

Remuneration system for the Board of Directors

A. Basics and objective

The remuneration system for the executive directors aims to remunerate the executive directors appropriately according to their scope of duties and responsibilities and to directly take into account the performance of each executive director as well as the success of the company. The structure of the remuneration system for the executive directors of 029 Group SE is aimed at achieving a sustainable increase in the value of the company and success-oriented corporate management. The remuneration system makes an important contribution to linking the interests of the executive directors with the interests of the shareholders.

B. Procedure

The Board of Directors shall determine the compensation system for the executive directors in accordance with the statutory requirements set out in Sections 87 (1), 87a (1) of the German Stock Corporation Act (AktG). If necessary, the Administrative Board may call in external advisors, who are changed from time to time. When appointing them, care is taken to ensure their independence. The applicable regulations of the German Stock Corporation Act (AktG) and the German Corporate Governance Code (DCGK), as well as the Rules of Procedure of the Board of Directors for dealing with conflicts of interest on the Board of Directors, are also observed in the procedure for establishing, implementing and reviewing the compensation system. Should a conflict of interest arise in the course of fixing, implementing or reviewing the compensation system, the Board of Directors will treat it in the same way as other conflicts of interest in the person of a Board member, so that the Board member concerned will not take part in the resolution or, in the case of a more serious conflict of interest, in the deliberations. Should a permanent and unresolvable conflict of interest arise, the Board member in question will resign from office. In this context, early disclosure of any conflicts of interest will ensure that decisions by the Board of Directors are not influenced by improper considerations.

The compensation system adopted by the Board of Directors is submitted to the Annual General Meeting for approval. If the Annual General Meeting does not approve the compensation system put to the vote in each case, a revised compensation system shall be submitted for resolution at the latest at the following ordinary Annual General Meeting in accordance with § 120a (3) AktG.

The compensation system is regularly reviewed by the Board of Directors. Whenever there is a significant change to the compensation system, but at least every four years, the

compensation system is submitted to the Annual General Meeting for approval in accordance with § 120a (1) sentence 1 AktG.

This remuneration system applies to the remuneration of all executive directors of 029 Group SE from 28 June 2023.

C. Explanations on the determination of the specific target total remuneration

In accordance with the compensation system, the Board of Directors determines the amount of the target total compensation for each executive director for the upcoming financial year. The guiding principle for this is that the respective remuneration is in an appropriate relationship to the tasks and performance of the respective executive director as well as to the situation of the company, does not exceed the usual remuneration without special reasons and is geared towards the long-term and sustainable development of 029 Group SE. For this purpose, both external and internal comparative considerations are made where possible.

In the assessment, both the compensation structure and the level of compensation of the executive directors are, as far as possible, assessed in particular in comparison with the external market (horizontal appropriateness) and with other compensation in the company (vertical appropriateness). For the external comparison, peer groups composed of comparable companies in terms of size and market capitalization are used where appropriate. As the Company currently has no employees, there will be no review of vertical appropriateness for the time being.

D. Components of the remuneration system

The remuneration system for the executive directors consists exclusively of a fixed basic remuneration payable monthly, which takes into account the duties and performance of the sole executive director. In addition, remuneration in kind and fringe benefits customary in practice are granted.

Compensation components for the executive directors

Fixed compensation (annual fixed salary, benefits in kind and fringe benefits):	100
%	
Variable compensation:	0 %

The fixed annual salary is a cash payment related to the respective financial year, which is based in particular on the scope of responsibility of the respective Executive Director. The individually determined fixed income is paid in twelve equal parts.

Remuneration in kind and other fringe benefits include, in particular, benefits in kind such as expenses, travel expenses, tax consultancy costs relating to cross-border activities, laptops

and smartphones and other equipment, as well as contributions to legal expenses insurance and other insurance policies, and continued payment of remuneration in the event of illness, accident and death, and other customary benefits.

The Company has taken out appropriate D&O insurance for the benefit of the executive directors. The insurance cover shall continue to apply after the departure of the executive director, insofar as activities and actions during the term of this contract are concerned. The insurance must provide for a deductible of at least 10% of the damage.

In principle, all executive directors are entitled to fringe benefits in the same way. However, they may vary in individual cases, in particular in terms of amount, depending on the personal situation and utilization. The Board of Directors may grant other or additional fringe benefits in line with market conditions.

E. Determination of the maximum remuneration

The maximum remuneration for each Managing Director is set at an amount of max EUR 170,000.00 p.a. plus benefits in kind and fringe benefits.

F. Term of service contracts and notice periods

The employment contract shall be concluded for a term of three years and shall be linked to the corporate appointment as managing director and shall terminate without the need for a special declaration to this effect by one of the contracting parties if the corporate appointment as managing director also ends.

If the Executive Director becomes permanently disabled or incapacitated during the term of the service agreement, the service agreement shall end at the end of the quarter in which the permanent disability or incapacity is established. If the Executive Director's service ends within the current year, the remuneration due for that year shall be granted pro rata temporis.

If the appointment of the Executive Director of the Company ends before the expiry of the term of the contract, the service contract shall end prematurely three months after the termination of the appointment.

H. Compensation agreements

In the event of premature termination of the employment relationship, the compensation system for the Executive Directors provides for severance pay amounting to a maximum of six months' gross salary, but no more than the total amount of compensation still due to the Executive Director - excluding premature termination - up to the end of the fixed term.

I. Claw-back clause

In the absence of variable compensation components, the contracts of the executive directors do not contain any claw-back clauses.

J. Temporary deviations in the event of extraordinary developments

Pursuant to Section 87a (2) of the German Stock Corporation Act (AktG), the Board of Directors may in exceptional cases resolve to deviate temporarily from the compensation system described above if this is necessary in the interests of the long-term welfare of the Company. Exceptional developments may include, for example, exceptionally far-reaching changes in economic conditions (for example as a result of severe economic and financial crises), natural disasters, terrorist attacks, political crises, epidemics/pandemics, disruptive market decisions by customers or a corporate crisis. Generally unfavorable market developments are expressly not considered to be extraordinary developments. Such a temporary deviation from the compensation system requires the following procedure: the Board of Directors determines by a majority of the votes cast that a situation exists which requires a temporary deviation from the compensation system in the interest of the long-term well-being of the Company and determines which specific deviations are required in its view. The determination of the special situation shall be based on a prior evaluation, in which the Board of Directors may, but is not obliged to, make use of external advisors. This evaluation must be made available to all members of the Board of Directors in advance of the decision with a notice period of at least two weeks and must indicate the special nature of the situation, why it was not foreseeable, and possible solutions.

Compensation system for the members of the Administrative Board

According to Art. 9 para. 1 lit. c (ii) SE Regulation in conjunction with Section 113 (3) sentence 1 AktG, a resolution on the remuneration of the members of the Administrative Board of listed companies must be adopted at least every four years. Pursuant to Section 9 (1) of the Articles of Association of 029 Group SE, the amount of remuneration is determined by the Annual General Meeting. To date, the Annual General Meeting has not resolved any remuneration for the members of the Administrative Board and this is not intended for the time being.