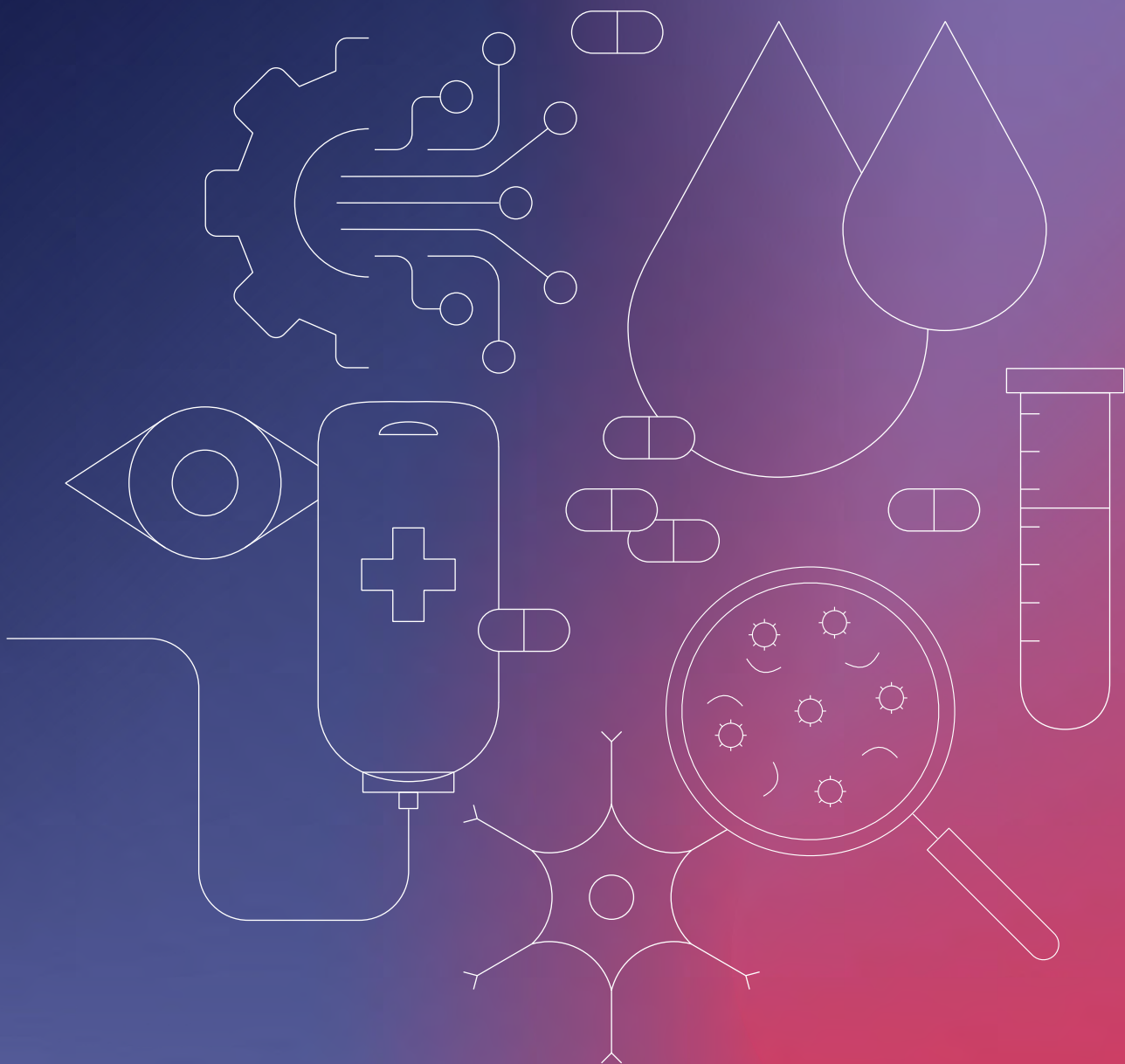


# Remuneration System for members of the Management Board of Medios AG

("Remuneration System 2026")



## REMUNERATION SYSTEM FOR MEMBERS OF THE MANAGEMENT BOARD OF MEDIOS AG (“REMUNERATION SYSTEM 2026”)

### I. CHANGES IN THE REMUNERATION SYSTEM 2026

The current Remuneration System for members of the Management Board of Medios AG (hereinafter “Medios” or the “Company”) was approved by the Annual General Meeting 2025 with a majority of 91.13% (“Remuneration System 2025”).

In fiscal year 2025, the Supervisory Board reviewed the Remuneration System 2025 and further developed it, considering Medios’ long-term strategic objectives, regulatory requirements, and investor expectations. The aim of the revision was to create a modern, transparent, and balanced system that equally promotes short- and long-term corporate development, reconciles the interests of the Management Board, shareholders, and other stakeholders, and supports Medios’ long-term value creation.

The following overview summarizes the changes to the Remuneration System 2026 compared to the previous Remuneration System 2025:

2025 Remuneration System	Remuneration component	2026 Remuneration System
<b>One-year target bonus</b> <ul style="list-style-type: none"> <li>Performance metrics: <ul style="list-style-type: none"> <li>Revenue growth (20%)</li> <li>Operating cash flow (20%)</li> <li>EBITDApre-growth (30%)</li> <li>EBITDApre-margin (30%)</li> </ul> </li> <li>Payment: cash</li> <li><b>Cap: 100% of the target amount</b></li> </ul>	<b>Short-Term Incentive</b>	<b>One-year target bonus</b> <ul style="list-style-type: none"> <li>Performance metrics: <ul style="list-style-type: none"> <li>Revenue growth (20%)</li> <li>Operating cash flow (20%)</li> <li>EBITDApre-growth (30%)</li> <li>EBITDApre-margin (30%)</li> </ul> </li> <li>Payment: cash</li> <li><b>Cap: 150% of the target amount</b></li> </ul>
<b>One-year target bonus</b> <ul style="list-style-type: none"> <li>Performance metrics: ESG targets</li> </ul>	<b>ESG bonus</b>	<b>Not applicable:</b> <ul style="list-style-type: none"> <li>ESG targets are incorporated into the LTI</li> </ul>
<b>Stock Option Plan</b> <ul style="list-style-type: none"> <li>Term: <ul style="list-style-type: none"> <li>Waiting period: 4 years</li> <li>Exercise period: 3 years</li> </ul> </li> <li>Exercise condition: Share price must reach the performance target in EUR on 30 trading days prior to the end of the waiting period + exercise price</li> <li>Payment: shares</li> </ul>	<b>Long-Term Incentive</b>	<b>(Virtual) Performance Share Plan</b> <ul style="list-style-type: none"> <li>Term: 4 years</li> <li>Performance metrics: <ul style="list-style-type: none"> <li>Relative TSR (80%)</li> <li>ESG targets (20%)</li> <li>Target achievement: 0%–200%</li> </ul> </li> <li>Payout: cash</li> <li>Cap: 250% of the target amount</li> </ul>
-	<b>Share Ownership Guideline</b>	<b>Share Ownership Guideline</b> <ul style="list-style-type: none"> <li>Duty to acquire and retain in the amount of 50% of base remuneration</li> <li>Period: until the end of service on the Management Board</li> </ul>
-	<b>Additional benefits</b>	<b>Compensation or benefits in lieu of forfeited compensation claims &amp; Reimbursement of expenses for first-time appointment; mobility services</b>

### Short-Term Incentive

The (total) target achievement for the performance metrics used in the STI is capped at 150% (previously: 100%). Increasing the maximum target achievement to 150% provides a clear performance incentive to promote outstanding results and above-average target achievement in line with the corporate strategy.

### ESG bonus and Long-Term Incentive

As part of a redesign of the LTI, a (virtual) Performance Share Plan with a four-year performance period is being introduced to replace the stock option plan, which was exclusively based on the stock price. Payouts from the Performance Share Plan depend not only on the performance of Medios' stock price but primarily on the achievement of the newly introduced performance metrics, namely the

relative Total Shareholder Return (“TSR”) and strategy-derived ESG (Environment, Social & Governance, “ESG”) targets.

By measuring performance metrics over a multi-year performance period of four fiscal years, the long-term and sustainable development of Medios is particularly incentivized. By measuring relative TSR as well as strategy-driven ESG targets, the redesigned LTI is aligned in a multidimensional way with capital market performance and corporate development.

The one-year variable ESG bonus is being eliminated, and the ESG targets are being incorporated into the LTI as performance metrics. As a result, strategy-relevant ESG targets will now be measured over a multi-year period for the first time. This strengthens the Remuneration System’s consistent alignment with sustainable and responsible corporate governance and ensures that the Management Board permanently incorporates the implementation of Medios’ ESG strategy into its decisions. In this way, financial and non-financial corporate goals are meaningfully linked, and long-term value creation is promoted equally in economic, environmental, and social terms.

### **Share Ownership Guidelines**

Another component of the new system are the newly introduced Share Ownership Guidelines (“SOG”). They require Management Board members to acquire shares in the Company equivalent to 50% of their respective base remuneration (gross) and to hold them for the entire duration of their appointment. The introduction of Share Ownership Guidelines for the Management Board fosters the Board’s identification with the Company and helps align the interests of the Management Board and shareholders.

### **Additional benefits**

Newly appointed members of the Management Board may receive remuneration to offset forfeited remuneration or pension entitlements from previous employers, as well as other financial disadvantages. This provision enables Medios to act more flexibly in the competition for qualified executives and to create attractive conditions for attracting highly qualified candidates to the Management Board.

As part of the additional benefits, members of the Management Board may also be granted other mobility benefits in addition to a company car.

## **II. KEY FEATURES OF THE REMUNERATION SYSTEM**

The Remuneration System 2026 will apply to the members of the Medios Management Board for the first time as of January 1, 2026.

Medios' strategy is to further strengthen its leading position in the specialty pharma sector and to capitalize on growth opportunities. In this context, organic and inorganic growth are equally important components of the strategy. Active yet disciplined use of capital is a high priority for the Company in order to create sustainable value for all stakeholders. The Supervisory Board and the Management Board act with the awareness that good corporate governance, opportunity management, and risk management are central components of corporate management and thus the foundation for the Company's success.

Medios' corporate strategy is focused on operating profitably in the specialty pharma sector and gaining further market share without generating excessive additional working capital requirements. In this context, responsible corporate governance and the simultaneous pursuit of business opportunities are given high priority.

In determining the specific structure of remuneration, setting individual remuneration amounts, selecting the relevant performance metrics, and designing the payment and allocation terms, the following principles are generally followed:

<b>Principles of the Remuneration System</b>	
➤	Promoting the long-term and sustainable development of of the Medios Group and support for the corporate strategy
➤	Accounting for the interests of shareholders and other relevant stakeholders
➤	Consideration of sustainability aspects (ESG) to promote the sustainable development of the Medios Group
➤	Alignment and consistency of internal corporate objectives to harmonize the incentive structure for the Management Board and senior management
➤	Compliance with the provisions of the German Stock Corporation Act and the German Corporate Governance Code
➤	Transparent communication of Management Board remuneration internally and externally
➤	Market-standard design of Management Board remuneration

### III. OVERVIEW OF THE REMUNERATION SYSTEM

#### 1. DIFFERENTIATION BASED ON INDIVIDUAL JOB PROFILE

In light of the principle of the Management Board's overall responsibility, the Supervisory Board has decided against function-specific differentiation regarding the remuneration of individual members of the Management Board. An exception is the higher remuneration for the Chairman of the Management Board, which is intended to appropriately reflect the Chairman's broader scope of responsibilities and the associated additional workload.

#### 2. REMUNERATION COMPONENTS

The remuneration of the members of the Management Board consists of a non-performance-based (fixed) remuneration component and a performance-based (variable) remuneration component. A company pension plan is not provided.

The fixed remuneration components comprise the non-performance-based base remuneration and additional benefits. The variable remuneration consists, on the one hand, of a short-term variable remuneration component (Short-Term Incentive, "STI") and, on the other hand, of a long-term variable remuneration component (Long-Term Incentive, "LTI").

In addition, the Remuneration System provides for further provisions such as standard market-based malus and clawback provisions, Share Ownership Guidelines, and a maximum remuneration limit pursuant to Sec. 87a para. (1) sent. 2 no. 1 of the German Stock Corporation Act (AktG).

The following overview presents the individual components of the Remuneration System:

## Overview of the compensation system components

Non-performance-based	Base remuneration	<ul style="list-style-type: none"> <li>• Fixed, non-performance-based annual compensation</li> <li>• Paid in twelve monthly installments</li> </ul>
	Additional benefits	<ul style="list-style-type: none"> <li>• Standard additional benefits (travel expense reimbursement, insurance subsidies, mobility benefits, IT &amp; communication tools, replacement payments or benefits upon initial appointment)</li> </ul>
Performance-based	Short-term incentive	<ul style="list-style-type: none"> <li>• Plan type: Annual target bonus</li> <li>• Term: 1 year</li> <li>• Performance metrics: <ul style="list-style-type: none"> <li>• Revenue growth 20%</li> <li>• Operating Cash Flow 20%</li> <li>• EBITDA margin 30%</li> <li>• EBITDA growth: 30%</li> </ul> </li> <li>• Payment: cash</li> <li>• Cap: 150% of the target amount</li> </ul>
	Long-term incentive	<ul style="list-style-type: none"> <li>• Plan type: (virtual) Performance Share Plan</li> <li>• Performance period: 4 years</li> <li>• Performance metrics: <ul style="list-style-type: none"> <li>• Relative TSR 80%</li> <li>• ESG targets 20%</li> </ul> </li> <li>• Target Achievement: 0% - 200%</li> <li>• Payout: cash</li> <li>• Cap: 250% of the target amount</li> </ul>
Other components	Maximum compensation	<ul style="list-style-type: none"> <li>• Chairman of the Management Board: €2.5 million</li> <li>• Ordinary Board Member: €2 million</li> </ul>
	Malus & Clawback	<ul style="list-style-type: none"> <li>• Reduction and clawback of variable remuneration in the event of breaches of duty and incorrect financial statements</li> </ul>
	Share Ownership Guidelines	<ul style="list-style-type: none"> <li>• Duty to acquire and retain in the amount of 50% of base remuneration</li> <li>• Period: until the end of service</li> <li>• Build-up phase: 4 years</li> </ul>

### 3. REMUNERATION STRUCTURE

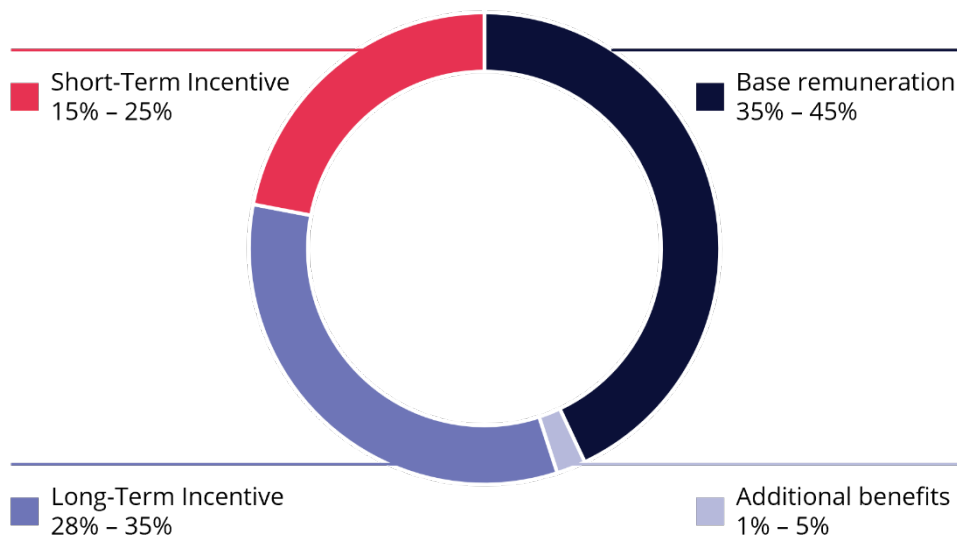
As part of the further development of the Remuneration System, the ranges of the proportions of the fixed and variable remuneration components as parts of the target total remuneration were also reviewed and adjusted. The new remuneration structure enables the Supervisory Board to design the target total remuneration more flexibly and on a case-by-case basis within the defined ranges. In accordance with legal requirements and the recommendations of the German

Corporate Governance Code (GCGC), the remuneration structure ensures that the variable remuneration in the target structure is predominantly long-term in nature.

Assuming 100% target achievement within the target total remuneration, the fixed remuneration components (base remuneration and additional benefits) account for 40% to 48% of a Management Board member's target total remuneration, of which 35% to 45% is attributable to base pay and 1% to 5% to additional benefits. The STI accounts for 15% to 25% of the target total remuneration, and the LTI accounts for 28% to 35% of the target total remuneration.

The following chart illustrates the remuneration structure and the respective share of each remuneration component in the target total remuneration.

Structure of Total Target Compensation



The remuneration structure may deviate from the structure shown in the case of remuneration payments and benefits upon the initial appointment of Management Board members and depending on the individual use of additional benefits.

#### 4. MAXIMUM REMUNERATION

Pursuant to Sec. 87a para. (1) sent. 2 no. 1 AktG, the Supervisory Board has established a value cap on the remuneration (maximum remuneration) that limits the total remuneration for a fiscal year, regardless of the actual date of payment.

This cap considers amounts from all fixed and variable remuneration components.

The maximum remuneration amounts to EUR 2.5 million for the Chairman of the Management Board and EUR 2 million for the ordinary members of the Management Board.

Should the remuneration for a fiscal year exceed this amount, compliance with the maximum remuneration is ensured by a corresponding reduction in the most recently payable remuneration component.

#### **IV. DETAILED DESCRIPTION OF REMUNERATION COMPONENTS**

##### **1. NON-PERFORMANCE-BASED REMUNERATION COMPONENTS**

###### **1.1 BASIC REMUNERATION**

The annual base remuneration is contractually agreed upon with the respective member of the Management Board and is paid out in twelve equal monthly installments.

###### **1.2 ADDITIONAL BENEFITS**

In addition to the fixed base remuneration, members of the Management Board may receive additional benefits that are not performance-based. Additional benefits include monthly contributions toward health and long-term care insurance, as well as accident insurance (covering death and disability) or other standard market insurance benefits, reimbursement of travel expenses and other business-related expenses, the provision of an appropriate company vehicle (or, if not utilized, the monetary equivalent), other mobility benefits (e.g., BahnCard), IT and communication equipment (both also for private use), as well as reimbursement of reasonable expenses incurred in connection with the initial appointment and commencement of duties as a member of the Management Board (e.g., for legal and tax advice, travel expenses, or moving costs).

Newly appointed members of the Management Board may be granted remuneration payments or other compensatory benefits in connection with the commencement of their duties at Medios to offset remuneration or pension entitlements forfeited with previous employers or other financial disadvantages

(such as forfeited variable remuneration components or contributions to pension and social security plans).

In addition, all members of the Management Board are insured against the risk of being held liable for financial losses incurred in the course of their duties through a D&O insurance policy taken out at Medios' expense, with the statutory deductible in accordance with the provisions of the German Stock Corporation Act.

## **2. VARIABLE PERFORMANCE-BASED REMUNERATION COMPONENTS**

The variable remuneration of the members of the Management Board is intended to incentivize the Management Board to act in accordance with the corporate strategy and in the interests of the shareholders, and to achieve Medios' long-term goals in a sustainable manner. The performance-based variable remuneration components include the STI and the LTI.

### **2.1 SHORT-TERM INCENTIVE**

The Short-Term Incentive (STI) is an annual, cash-based variable remuneration component that represents a reward for the Company's short-term operational performance. It serves to promote sustainable, profitable corporate development in line with strategic planning.

#### **a. Function**

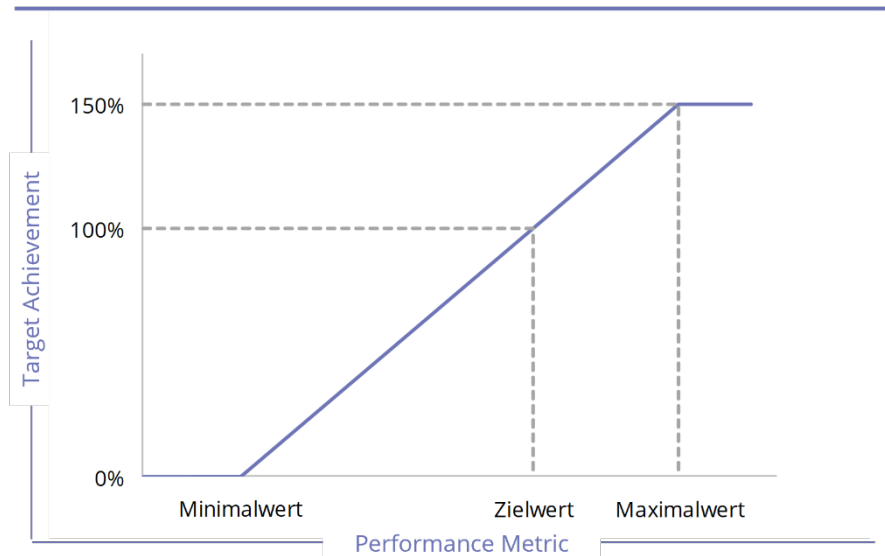
Under the Short-Term Incentive, a payment is provided to the members of the Management Board if the performance metrics and their target values set by the Supervisory Board are achieved.

#### **b. Performance metrics, weighting, and calculation**

Based on the corporate planning for the respective fiscal year, the Supervisory Board sets ambitious target values for each performance metric. For this purpose, a target value (100% target achievement) and a minimum and maximum value (lower and upper limit) are set. Additionally, the Supervisory Board may set further intermediate values between these values.

Target achievement is calculated between the defined values using linear interpolation and determined based on the established target achievement curve for the respective performance metric. Target achievement can range from 0% to 150%.

### Example STI Target Achievement Curve

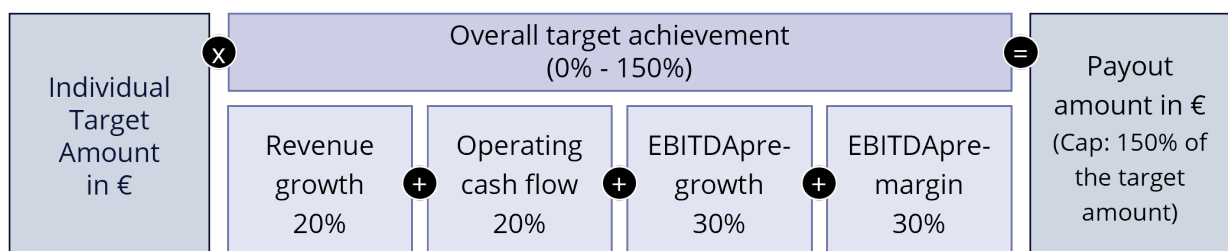


The performance metrics to be measured for the STI during a fiscal year include revenue growth, EBITDApre-growth, EBITDApre-margin, and operating cash flow.

Revenue growth incentivizes the expansion of the market position and focuses on the Company's short-term growth. Thus, the metric supports Medios' growth targets anchored in its strategy. Operating cash flow indicates the cash generated from operating activities during a fiscal year. The inclusion of this metric in the STI is intended to ensure that the Company's liquidity and financial strength are maintained. EBITDApre-growth (EBITDA before one-time effects), together with revenue, constitutes the most important financial metrics for managing and measuring Medios' operational business performance. EBITDApre-growth specifically incentivizes the increase in the Company's operational profitability. The EBITDApre-margin measures Medios' profitability and underscores the STI's focus on the Company's profitable growth.

The following chart illustrates the functioning and weighting of the STI's performance metrics in simplified form:

### Short-Term Incentive (STI)



The weighting of the performance metrics is structured as follows:

- **Revenue growth:** 20% of the STI can be earned if Medios' consolidated revenue grows by an ambitious percentage, as determined by the Supervisory Board, compared to the previous year;
- **Operating cash flow:** 20% of the STI can be earned by achieving an ambitious target for operating cash flow set by the Supervisory Board;
- **EBITDApre-growth:** 30% of the STI can be earned by increasing Medios' consolidated EBITDApre (i.e., EBITDA before defined one-time effects) by an ambitious percentage set by the Supervisory Board compared to the previous year;
- **EBITDApre-margin:** 30% of the STI can be earned by increasing Medios' consolidated EBITDApre-margin (i.e., EBITDA before defined one-time effects) to an ambitious margin set by the Supervisory Board.

For future fiscal years, the Supervisory Board may provide for a different weighting of the performance metrics.

The STI is generally implemented in the respective service contract. A target amount in EUR is contractually agreed with each member of the Management Board, corresponding to a total target achievement of 100%. The (total) target achievement and the amount of the annual payment under the STI are thus also capped at 150% of the contractually agreed target amount.

### **c. Miscellaneous**

For the performance metrics, the consolidated financial statements for the Medios Group prepared and audited in accordance with IFRS are binding for the determination of target achievement. The specified targets and thresholds and the respective target achievement are disclosed transparently in the remuneration report.

When determining target achievement, the Supervisory Board has the option of considering significant extraordinary one-time effects that were not included in

corporate planning or were accounted for differently, and may make corresponding adjustments. Such a one-time effect exists, for example, when suppliers do not collect receivables at the due date despite their maturity, resulting in a partial or complete shift of the cash outflow to the following fiscal year.

Furthermore, in accordance with Recommendation G.11 of the German Corporate Governance Code (GCGC), the Supervisory Board has the option, when determining whether targets have been met, to consider significant extraordinary one-time effects (e.g., M&A activities or changes in accounting standards) that were not appropriately considered in the corporate planning, and may make corresponding adjustments.

The respective payment amount under the STI is due by the last day of the month following the adoption of the annual financial statements for the past fiscal year.

## **2.2 LONG-TERM INCENTIVE**

The LTI is structured as a (virtual) Performance Share Plan with a four-year term.

### **a. Function**

The LTI is granted in the form of virtual shares ("Performance Shares") in annually rolling tranches. The Performance Shares confer the right to receive, at the end of the four-year performance period and upon fulfillment of certain performance metrics, a specific number of Medios shares or a cash settlement dependent on the share performance, at the discretion of the Supervisory Board. The performance period corresponds to four fiscal years.

### **b. Allocation**

The Supervisory Board contractually agrees with the respective member of the Management Board on an individual, annual target amount for the LTI in EUR ("LTI Target Amount"). The LTI Target Amount corresponds to 100% target achievement.

The Supervisory Board allocates the LTI target amount designated for the fiscal year to the respective Management Board member in the form of Performance Shares based on the average closing price of Medios shares on XETRA over the last 30 trading days prior to the start of the performance period ("Starting Price"). The

number of virtual Performance Shares to be provisionally allocated is calculated by dividing the LTI Target Amount in euros by the Starting Price.

The final number of Performance Shares is calculated by multiplying the number of provisionally allocated Performance Shares by the total target achievement of the two additively linked performance metrics—relative Total Shareholder Return and ESG—at the end of the performance period (i.e., four fiscal years).

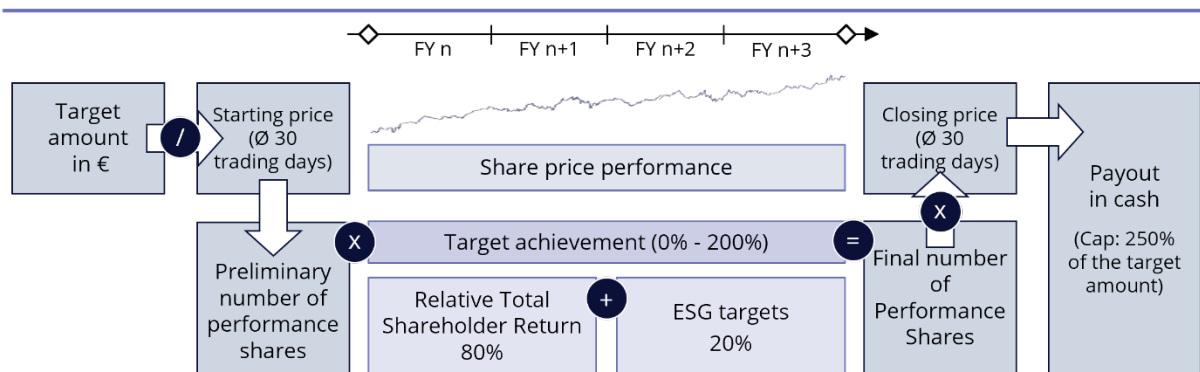
### c. Settlement

To calculate the final payout amount, the final number of Performance Shares is multiplied by the average closing price of the Medios share on the XETRA market over the last 30 trading days prior to the end of the performance period (“Closing Price”). The payout is made in cash and is capped at a maximum of 250% of the individual target amount (“Cap”).

The Supervisory Board has the option to provide for the final number of Performance Shares to be settled in Medios shares instead of a cash payment.

The following diagram provides a simplified overview of how the Performance Share Plan and LTI work:

#### Long-Term Incentive (LTI)



### d. Performance metrics

In addition to the absolute price performance of the Medios share, the LTI is also based on the relative performance of the Medios share. The performance metrics include the relative Total Shareholder Return (“TSR”) and targets in the areas of Environment, Social, and Governance (“ESG”). The relative TSR makes up 80% and the ESG 20% of the overall target achievement.

By combining these performance metrics, the LTI creates incentives for long-term value creation for the Company. The TSR is used to measure the long-term performance of Medios' stock on the capital market relative to its competitors. The ESG targets create incentives for sustainable corporate development, promote the implementation of Medios' sustainability strategy, and consider the Company's impact on the environment.

### **Relative Total Shareholder Return (TSR)**

The relative Total Shareholder Return (TSR) indicates the total shareholder return and is thus a measure of value appreciation on the capital market. As an equity-based metric in the LTI, it shows the performance of the Medios share price, including hypothetical reinvested dividends, over the four-year performance period.

The SDAX serves as the benchmark for the relative TSR, reflecting Medios' performance on the German capital market, while a peer company—typically Fagron N.V., Belgium ("Peer Company")—is selected by the Supervisory Board prior to the start of the fiscal year.

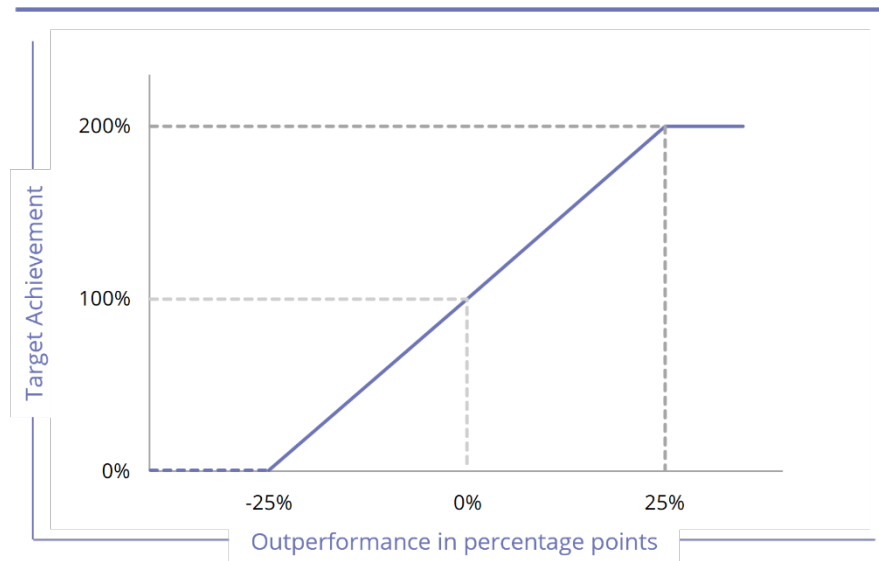
The achievement of the TSR target is measured using the outperformance method. To determine the outperformance of the Medios share at the end of the performance period, the TSR performance—i.e., the TSR at the end of the performance period compared to the TSR before the start of the performance period—of Medios, the SDAX, and the Peer Company is calculated.

The average TSR values for the last 30 trading days of the performance period serve as the start and end values. Subsequently, the TSR performance of Medios is subtracted from the TSR performance of the SDAX and the Peer Company, respectively.

The relative TSR target achievement is determined in each case based on outperformance relative to the SDAX and the Peer Company, as well as the defined target achievement curve. The target achievement curve is set as a deviation of + / - 25 percentage points from a break-even performance, which corresponds to 100% target achievement. Target achievement can range from 0% to 200%. Target achievement between the defined values is calculated using linear interpolation. The resulting symmetrical target achievement curve is in line with market practice

and ensures a balanced risk-reward profile. This rewards outperformance relative to the competition without creating an incentive to take on excessive risk.

#### Relative Total Shareholder Return (TSR) performance curve



Finally, the two calculated target achievements are weighted to determine the overall TSR target achievement. The target achievement relative to the SDAX is weighted at 70%, and the target achievement relative to the Peer Company is weighted at 30%.

Should the defined peer groups and their weighting within the TSR no longer align with Medios' strategic direction and the optimal incentive structure for the Management Board, the Supervisory Board may define other peer groups and corresponding ambitious target achievement curves prior to the commencement of an LTI tranche. Any such change and its rationale will be transparently disclosed in the remuneration report.

#### ESG goals

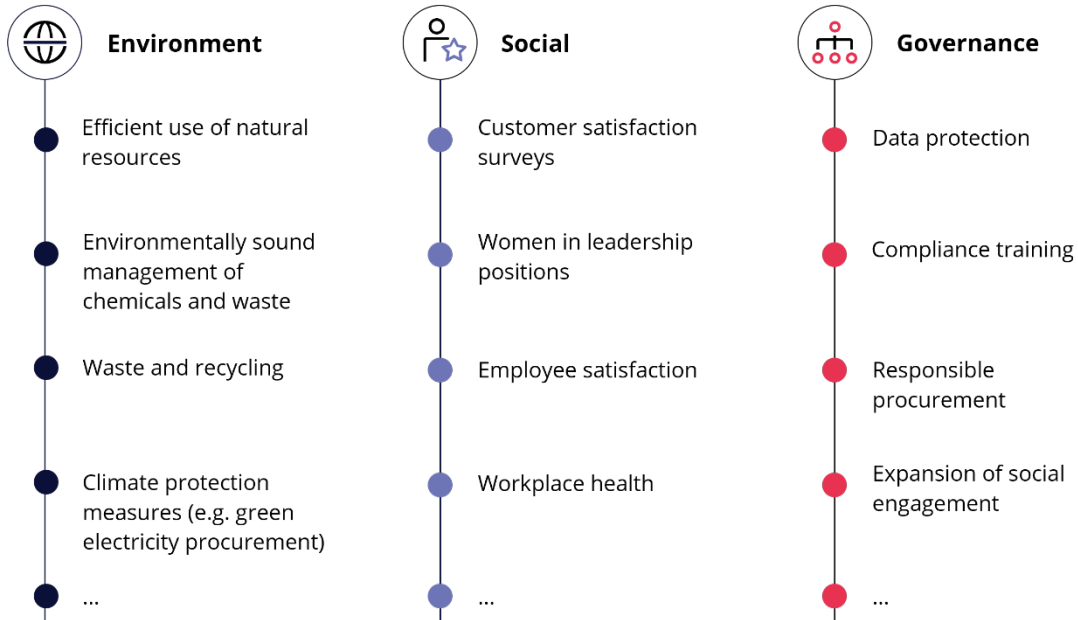
Sustainable business practices are an integral part of Medios' strategy. As a company with a leading position in the specialty pharma sector, the Medios Group aims to implement an equally innovative sustainability strategy through its innovative products and services. Therefore, the ESG targets are anchored in the LTI with a weighting of 20%.

Prior to the start of a fiscal year, the Supervisory Board selects up to three ESG targets derived from Medios' materiality analysis from a catalog of criteria and determines their relative weighting. In doing so, the Supervisory Board ensures

that the established ESG targets are ambitious and measurable. An example catalogue of criteria is shown below:

**Example ESG criteria catalog**

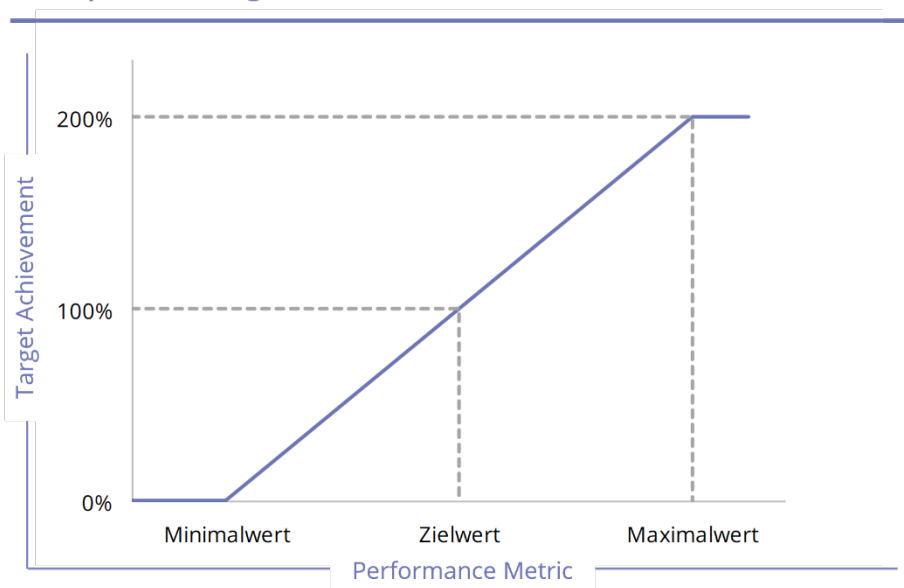
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At the beginning of each fiscal year, the Supervisory Board establishes an ambitious target achievement curve for each ESG target. To this end, a target value (100% target achievement) and minimum and maximum values (lower and upper limits) are set. In addition, the Supervisory Board may establish further thresholds between these values. Target achievement is determined using linear interpolation between the defined values.

Based on the established target achievement curve, the specific target achievement for the ESG targets can be determined. This can range from 0% to 200%.

### Example ESG Target Achievement curve



The defined ESG targets and their weightings, the target and threshold values, and the respective target achievement are published transparently in the remuneration report.

### 3. SHARE OWNERSHIP GUIDELINES

To strengthen the Management Board's entrepreneurial and long-term orientation as well as alignment with shareholder interests, the Supervisory Board agrees with the Management Board members on an obligation to acquire and hold Medios shares (Share Ownership Guidelines, "SOG").

The members of the Management Board are obligated to acquire Medios shares in an amount equal to 50% of their base remuneration (gross) and to hold them until the end of their tenure on the Management Board. In principle, the shareholding must be built up over a period of four years.

### 4. MALUS & CLAWBACK

So-called malus and clawback provisions are incorporated into the Management Board service contracts. These provisions allow for the recovery or reduction of variable remuneration components that have already been paid out or have not yet been paid out under certain conditions. This clawback or reduction option applies to all variable components of Management Board remuneration, i.e., both payments under the Short-Term Incentive and the Long-Term Incentive.

In the event of a serious and intentional breach of duty or compliance by a member of the Management Board, the Company may cancel or withhold the

variable remuneration in whole or in part and may forfeit or reclaim variable remuneration components already granted without replacement.

Relevant breaches of duty or compliance include, among other things, breaches of due diligence obligations in the management of the Company within the meaning of Sec. 93 AktG, breaches of internal corporate codes of conduct, criminal offenses, and other serious unethical conduct.

The Company's Supervisory Board decides on a malus or clawback in each individual case at its discretion.

The possibility of a malus or clawback also exists if the appointment to the board or the service agreement with the member of the Management Board has already ended at the time of the decision.

If variable remuneration components linked to the achievement of certain targets were wrongfully paid out on the basis of incorrect data, the Company is entitled, regardless of any misconduct on the part of the member of the Management Board, to reclaim the difference resulting from the recalculation of the amount of variable remuneration based on correct data compared to the payment that was made. The malus and clawback provisions described above shall apply accordingly in this case.

Claims for damages and other legal claims against the member of the Management Board remain unaffected by the malus and clawback provisions.

## **V. REMUNERATION RELATED PROVISIONS**

### **1. Terms of the Management Board service contracts**

When appointing members of the Management Board and determining the duration of their contracts, the Supervisory Board generally follows the recommendations of the German Corporate Governance Code (GCGC). Management Board service contracts are concluded for the duration of the respective appointment. For an initial appointment as a member of the Management Board, the term of appointment is generally three years, although exceptions may be made in justified cases (for example, in the context of the internal promotion of an employee at the management level of Medios to the

Management Board). In the case of reappointment, the maximum term is five years.

If a member of the Management Board becomes permanently unable to work during the term of the service contract, the contract shall terminate, without requiring notice, no later than at the end of the quarter in which the permanent inability to work is determined.

In the event of revocation of the appointment, resignation by the member of the Management Board, or any other termination of the position on the Management Board, the Management Board service contract shall terminate upon the expiration of the applicable period under Sec. 622 of the German Civil Code (BGB). In this case, the Company is entitled to relieve the member of the Management Board from any further work for the Company for the remaining term of the service contract. The release from duties shall be accompanied by continued payment of the contractually agreed remuneration.

This does not affect the mutual right to terminate the Management Board service contract without notice for good cause pursuant to Sec. 626 BGB.

## **2. Entry and exit during the fiscal year**

In the event of joining or leaving during the fiscal year, the total remuneration shall be granted on a pro rata temporis basis in accordance with the duration of the service relationship in the relevant fiscal year.

## **3. Benefits upon termination of the contract**

Severance provisions in accordance with the recommendations of the German Corporate Governance Code (GCGC) may be agreed upon in the service contracts of the members of the Management Board. If the service relationship with an Management Board member ends due to resignation or mutual agreement, Management Board members may be entitled to a severance payment. Any severance payment may not exceed the amount of two years' total remuneration and may not exceed the remuneration for the remaining term of the contract.

In the event of termination of the service contract by the Company for good cause attributable to the member of the Management Board pursuant to Sec. 626 BGB, there is no entitlement to severance pay.

In the event of the death of a member of the Management Board before the end of the term of the service contract, the respective spouse or the dependent children of the deceased member of the Management Board are entitled to the fixed, non-performance-based base remuneration (i.e., gross monthly salary pursuant to the respective Management Board service contract) for the month of death and the following three months.

If a member of the Management Board's service contract terminates for good cause attributable to the member pursuant to Sec. 626 BGB or due to the member's voluntary resignation without good cause, the entitlement to all provisionally allocated Performance Shares that have not yet completed the performance period shall lapse without compensation or replacement.

The Supervisory Board may establish further provisions regarding the treatment of claims not yet fully vested upon termination of service relationship with respect to long-term variable remuneration components. In the event of the termination of a member of the Management Board's service relationship, the Supervisory Board has agreed on the following rules regarding the treatment of long-term variable remuneration components that have not yet been fully granted or vested (e.g., Performance Shares):

- If the service relationship ends for good cause attributable to the member of the Management Board or as a result of the member's resignation without good cause, all long-term variable remuneration components that have not yet been fully vested shall forfeit without compensation or replacement.
- If the service relationship ends due to permanent disability or the death of the member of the Management Board, long-term variable remuneration components that have not yet been fully vested may be granted on a pro rata basis or in full. A pro rata reduction may also be provided for.
- In all other cases, a pro-rata adjustment of the long-term variable remuneration components still outstanding is provided for. Payment is then made at the regularly scheduled times following the end of the respective performance period.

#### **4. Change of control**

When new contracts are entered into with members of the Management Board (initial appointment) or when existing contracts are renewed, the following special provisions may be agreed upon in the event of a change of control; however, no additional severance pay may be promised.

In the event of a change of control, the member of the Management Board has the right to resign from office with three months' notice. The service contract also terminates at this time. A change of control occurs if:

- the Company's shares are delisted from trading on a regulated market;
- the appointment of the member of the Management Board ends due to a change in the Company's legal form or a merger of the Company with another company, unless the member of the Management Board is offered an appointment as a member of the Management Board in the new company under economically equivalent terms as before;
- a corporate agreement pursuant to Sec. 291 et seq. AktG is concluded with Medios as a subsidiary, or the company is integrated pursuant to Sec. 319 et seq. AktG.

#### **5. Post-contractual non-competition clause**

The Supervisory Board may provide for a post-contractual non-competition clause of up to two years in each Management Board member's service contract. For the duration of the non-competition clause, the respective Management Board member shall be paid remuneration amounting to 50% of the last contractual remuneration received. Any other income from employment or other sources received during the term of the non-compete clause shall be offset against the remuneration to the extent that the remuneration, when added to such other income, would exceed the most recent contractual remuneration received.

In addition, other contractual severance payments to a member of the Management Board shall be offset against the remuneration for the non-competition period.

The Supervisory Board has the option to agree to such a clause—including on a case-by-case basis—in the future. If a post-contractual non-compete clause is

agreed upon as part of the termination, it is contractually agreed that any severance payment will be offset against the non-compete indemnity.

#### **6. Secondary activities of members of the Management Board**

The acceptance of public offices, positions on supervisory boards, boards of directors, advisory boards, and comparable mandates, as well as appointments to economic or scientific committees, requires the prior approval of the Medios Supervisory Board, unless such mandates are within the Medios Group.

For holding offices or performing other activities in other companies affiliated with Medios within the meaning of Sec. 15 et seq. AktG, members of the Medios Management Board generally receive no additional or separate remuneration. Any remuneration received nonetheless shall be offset against the remuneration contractually agreed upon in the Management Board service contract.

### **VI. PROCEDURES FOR DETERMINING, REVIEWING, AND IMPLEMENTING THE REMUNERATION SYSTEM**

The Supervisory Board, as a whole, is responsible for the structure of the Remuneration System for members of the Management Board and for determining individual remuneration. The Remuneration System described herein was adopted by the Supervisory Board in accordance with Sec. 87 para. (1) and Sec. 87a para. (1) AktG. In all remuneration decisions, the Supervisory Board considers the requirements of the German Stock Corporation Act and is guided by the principles, recommendations, and suggestions of the German Corporate Governance Code (GCGC).

In the event of material changes to the Remuneration System, or at least every four years, the Remuneration System is submitted to the Annual General Meeting for approval in accordance with Sec. 120a AktG. The implementation of the Remuneration System generally takes place within the framework of the Management Board member's service contract. If the Annual General Meeting does not approve the proposed Remuneration System for the Management Board, the Supervisory Board will thoroughly review the Remuneration System, considering market standards and the system's competitiveness, as well as the regulatory framework and investor requirements, and will present a correspondingly revised Remuneration System at the subsequent Annual General Meeting.

If the Supervisory Board engages an external remuneration expert to develop the Remuneration System and assess the appropriateness of remuneration, it ensures the expert's independence from the Management Board and the Company and takes precautions to avoid conflicts of interest.

## **INDEPENDENCE AND AVOIDANCE OR MANAGEMENT OF CONFLICTS OF INTEREST**

All decisions made by the Supervisory Board (and any committees) regarding the Remuneration System are subject to the general rules governing the handling of conflicts of interest. Accordingly, members of the Supervisory Board are specifically required to disclose any conflicts of interest to the Chairman of the Supervisory Board without delay. The Chairman of the Supervisory Board discloses his own conflicts of interest to the Vice Chairman of the Supervisory Board. The Supervisory Board reports on conflicts of interest that arose during the fiscal year and how they were handled as part of its report to the Annual General Meeting. At the meeting at which decisions are made on matters in which the personal interests or the interests of related persons or companies of a member of the Supervisory Board may be affected, the Supervisory Board member in question must abstain from voting on such decisions, unless, in the specific case, participation in the deliberations and decision-making must or should also be avoided. If the conflicts of interest are significant and not merely temporary, this shall result in the termination of the Supervisory Board mandate.

## **REVIEW OF THE APPROPRIATENESS OF MANAGEMENT BOARD REMUNERATION**

The Supervisory Board regularly reviews the appropriateness and customary nature of the remuneration for Management Board members and, if necessary, develops adjustments to ensure that provides a remuneration package for Management Board members that is both market-standard and competitive within the regulatory framework. Criteria for the appropriateness of remuneration include the duties of the individual Management Board member, personal performance, the economic situation and future prospects of Medios, as well as the market-standard level and structure of Management Board remuneration at comparable companies. Additionally, the duties and performance of the respective Management Board member and the salary structure within the Company are taken into account.

The Supervisory Board pays particular attention to ensuring that the remuneration of the members of the Management Board and the Remuneration System are in line with market standards and appropriate. The assessment of whether remuneration is in line with market standards is conducted both in comparison to other companies (horizontal comparison) and within Medios based on the ratio of Management Board remuneration to the remuneration of senior management and the workforce as a whole (vertical comparison).

Selected companies from the MDAX and SDAX are used for the horizontal comparison. To assess the appropriateness of Management Board remuneration within the Medios Group, the comparison is based on the senior management level below the Management Board within the Medios Group; for the workforce as a whole, it is based on the average remuneration of Medios Group employees in Germany. Both the current ratio and changes in the ratio over time are taken into account.

## **VII. TEMPORARY DEVIATIONS FROM THE REMUNERATION SYSTEM**

In accordance with the statutory provision (Sec. 87a para.(2) AktG), the Supervisory Board may temporarily deviate from the Remuneration System in exceptional circumstances if this is necessary in the interest of the Company's long-term well-being.

A deviation from the Remuneration System is only possible through a corresponding resolution of the Supervisory Board and after careful examination of the necessity. Even in the event of a temporary deviation from the Remuneration System, the remuneration of the Management Board must be geared toward the long-term and sustainable development of the Company and take into account the Company's situation as well as the performance of the Management Board. The components of the Remuneration System from which deviations may be made under the aforementioned circumstances are the procedure, the remuneration structure, the individual remuneration components and their performance metrics, as well as their weighting. Furthermore, in this case, the Supervisory Board may temporarily grant additional remuneration components or replace individual remuneration components with other remuneration components to the extent necessary to restore the appropriateness of the Management Board's remuneration in the specific situation.

Pursuant to Sec. 162 para. (1) sent. 2 no. 5 AktG, both the necessity of the deviation and the remuneration components affected by the deviation are to be explained and identified in the remuneration report.

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