in life possible through our Sample to Insight Technologies. QIAGEN is a global leader in providing a differentiated portfolio of products and services used across the continuum from Research to Clinical Healthcare and from Life Sciences to Molecular Diagnostics. Founded in Germany in 1984, QIAGEN has grown by developing new solutions based on consumables kits, related instruments and bioinformatics to meet diverse and rapidly changing customer needs.

QIAGEN's strategy is founded on innovation and sustainable value creation leading to growth, efficiency, engagement and improved customer experience. To successfully develop and implement this strategy, we need to attract and retain highly trained employees at all levels, including executive management. U.S. practices have been taken into consideration in setting competitive remuneration levels given that a significant number of our leaders, customers, competitors and employees are based in this country.

## Meeting stakeholder and shareholder expectations

This report outlines the application in 2020 of the current Remuneration Policy of the Managing Board, which was last adopted by the AGM in 2014, and of the current Remuneration Policy of the Supervisory Board, as adopted by the AGM in 2020. As requested, we are providing a higher level of transparency and more detailed explanations, specifically focused on performance metrics, target levels, maximum opportunity and actual payout levels.

In addition, we will submit a revised Remuneration Policy for the Managing Board for adoption at the next AGM in June 2021. A summary of the key changes is outlined in our Remuneration Policy proposal available on our website at [www.qiagen.com](http://www.qiagen.com).

The Compensation Committee actively sought stakeholder engagement during 2020 and will continue to do so in the future. The level of support from our stakeholders for the remuneration policies that QIAGEN applies is important to the Supervisory Board and has been taken into account in the updated policy that will be proposed to the AGM in June 2021.

Elizabeth E. Tallett  
Chair of the Compensation Committee  
April 2021

# Managing Board Remuneration

This section of the Remuneration Report provides a summary of the Remuneration Policy of the Managing Board that was adopted by the AGM in 2014 and an account of how it was implemented in 2020. It also presents the details of the actual remuneration outcomes for our two Managing Board members in 2020.

In the Outlook section, we also present a summary of the proposed Remuneration Policy for the Managing Board to be submitted to the AGM in June 2021 and the proposed changes compared to the current policy. The 2014 Remuneration Policy is available on the QIAGEN website at [www.qiagen.com](http://www.qiagen.com).

This Remuneration Report complies with the European Directive (EU) 2017/828 on Shareholder Engagement, SRD II, as it is implemented into Dutch law. It also complies with the Dutch Corporate Governance Code and provides an explanation where other tried and proven policies are given precedence.

## Remuneration Policy summary

### Remuneration as a strategic instrument

The current Remuneration Policy for the Managing Board supports the long-term development and strategy of QIAGEN in a highly dynamic environment, while aiming to address the requests of various stakeholders and maintaining an acceptable risk profile. It builds on remuneration principles and practices that have proven to be both fitting and effective for QIAGEN. The Supervisory Board ensures that the Remuneration Policy for the Managing Board and its implementation are linked to our objectives.

More than ever, the ambition for QIAGEN is to stay true to its mission of advancing molecular testing and helping us achieve our vision of making improvements in life possible. QIAGEN is a global leader in providing a differentiated portfolio of products and services used across the continuum from research in Life Sciences to clinical healthcare using novel diagnostics. Founded in Germany in 1984, QIAGEN has grown by developing new solutions based on consumables kits, related instruments and bioinformatics to meet diverse and rapidly changing customer needs.

QIAGEN's strategy is focused on innovation and sustainable value creation with an emphasis on increasing growth, efficiency, engagement and improving customer experience. To successfully develop and implement this strategy, we need to attract and retain highly trained employees at all levels, including executive management level. U.S. practices have been taken into consideration to set competitive remuneration levels given that many of our leaders, customers, competitors and employees are in this country.

## Remuneration principles

QIAGEN strongly believes in competitive remuneration as a precondition to attracting intrinsically motivated top talent throughout all levels of the organization. Furthermore, we believe in pay for performance to provide a shared focus on operational and strategic targets that are rewarded when they are achieved.

A system of corporate, team and individual performance incentives applies to all members of our global workforce. The percentage weighting toward corporate goals, and less for personal goals, shifts as job levels rise. Likewise, the variable portion of pay linked to performance as a share of total direct remuneration increases with each job level, in line with greater responsibility and more significant impact on the Company's results.

At the executive level, QIAGEN believes that pay for performance should primarily focus on long-term value creation for shareholders and other stakeholders. Short-term incentives are essential to highlight the operational targets that are a precondition to realizing our strategy. Long-term incentives have the benefit of both being achieved only if QIAGEN is successful while they also contribute to long-term retention. In view of these aspects, variable remuneration represents the most significant element of total remuneration.

The remuneration principles are simple, transparent and provide internal consistency. It helps the Supervisory Board to maintain equitable internal pay ratios that support efficient talent recruitment and development and succession planning. The principles are ingrained in our culture, and have proven successful in attracting the global talent QIAGEN needs to successfully develop and implement a sustainable growth strategy.

## Remuneration Policy principles

Simple and transparent	Remuneration schemes are clear and practical
Compliant	Remuneration conforms to high governance standards
Aligned	Remuneration is true to our mission, vision and strategy, ensures internal pay consistency
Competitive	Remuneration is competitive and benchmarked to relevant peers
Performance-driven	Major portion of remuneration value is at risk
Long-term focus	Share-based incentives focused on sustainable long-term value creation

## Benchmarking to set competitive remuneration levels

The current Remuneration Policy and overall remuneration levels offered to members of the Managing Board are benchmarked regularly against a selected group of reference companies to ensure overall competitiveness.

The benchmarking group consists of both European and U.S.-based companies due to QIAGEN's international scope as a Dutch corporation with stock market listings on the New York Stock Exchange and the Frankfurt Stock Exchange, its strong commercial presence in the U.S. with about 40% of total sales in this country, and the large percentage of U.S. citizens in the Supervisory Board (62%), Managing Board (50%) and in senior leadership roles. Additionally, this group also reflects QIAGEN's significant U.S. shareholder base, the location of its key competitors and provides a balanced mix of companies, particularly in the Life Sciences and diagnostics industries.

The median remuneration in the benchmarking group serves as a reference level for total remuneration. The Supervisory Board may, on the advice of the Compensation Committee, vary around the median in setting remuneration, depending on the experience and track record of each individual appointee. The peer group for benchmarking in 2020 was composed of 11 European and 21 U.S. companies, which was unchanged from the previous year.

## Supervisory Board evaluation

The Supervisory Board annually reviews the remuneration practices to ensure they remain aligned with QIAGEN's business demands, stakeholder and shareholder interests, and developments among benchmark companies.

On an annual basis, the Supervisory Board sets the performance targets for the members of the Managing Board, reviews their performance against these predetermined targets and determines the remuneration and benefits in line with contractual terms. In making this determination, the Supervisory Board considers the market conditions in which QIAGEN operates, financial performance and strategy.

The Supervisory Board ensures that the remuneration of Managing Board members incentivizes the right behaviors desired for the sustainable success of QIAGEN while also providing the members with fair and attractive remuneration. Furthermore, the Supervisory Board performs an analysis on the possible outcomes for the variable components and how they may affect total remuneration. Through its statutory power, the Supervisory Board has the discretionary right to adjust the variable compensation of the members of the Managing Board if compensation would conflict with principles of reasonableness and fairness in both an upward and downward direction.

The Compensation Committee advises the Supervisory Board and prepares resolutions with respect to the review and execution of the Remuneration Policy. In case of policy changes, the Supervisory Board submits the proposals to an AGM for adoption.

## Support for Remuneration Policy

As a global company incorporated in the Netherlands, as well as with stock market listings in the U.S. and Germany, QIAGEN intends to fully comply with relevant legal requirements and governance best practices. We engage on a regular basis with stakeholders, including shareholders, on our policies and seek their feedback. Within QIAGEN, the policies for our employees are transparent and meet broad support from teams around the world. Key attributes include linking compensation for all employees to our performance and ensuring strong internal consistency.

The Compensation Committee monitors the developing views on compensation among shareholders and other stakeholders in Europe, the U.S. and other markets worldwide. The level of support in society for the Remuneration Policy that QIAGEN applies is important for the Supervisory Board, and has been taken into account in formulating the various elements. Based on feedback received from shareholders and other stakeholders, the Supervisory Board feels confident that the implementation of the Remuneration Policy of the Managing Board for 2020 will receive broad support.

## Managing Board remuneration structure

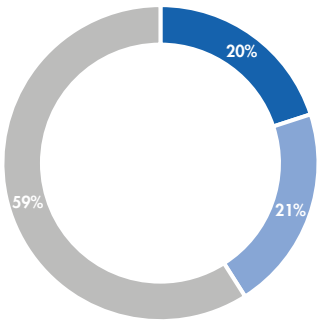
Remuneration for Managing Board members consists of a combination of base salary, a variable Short-Term Incentive (STIs) in the form of cash tied to the achievement of annual performance goals and a Long-Term Incentive (LTIs) granted in share units that only vest after multiple years upon the achievement of predefined targets. In addition, Managing Board members can receive deferred compensation arrangements and other benefits in line with market practice.

The remuneration package for Managing Board members is designed to have a significant portion of the total remuneration be paid in variable awards. The amount of these variable awards can differ substantially from year to year depending on actual performance. Within the variable component, the incentives for short-term operational performance have a lower weight than the long-term incentives, which are aimed at delivering sustainable value creation for QIAGEN's shareholders and other stakeholders. This is achieved by strongly linking long-term compensation through equity with the outcomes for shareholders in terms of share price appreciation.

The following charts provide information on the remuneration mix for Managing Board members for 2020.

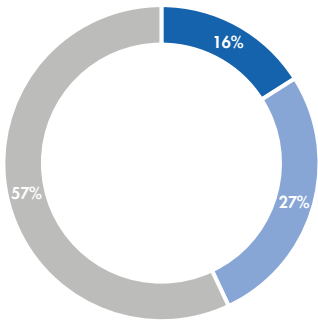
### Thierry Bernard:

Pay mix at target performance



- Base salary
- STIs (Short-term incentives)
- LTIs (Long-term incentives)

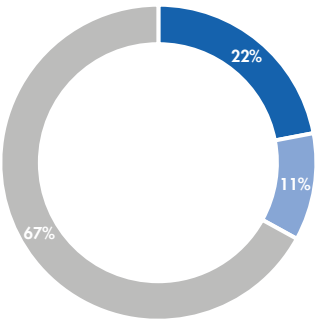
Pay mix at maximum performance



- Base salary
- STIs (Short-term incentives)
- LTIs (Long-term incentives)

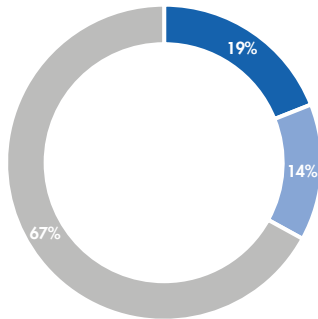
### Roland Sackers:

Pay mix at target performance



- Base salary
- STIs (Short-term incentives)
- LTIs (Long-term incentives)

Pay mix at maximum performance



- Base salary
- STIs (Short-term incentives)
- LTIs (Long-term incentives)

## 2020: Managing Board remuneration structure

<b>Fixed remuneration</b>	<p><b>Base salary</b></p> <ul style="list-style-type: none"> <li>Below market practice to allow for a higher share of long-term variable share-based compensation</li> </ul> <p><b>Deferred compensation and other benefits</b></p> <ul style="list-style-type: none"> <li>Below market practice</li> </ul>
<b>Variable remuneration</b>	<p><b>Short-term Incentive (STIs); Cash payment</b></p> <ul style="list-style-type: none"> <li>Opportunity: <ul style="list-style-type: none"> <li>CEO: 110% of base salary</li> <li>Other Managing Board members: 48% of base salary</li> </ul> </li> <li>Performance goals over one-year period: <ul style="list-style-type: none"> <li>50% Financial Goals (capped at 200%)</li> <li>25% Team Goals (capped at 120%)</li> <li>25% Personal Goals (capped at 100%)</li> <li>Maximum payout therefore capped at 155%</li> </ul> </li> <li>Metrics measured over one year against budgeted targets</li> <li>For 2020, the Personal Goals for Managing Board members were the same as Team Goals with a cap of 100%</li> </ul> <p><b>Long-term Incentive (LTIs): Performance Stock Units</b></p> <ul style="list-style-type: none"> <li>Opportunity for both Managing Board members <ul style="list-style-type: none"> <li>At target to 300% value of fixed remuneration</li> </ul> </li> <li>Performance goals over one-year measurement period <ul style="list-style-type: none"> <li>90% absolute financial performance</li> <li>10% relative share price performance</li> <li>Maximum payout capped at 120%</li> </ul> </li> <li>Multi-year vesting periods <ul style="list-style-type: none"> <li>40% after three years</li> <li>60% after five years</li> </ul> </li> <li>Driven by performance <ul style="list-style-type: none"> <li>No PSUs are earned in the event that adjusted EBIT is negative for the year of the grant</li> </ul> </li> <li>Net share settlement</li> </ul>

## 2020: Managing Board remuneration implementation

The remuneration of the Managing Board in 2020 is based upon and complies with the Remuneration Policy for the Managing Board, as approved by shareholders in 2014. It includes any remuneration granted by any consolidated subsidiary.

The remuneration of the Managing Board is composed as reflected in the table below and is based on incurred accounting expenses in 2020 for the cash components and on the value of shares that vested in 2020 for the LTI component:

In \$ '000s <sup>(1)</sup>	Fixed remuneration			Variable remuneration		Proportion of fixed and variable remuneration including share-based award expense
	Base salary	Deferred compensation	Other benefits <sup>(2)</sup>	Short-term Incentives	Long-term Incentives	
Managing Board member						Total <sup>(4)</sup>
Thierry Bernard <sup>(3)</sup> Chief Executive Officer	900	90	18	1,492	721	3,221
Roland Sackers Chief Financial Officer	571	77	41	366	3,209	4,264
<b>Total Managing Board</b>	<b>1,471</b>	<b>167</b>	<b>59</b>	<b>1,858</b>	<b>3,930</b>	<b>7,485</b>
						<b>0.23 / 0.77</b>

(1) The salary of Mr. Bernard is set in U.S. dollars. The salary of Mr. Sackers is set in euros and subject to fluctuation of exchange rates when reported in U.S. dollars.

(2) Includes other benefits such as car lease and reimbursed personal expenses. Does not include tax amounts paid by the Company to tax authorities in order to avoid double-taxation under multi-tax jurisdiction employment agreements.

(3) Remuneration for Mr. Bernard is based on the full year 2020 in his capacity as interim Chief Executive Officer, Head of the Molecular Diagnostics Business Area, until his appointment as CEO in March 2020 and appointment on June 30, 2020, as Managing Director.

(4) For disclosures in line with IFRS reporting requirements, which are accrual-based over earning/performance periods and partly depend on estimations/assumptions, see Footnote 24 "Related Party Transactions" to the Consolidated Financial Statements on page 49 in the IFRS Annual Report on our website at [www.qiagen.com](http://www.qiagen.com).



## Fixed remuneration

### Base salary

QIAGEN aims to provide members of its Managing Board with a base salary that is consistent with policies and procedures for internal pay levels. It is set below the median of the reference group to allow for a larger proportion of long-term incentives to underscore the performance-driven strategy of this Remuneration Policy. Base salary levels are reviewed annually, and any increase is expected to be in line with the general workforce. In 2020, the base salary of Mr. Bernard was adjusted to reflect his new role as CEO, and the base salary of Mr. Sackers was unchanged.

### Deferred compensation

For 2020, a total of \$167,000 was incurred by QIAGEN as part of the Managing Board members participating in deferred compensation, defined contribution benefit or similar plans. The contribution for Mr. Bernard is made into deferred compensation and 401(k) plans. Mr. Sackers, has a target retirement under the plan at age 65 and is entitled to a one-time pension payment upon retirement.

### Other benefits

Other benefits may be provided to members of the Managing Board in line with market practice. These include customary benefits such as insurance coverage and company vehicles.

## Variable remuneration

Variable remuneration is contingent upon the performance of the individual Managing Board member and the QIAGEN group. Ambitious goals are set annually to motivate and drive performance with a focus on achieving both long-term strategic initiatives as well as short-term targets tied to annual operational plans. The Supervisory Board conducts an annual scenario analysis on the possible outcomes of the variable remuneration components and their effect on the remuneration of the Managing Board members.

### Short-Term Incentives (STIs)

Short-term incentives consist of an annual variable cash bonus award that is based upon the achievement of predetermined annual Financial and Team Goals, that are shared by all employees. The company-wide policy additionally provides for incentives on personal goals. The different sets of goals have their own opportunity:

- › The weighted performance spread for the Financial Goals is 0% for less than minimum threshold achievement, 100% for full achievement and up to 200% in case of overperformance. Financial Goals are set in accordance with the budget for the year, which is reviewed and approved by the Supervisory Board. They are adjusted in case of significant or extraordinary events during the year that could not be considered in the budget.
- › Team Goals are a set of annual cross-functional targets aimed at achieving QIAGEN's strategy focused on innovation and sustainable value creation. The metrics for the Team Goals are often based on targets from multi-year plans. In the event of Team Goals with multiple components, the outcome can either be no achievement, partial achievement or full achievement. In the event of single goals, they are either fully met or not met. When all goals are, or the single goal is, fully met, a performance maximum of 120% of the target level may be paid out.
- › Personal goals for the Managing Board were aligned for 2020 with the Team Goals, but capped at 100% achievement.

Financial Goals <sup>(1)</sup> (In \$ millions)	Weight	Threshold	Target	Max	Achieved	Award in % target
Net sales	40%	1,443	1,595	1,706	1,861	200%
Adj. operating income	40%	385	462	568	627	200%
Adj. Free Cash Flow	20%	194	306	457	482	200%
<b>Total Financial Goals</b>	<b>100%</b>					<b>200%</b>

(1) Financial Goals are set at budget rates. Performance is measured at budget rates for net sales, and at actual rates for Adj. operating income and Adj. Free Cash Flow.

2020 Team Goals Review		Metric	Achieved	Award granted
Accelerate organic growth	60%	Deliver growth targets for defined products and geographic markets, including: <ul style="list-style-type: none"> <li>&gt; QuantiFERON sales &gt;\$260 million</li> <li>&gt; QIAstat-Dx &gt;100% sales growth</li> <li>&gt; NeuMoDx Europe sales &gt;\$5 million</li> <li>&gt; QIAcuity \$10 million sales</li> </ul> Achieve targets for number of instrument placements, including: <ul style="list-style-type: none"> <li>&gt; 200 QIASymphony placements</li> </ul>	Partially	48%
Deliver efficiency and effectiveness	23%	<ul style="list-style-type: none"> <li>&gt; Increase sales per employee to &gt;\$1.34 million</li> <li>&gt; Achieve QIAGEN Value Innovation (QVI) by 10%</li> </ul>	Yes	23%
Enhance growth through inorganic activities	7%	<ul style="list-style-type: none"> <li>&gt; Successfully implement bolt-on acquisition strategy (NeuMoDx)</li> </ul>	Yes	7%
Increase value of QIAGEN as employer of choice	10%	<ul style="list-style-type: none"> <li>&gt; Reduce voluntary turnover to &lt;12% for all employees</li> <li>&gt; Increase gender diversity to &gt;30% women in management roles</li> <li>&gt; Win Employer of Choice awards in at least three major countries</li> </ul>	Yes	10%
Enhance customer experience	10%	<ul style="list-style-type: none"> <li>&gt; Reach 67.5% digital transaction share across QIAGEN sales channels</li> <li>&gt; Achieve Customer Experience Index (CEI) above 94.6 points</li> </ul>	Partially	5%
EHS (Environment, Health and Safety)	10%	<ul style="list-style-type: none"> <li>&gt; Reduce plastic transportation packaging materials by 3% vs. 2019</li> <li>&gt; Reduce accident rate by 10% vs. 2019</li> </ul>	Yes	10%
<b>Total Team Goals</b>	<b>120%</b>	<b>(Total weight 120% equals maximum performance)</b>		<b>103%</b>

The weighted performance on Financial Goals and Team Goals set out above results in the following total STI payout percentage:

STI award	Weight	Threshold	Target	Maximum	Achieved
Financial Goals	50%	50%	100%	200%	200%
Team Goals	25%	0%	100%	120%	103%
Personal Goals	25%	0%	100%	100%	100%
<b>Weighted total</b>	<b>100%</b>	<b>25%</b>	<b>100%</b>	<b>155%</b>	<b>150.75%</b>
<b>Corresponding pay out (In \$ thousands)</b>					
Mr. Bernard		247	990	1,534	1,492
Mr. Sackers		61	243	376	366

## Long-Term Incentives (LTIs)

Managing Board members are granted a Long-Term Incentive (LTIs) on an annual basis as a conditional share of Performance Share Units (PSUs). These are subject to rigorous performance criteria and multi-year vesting periods. The 2014 Remuneration Policy also provides for stock options and Restricted Stock Units (RSUs). RSU grants have been made to Managing Board members only on an exceptional basis.

As per the 2014 Remuneration Policy, the value of the regular annual long-term incentive awards at the grant date (depreciated due to factors such as risk of forfeiture, the Company's risk of failure to achieve its long-term initiatives, and the length of the vesting terms) is 300% of fixed remuneration. In accordance with this provision, Mr. Bernard received a conditional grant of 120,000 PSUs on February 28, 2020. The Compensation Committee included in this amount the 40,000 PSUs granted to him in his capacity as Senior Vice President, Head of the Molecular Diagnostics Business Area prior to his appointment in late 2019 as CEO, and reflected the higher maximum opportunity for these PSUs at twice the target grant as well as the risk of forfeiture in the event of failing to achieve minimum target levels. Also while in the role of interim CEO during 2020, Mr. Bernard was granted 20,000 RSUs that vest over a three- to five-year period.

The grant to Mr. Sackers made under the Remuneration Policy provisions reflected the exceptional situation of a takeover bid during the COVID-19 pandemic, and in which Mr. Sackers had to assume additional responsibilities as the sole statutory director in the first half of the year. In recognition of this exceptional situation and efforts, the Compensation Committee considered the conditional grant of 120,000 PSUs to be warranted as reasonable and fair.

For 2020, the annual PSU grants are subject to a one-year performance period. The final number of earned PSUs is determined upon completion of the year in which the grant was made, subject to the achievement of challenging performance goals: The target levels are directly linked to the achievement of financial milestones as defined in QIAGEN's multi-year business plan. A total of 90% of each award shall be based on absolute financial performance measures and 10% of each award shall be based on relative performance targets. Overachievement may result in an increase in the number of PSUs earned on a scale that is capped at 120% of the total grant. Underachievement below a threshold level will result in a full loss of the grant. Underpinning the commitment to performance, no PSUs will be earned if QIAGEN's adjusted EBIT is negative for the grant year.

The following is an overview of key LTI financial indicators, weights and performance multiplier for 2020. Performance measures are set at budget rates:

Performance measure	Weight	Threshold	Target	Max	Achieved	Awarded
Net sales	40%	1,520	1,595	1,618	1,861	120%
Adj. operating income	40%	409	462	488	627	120%
Adj. Free Cash Flow	10%	233	306	345	482	120%
Relative share price <sup>(1)</sup>	10%	80%	100%	120%	115%	115%
<b>Total</b>	<b>100%</b>			<b>Performance multiplier:</b>		<b>120%</b>

(1) Relative share price performance is measured against an index developed from a selected peer group representing a balanced mix of U.S. and European companies in the industries in which QIAGEN operates and is also used as a labor market peer group.

Based on these achievements, the maximum number of shares was awarded, and receipt of these shares is subject to vesting in the future. As per the 2014 Remuneration Policy, 40% of the PSUs will vest in 2023 (three years) and 60% in 2025 (five years). The amounts involve a total of 144,000 PSUs for Mr. Sackers and 176,000 PSUs for Mr. Bernard, which reflects the larger opportunity for part of his 2020 grant.

Under the same provisions, vesting occurred in 2020 for 40% of shares awarded for the performance in 2017 and 60% of the PSUs awarded for performance in 2015. The numbers of shares, and their value at vesting, are presented in the tables for share-based rights below. Additionally, a total of 10,617 RSUs granted to Mr. Sackers in 2010 were released after vesting.

## Share-based rights

The following tables sets forth the grant details of the long-term incentives of the Managing Board members as of December 31, 2020. PSUs and RSUs have no exercise price.

### Thierry Bernard

Performance Stock Units		In 2020					
Year of grant	Outstanding at December 31, 2019	Granted	Performance adjustment	Released	Outstanding at December 31, 2020	Share price on grant date	Share price on release date
2020	—	120,000	56,000	—	176,000	\$35.90	—
2019	53,881	—	—	—	53,881	\$38.43	—
2018 <sup>(1)</sup>	50,000	—	—	—	50,000	\$36.30	—
2018	47,100	—	—	—	47,100	\$33.70	—
2017	39,400	—	—	(15,760)	23,640	\$28.46	\$35.90
2016 <sup>(1)</sup>	45,900	—	—	—	45,900	\$24.38	—
2016	5,400	—	—	—	5,400	\$21.11	—
2015	5,500	—	—	(4,250)	1,250	\$25.26	\$36.47
	<b>247,181</b>	<b>120,000</b>	<b>56,000</b>	<b>(20,010)</b>	<b>403,171</b>		

(1) Commitment Performance Stock Units can be achieved at minimum performance of 25%, 100% at target levels and up to 200% with maximum performance. The grant is forfeited if minimum shareholding thresholds are not reached and maintained.

Restricted Stock Units		In 2020				
Year of grant	Outstanding at December 31, 2019	Granted	Released	Outstanding at December 31, 2020	Share price on grant date	Share price on release date
2020	—	20,000	—	20,000	\$35.90	—
	—	20,000	—	20,000		

## Roland Sackers

Performance Stock Units		In 2020					
Year of grant	Outstanding at December 31, 2019	Granted	Performance adjustment	Released	Outstanding at December 31, 2020	Share price on grant date	Share price on release date
2020	—	120,000	24,000	—	144,000	\$ 35.90	—
2019	127,017	—	—	—	127,017	\$ 36.30	—
2018 <sup>(1)</sup>	97,000	—	—	—	97,000	\$ 36.30	—
2018	103,000	—	—	—	103,000	\$ 33.70	—
2017	83,491	—	—	(33,397)	50,094	\$ 30.38	\$35.90
2016 <sup>(1)</sup>	92,098	—	—	—	92,098	\$ 24.38	—
2016	12,646	—	—	—	12,646	\$ 27.71	—
2016	28,226	—	—	—	28,226	\$ 21.11	—
2015	53,883	—	—	(44,903)	8,980	\$ 25.26	\$36.47
2013	2,896	—	—	—	2,896	\$ 23.16	—
	<b>600,257</b>	<b>120,000</b>	<b>24,000</b>	<b>(78,300)</b>	<b>665,957</b>		

(1) Commitment Performance Stock Units can be achieved at minimum performance of 25%, 100% at target levels and up to 200% with maximum performance. The grant is forfeited if minimum shareholding thresholds are not reached and maintained.

Restricted Stock Units		In 2020				
Year of grant	Outstanding at December 31, 2019	Granted	Released	Outstanding at December 31, 2020	Share price on grant date	Share price on release date
2014	11,635	—	—	11,635	\$22.25	—
2013	13,207	—	—	13,207	\$21.44	—
2012	15,591	—	—	15,591	\$15.28	—
2011	13,039	—	—	13,039	\$20.63	—
2010	10,617	—	(10,617)	—	\$21.81	\$35.09
	64,089	—	(10,617)	53,472		

Stock Options		In 2020					
Year of grant	Outstanding at December 31, 2019	Granted	Exercised	Outstanding at December 31, 2020	Average share price at exercise	Exercise price	Expiry
2013	43,378	—	(43,378)	—	\$41.00	\$21.87	2/28/2023
2012	14,982	—	(14,982)	—	\$41.00	\$15.59	2/28/2022
2011	37,815	—	(37,815)	—	\$38.50	\$21.04	2/28/2021
2010	39,564	—	(39,564)	—	\$38.57	\$22.25	2/26/2021
	<b>135,739</b>	<b>—</b>	<b>(135,739)</b>	<b>—</b>			

## Clawback provisions

During 2020, no circumstances have been identified by the Supervisory Board that result in the application of clawback provisions. The Supervisory Board has the right to recover variable remuneration from Managing Board members based on its statutory powers in case of a payment based on incorrect information in respect of target performance, material financial restatement or individual gross misconduct. Any value adjustment or clawback is at the discretion of the Supervisory Board. It will be accounted for in the Remuneration Report submitted to subsequent AGM.

## Loans

Managing Board members are not eligible for any loans.

# Comparative information

## Information on Change in Remuneration and Company Performance

The following table shows the annual change of remuneration based on accounting expense, performance of entity and average remuneration for other employees over the last five years.

Annual change	2016 vs. 2015	2017 vs. 2016	2018 vs. 2017	2019 vs. 2018	2020 vs. 2019	2020 information (In \$ millions)
<b>Managing Board remuneration</b>						
Thierry Bernard <sup>(1)</sup>					—	6.4
Roland Sackers	31%	21%	5%	30%	34%	7.5
Peer Schatz	41%	19%	9%	234%	—	—
<b>Company performance</b>						
Net sales (CER)	6%	6%	6%	4%	23%	1,873
Adj. operating income	2%	14%	9%	5%	49%	627
Adj. Free Cash Flow	36%	7%	(2)%	(15)%	113%	482
<b>Average remuneration (Full-time employees)</b>						
Employees <sup>(2)</sup>	7%	(4)%	4%	(4)%	0%	0.1

(1) Reflects compensation for full-year 2020.

(2) Employee data significantly influenced by currency movements.

## Pay ratio

Under the Dutch Corporate Governance Code, QIAGEN is required to report the ratio between the remuneration of the Managing Board members and a representative reference group within the Company and its affiliated enterprise. QIAGEN's internal pay ratio is determined as the ratio between the average pay of the Managing Board as disclosed in the Corporate Governance Report in our 2020 Annual Report and the average pay of QIAGEN employees on a global level. The combined pay ratio in 2020 for the Managing Board was 72:1 (2019: 65:1, based on only one Managing Board member).

The average remuneration for all employees was calculated using the average headcount. Mr. Bernard's remuneration was calculated using the full year in 2020 even though he became a Managing Board member at the Annual General Meeting on June 30, 2020. This ratio is prepared in accordance with the Dutch Corporate Governance Code and has not been prepared to comply with the Pay Ratio Disclosure requirements under U.S. Securities and Exchange Commission regulations.

## Management contracts

The contracts for Managing Board members are determined by the Supervisory Board and are built to comply with the framework of the 2014 Remuneration Policy, in accordance with Dutch law. An outline of these contracts is submitted to the AGM upon nomination for appointment. Due to the holding company nature of the legal entity QIAGEN N.V., Managing Board members may be employed by other QIAGEN affiliates. Any compensation for these roles is consolidated in the remuneration reported above.

The contract term of Mr. Bernard is one year, which is aligned with the annual appointment by the AGM. If Mr. Bernard is reappointed, the contract is automatically extended for the same term as outlined in the re-appointment terms, and ends by operation of law at the end of the term of appointment. The contract of Mr. Sackers, which was entered into in 2004, has an indefinite term. However, his appointment as Managing Director is based on a one-year term and subject to annual appointment by the AGM.

The contracts of the Managing Board members can be orderly terminated by the Managing Board member at any time with six months' notice and by the Company with three months' notice. In case of dismissal without serious cause as defined by the applicable law, QIAGEN is obliged to compensate until the end of the running legacy contract. The agreements of Managing Board members with QIAGEN affiliates in jurisdictions outside the Netherlands may have different notice or severance conditions.

## Change of control

In the event of the sale or the transfer of all or substantially all of the Company's assets or business to an acquirer in one transaction or a series of transactions, including through a merger, consolidation or a transfer of shares to a third party (a "Transaction"), the Managing Board members are entitled to a change of control payment commensurate to a multiple of two times their annual cash compensation (fixed payment plus annual bonus, includes salaries and bonuses set forth in employment agreements with other QIAGEN affiliates). Further, unvested share-based compensation granted to the Managing Board members will be subject to an accelerated vesting in case of a Transaction.

## Outlook: Managing Board remuneration in 2021

The Supervisory Board will submit a proposal to adopt a revised Remuneration Policy for the Managing Board to the next AGM scheduled for June 2021.

Subject to the adoption of the proposed revisions to the Remuneration Policy, the remuneration for Managing Board members is planned to be adapted, where possible to comply with legacy contracts, and includes the following points:

- › Salaries will be adjusted in line with the procedures and practices for employees.
- › Short-term incentive (STI) targets have been set aligned with our budget for 2021. Due to their commercially sensitive nature, the targets and the achievement levels will be made public in the Remuneration Report for 2021. This standard will also apply for all Remuneration Reports going forward.
- › A long-term incentive (LTI) grant for 2021 to the Managing Board members has been postponed until after the Annual General Meeting in June 2021.
- › The metrics for full achievement of the 2021 LTI grants are based on the following full-year targets:
  - \$2.3 billion sales (at budget rates)
  - 32.4% adjusted operating income margin (as a percentage of sales)

# Supervisory Board Remuneration

At the Annual General Meeting in June 2020, QIAGEN's shareholders approved a revised Remuneration Policy for the Supervisory Board. This Remuneration Policy came into force as the AGM in June 2020, and has been the basis for the remuneration of the members of the Supervisory Board over 2020.

## Remuneration Policy summary

The Remuneration Policy of the Supervisory Board is aimed to attract and retain highly qualified members. Remuneration is aligned to the applicable market standards, considering peer companies of similar size and complexity in similar industries. These companies represent the biotechnology, life sciences, diagnostics and pharmaceuticals industries, and also reflect our nexus to the European Markets as a Dutch company as well as our U.S. focus as a NYSE-listed company subject to U.S. regulations. The Remuneration Policy for the Supervisory Board also reflects the fact that many Supervisory Board members are residents of the United States, a market that also represented about 40% of QIAGEN's total sales in 2020. The level of remuneration rewards an intense involvement with the Company, and the high level of responsibility and time spent that goes with it.

### Fixed remuneration in cash

The Remuneration Policy for the Supervisory Board in 2020 provided for fixed annual retainers for the Chair and other members, and additional fees for chair and membership of the Supervisory Board's committees, as follows:

Fee payable to the Chairman of the Supervisory Board	\$150,000
Fee payable to each member of the Supervisory Board	\$57,500
Additional compensation payable to members holding the following positions:	
Chairman of the Audit Committee	\$25,000
Chairman of the Compensation Committee	\$18,000
Chairman of the Nomination ESG Committee and other board committees	\$12,000
Fee payable to each member of the Audit Committee	\$15,000
Fee payable to each member of the Compensation Human Resources Committee	\$11,000
Fee payable to each member of the Nomination ESG Committee and other Board committees	\$6,000

Further, Supervisory Board members are reimbursed for tax consulting costs incurred in connection with the preparation of their tax returns up to an amount of €5,000 per person per year.

### Fixed remuneration in shares

The Supervisory Board members receive grant of RSUs pursuant to the terms of the 2014 Stock Plan. These awards have no performance condition and are in line with the principle of the Dutch Corporate Governance Code that remuneration of Supervisory Board members should not be dependent on a company's results.

Although this policy may be viewed unfavorably by some stakeholders, this compensation component has been a long and tested practice at QIAGEN since the Initial Public Offering (IPO) in 1996. It has proven effective in attracting and retaining talented Supervisory Board members, as well as creating a strong commitment and creating alignment with our stakeholders, who have given this approach their broad support.

The RSUs granted represent rights to receive common shares at future dates if the individual continues to provide service to the Company. A total of 40% of each award vests three years after the grant date, and the remaining 60% vests after five years from the grant date. The number of RSUs subject to each annual grant shall be reduced by 0.25% per each 1% increase in the Company's share price and increased by 0.25% per each 1% decrease in the Company's share price, whereby the share price shall be determined as the average trading price of the Company's common shares from July 1 through December 31 of each year preceding the grant.



## 2020: Supervisory Board remuneration implementation

The remuneration of the members of the Supervisory Board, based on incurred accounting expenses in 2020 for the cash components and based on the value of shares vested in 2020 for the LTI component, is as follows:

(In \$ thousands)	Fixed remuneration	Committee chair	Committee membership	Total cash remuneration	RSU awards vested	Total remuneration <sup>(2)</sup>
Lawrence A. Rosen <sup>(1)</sup>	88.3	29.0	5.5	122.8	400.1	522.9
Stéphane Bancel	57.5	—	23.5	81.0	400.1	481.1
Dr. Håkan Björklund <sup>(1)</sup>	100.0	8.0	7.3	115.3	—	115.3
Dr. Metin Colpan	57.5	12.0	6.0	75.5	415.6	491.1
Prof. Dr. Ross L. Levine	57.5	—	6.0	63.5	154.1	217.6
Prof. Dr. Elaine Mardis	57.5	—	9.7	67.2	400.1	467.3
Elizabeth E. Tallett	57.5	18.0	21.0	96.5	400.1	496.6

(1) On August 21, 2020 Dr. Håkan Björklund stepped down as Member and Chair of the Supervisory Board. After an extraordinary meeting of the Supervisory Board and Managing Board, Lawrence A. Rosen was appointed as the new Chair.

(2) Total costs incurred for Supervisory Board remuneration are specified in Footnote 24 "Related Party Transactions" to the Consolidated Financial Statements on page 49 in the IFRS Annual Report on our website at [www.qiagen.com](http://www.qiagen.com).

The Supervisory Board members receive a grant of RSUs pursuant to the terms of the 2014 Stock Plan for grants made as of 2015, and pursuant to the 2005 Stock Plan for grants made before 2014. Under the terms of both Stock Plans, 40% of each award vests three years after the grant date and the remaining 60% vests five years after the grant date. Some of the grants were made under a previous plan that also include a 10-year vesting tranche. Any granted awards will fully vest in case of a change of control.

The following tables sets forth the RSUs of the Supervisory Board members:

## Lawrence A. Rosen

Restricted Stock Units		In 2020		Outstanding at December 31, 2020	Share price on grant date	Share price on release date
Year of grant	Outstanding at December 31, 2019	Granted	Released			
2020	—	9,426	—	9,426	\$35.90	—
2019	9,331	—	—	9,331	\$38.43	—
2018	9,866	—	—	9,866	\$33.70	—
2017	10,732	—	(4,292)	6,440	\$28.46	\$35.90
2016	6,446	—	—	6,446	\$21.11	—
2015	6,745	—	(6,745)	—	\$25.26	\$36.47
	<b>43,120</b>	<b>9,426</b>	<b>(11,037)</b>	<b>41,509</b>		

## Stéphane Bancel

Restricted Stock Units		In 2020		Outstanding at December 31, 2020	Share price on grant date	Share price on release date
Year of grant	Outstanding at December 31, 2019	Granted	Released			
2020	—	9,426	—	9,426	\$35.90	—
2019	9,331	—	—	9,331	\$38.43	—
2018	9,866	—	—	9,866	\$33.70	—
2017	10,732	—	(4,292)	6,440	\$28.46	\$35.90
2016	6,446	—	—	6,446	\$21.11	—
2015	6,745	—	(6,745)	—	\$25.26	\$36.47
	<b>43,120</b>	<b>9,426</b>	<b>(11,037)</b>	<b>41,509</b>		

## Dr. Metin Colpan

Restricted Stock Units		In 2020		Outstanding at December 31, 2020	Share price on grant date	Share price on release date
Year of grant	Outstanding at December 31, 2019	Granted	Released			
2020	—	9,426	—	9,426	\$35.90	—
2019	9,331	—	—	9,331	\$38.43	—
2018	9,866	—	—	9,866	\$33.70	—
2017	10,732	—	(4,292)	6,440	\$28.46	\$35.90
2016	6,446	—	—	6,446	\$21.11	—
2015	6,745	—	(6,745)	—	\$25.26	\$36.47
2012	457	—	—	457	\$17.45	—
2012	544	—	—	544	\$15.28	—
2011	468	—	—	468	\$20.63	—
2010	442	—	(442)	—	\$21.81	\$35.09
	<b>45,031</b>	<b>9,426</b>	<b>(11,479)</b>	<b>42,978</b>		

## Prof. Dr. Ross L. Levine

Restricted Stock Units		In 2020		Outstanding at December 31, 2020	Share price on grant date	Share price on release date
Year of grant	Outstanding at December 31, 2019	Granted	Released			
2020	—	9,426	—	9,426	\$35.90	—
2019	9,331	—	—	9,331	\$38.43	—
2018	9,866	—	—	9,866	\$33.70	—
2017	10,732	—	(4,292)	6,440	\$28.46	\$35.90
	<b>29,929</b>	<b>9,426</b>	<b>(4,292)</b>	<b>35,063</b>		

## Prof. Dr. Elaine Mardis

Restricted Stock Units		In 2020		Outstanding at December 31, 2020	Share price on grant date	Share price on release date
Year of grant	Outstanding at December 31, 2019	Granted	Released			
2020	—	9,426	—	9,426	\$35.90	—
2019	9,331	—	—	9,331	\$38.43	—
2018	9,866	—	—	9,866	\$33.70	—
2017	10,732	—	(4,292)	6,440	\$28.46	\$35.90
2016	6,446	—	—	6,446	\$21.11	—
2015	6,745	—	(6,745)	—	\$25.26	\$36.47
	<b>43,120</b>	<b>9,426</b>	<b>(11,037)</b>	<b>41,509</b>		

## Elizabeth E. Tallett

Restricted Stock Units		In 2020		Outstanding at December 31, 2020	Share price on grant date	Share price on release date
Year of grant	Outstanding at December 31, 2019	Granted	Released			
2020	—	9,426	—	9,426	\$35.90	—
2019	9,331	—	—	9,331	\$38.43	—
2018	9,866	—	—	9,866	\$33.70	—
2017	10,732	—	(4,292)	6,440	\$28.46	\$35.90
2016	6,446	—	—	6,446	\$21.11	—
2015	6,745	—	(6,745)	—	\$25.26	\$36.47
2012	457	—	—	457	\$17.45	—
2012	544	—	—	544	\$15.28	—
	<b>44,121</b>	<b>9,426</b>	<b>(11,037)</b>	<b>42,510</b>		

Up until 2012, the Supervisory Board members received stock option grants. All stock options are fully vested. The following tables sets forth the remaining stock options of the Supervisory Board members:

### Dr. Metin Colpan

Stock Options	In 2020					
	Outstanding at December 31, 2019	Vested	Exercised	Outstanding at December 31, 2020	Average share price at exercise	Exercise price
Year of grant						Expiry
2012	1,563	—	(1,563)	—	\$41.23	\$15.59
2011	1,355	—	(1,355)	—	\$41.23	\$21.04
2010	1,649	—	(1,649)	—	\$41.23	\$22.25
	<b>4,567</b>	<b>—</b>	<b>(4,567)</b>	<b>—</b>		

### Elizabeth E. Tallett

Stock Options	In 2020					
	Outstanding at December 31, 2019	Vested	Exercised	Outstanding at December 31, 2020	Average share price at exercise	Exercise price
Year of grant						Expiry
2012	1,563	—	—	1,563	—	\$15.59
	<b>1,563</b>	<b>—</b>	<b>—</b>	<b>1,563</b>		

## Outlook: Supervisory Board remuneration in 2021

The Remuneration Policy for the Supervisory Board will be proposed for change at the next AGM in June 2021 to adopt a harmonization of compensation for the Chairs and Members of the Compensation Committee, the Science and Technology Committee and the Nomination, Sustainability and Governance Committee (formerly Appointment and Selection Committee). If adopted by the AGM, the Chair of each Committee will receive an annual fee of \$18,000 and the members receive an annual fee of \$11,000. No changes in compensation are planned for the Audit Committee.

## Share-based remuneration to employees

Pursuant to the 2014 Stock Plan, stock rights – which include options to purchase our Common Shares, stock grants and stock-based awards – may be granted to employees of QIAGEN and its subsidiaries. Generally, the non-qualified stock options (no longer granted since 2013) have terms up to 10 years and stock-based awards have terms of up to five years, subject to earlier termination in the event of death, disability or other termination of employment. The vesting and exercisability of certain stock rights will be accelerated in the event of a Change of Control, as defined in the agreements under the 2014 Plan. Treasury Shares are issued to satisfy option exercises and award releases.

The Plan is administered by the Compensation Committee of the Supervisory Board, which selects participants from among eligible employees and determines the number of shares to be received subject to the stock-based award, the length of time the award will remain outstanding, the manner and time of the award's vesting, the price per share subject to the award and other terms and conditions of the award consistent with the Plan.

Stock options have not been granted to employees since 2013. Details with respect to the outstanding stock options are set out below:

<b>Stock options</b>	<b>Shares</b>	<b>Weighted average exercise price</b>	<b>Weighted average remaining contractual term (in years)</b>
Outstanding and exercisable December 31, 2019	145,054	\$19.00	
Exercised	(104,193)	\$19.43	
Expired	—	—	
<b>Outstanding and exercisable December 31, 2020</b>	<b>40,861</b>	<b>\$17.89</b>	<b>1.46</b>

Exercise prices for options outstanding and exercisable as of December 31, 2020, range from \$14.91 to \$19.73.

Details with respect to PSUs outstanding are set out below:

<b>Performance Stock Units</b>	<b>Shares</b>	<b>Weighted average purchase price</b>	<b>Weighted average remaining contractual term (in years)</b>	<b>Weighted average grant date (Fair value)</b>
Outstanding December 31, 2019	3,326,933	\$0.00		\$32.43
Awarded	635,600	\$0.00		\$36.23
Released	(469,313)	\$0.00		\$28.95
Forfeited	(577,336)	\$0.00		\$29.18
<b>Outstanding December 31, 2020</b>	<b>2,915,884</b>	<b>\$0.00</b>	<b>2.39</b>	<b>\$34.09</b>
<b>Vested and expected to vest</b>	<b>2,481,546</b>	<b>\$0.00</b>	<b>2.25</b>	<b>\$33.82</b>

Details with respect to RSUs outstanding are set out below:

<b>Performance Stock Units</b>	<b>Shares</b>	<b>Weighted average purchase price</b>	<b>Weighted average remaining contractual term (in years)</b>	<b>Weighted average grant date (Fair value)</b>
Outstanding December 31, 2019	378,734	\$0.00		\$24.57
Awarded	73,703	\$0.00		\$47.26
Released	(80,905)	\$0.00		\$24.26
Forfeited	(67,664)	\$0.00		\$21.12
<b>Outstanding December 31, 2020</b>	<b>303,868</b>	<b>\$0.00</b>	<b>2.16</b>	<b>\$30.92</b>
<b>Vested and expected to vest</b>	<b>254,636</b>	<b>\$0.00</b>	<b>1.95</b>	<b>\$29.68</b>