Compensation system of the Executive Board

MEDIOS

Appendix to agenda item 7 of the Annual General Meeting on May 27, 2025 - Description of the remuneration system for the members of the Management Board ("Management Board Remuneration System 2025")

I. Basic features of the remuneration system for members of the Management Board

The strategy of Medios AG and the Medios Group is to further strengthen its leading position in the Specialty Pharma segment and to exploit growth opportunities. Organic and inorganic growth are equally important elements of the strategy. Active and at the same time disciplined use of capital is a high priority for the Group in order to create sustainable value for all stakeholders. The Supervisory Board and Management Board act in the knowledge that good corporate governance, opportunity management and risk management are key components of corporate management and thus the basis for the company's success. The Medios Group's corporate strategy is also geared towards operating profitably in the Specialty Pharma segment and gaining further market share without generating excessive additional capital requirements (working capital). Responsible corporate governance and the simultaneous exploitation of entrepreneurial opportunities are of great importance. The following principles are followed and taken into account when structuring remuneration, determining individual remuneration, selecting key performance indicators and structuring payment and allocation modalities:

- Promoting the long-term and sustainable corporate development of the Medios Group and supporting the corporate strategy
- Conformity with the requirements of the German Stock Corporation Act and the German Corporate Governance Code
- Consideration of shareholder interests and the needs of relevant stakeholders
- Addition of Environmental, Social & Governance (ESG) criteria to promote sustainable development of the Medios Group
- Transparent communication of Management Board remuneration internally and externally
- Synchronization and consistency of the company's internal objectives to align the incentive effect for the Management Board and senior management
- Consideration of modern and standard market elements and mechanisms

II. Procedure 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 the determination of individual remuneration. The remuneration system described here was adopted by the Supervisory Board in accordance with Sections 87 para. (1) and 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 recommendations of the GCGC.

In the event of significant changes to the remuneration system, but at least every four years, the remuneration system is submitted to the Annual General Meeting for approval. The remuneration system is implemented as part of the Management Board service contract. If the Annual General Meeting does not approve the remuneration system presented for the Management Board, the Supervisory Board will examine the remuneration system in detail, taking into account the market practice and competitiveness of the system as well as the regulatory framework and investor requirements, and present a revised remuneration system at the following Annual General Meeting.

In this context, the changes to the remuneration system are described in detail and the extent to which the shareholders' comments have been taken on board is also discussed.

All decisions made by the Supervisory Board (and any committees) regarding the remuneration system are subject to the general rules for dealing with conflicts of interest. Accordingly, the members of the Supervisory Board are obliged to disclose conflicts of interest to the Chairman of the Supervisory Board without delay. The Supervisory Board provides information on conflicts of interest that have arisen during the financial year and how they were handled in its report to the Annual General Meeting. At the meeting at which decisions are made on matters that may affect the personal interests or the interests of related parties or companies of a member of the Supervisory Board, the Supervisory Board member concerned must abstain from voting on decisions, unless in individual cases participation in the discussion and passing of resolutions must or should also be omitted. In the event of significant and not merely temporary conflicts of interest, this will result in the termination of the Supervisory Board mandate.

The Supervisory Board regularly reviews the appropriateness and customary nature of the remuneration of the members of the Management Board and, if necessary, makes adjustments in order to ensure a remuneration package for the members of the Management Board that is both in line with the market and competitive within the regulatory framework. Criteria for the appropriateness of remuneration are the tasks of the individual Management Board member, personal performance, the economic situation and future prospects of Medios AG as well as the standard market level and structure of Management Board remuneration at comparable companies. The tasks and performance of the respective Management Board member and the salary structure within the company are also 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 practice and appropriate. The assessment of the market conformity of remuneration is conducted both in comparison with other companies (horizontal comparison) and within Medios AG based on the ratio of Management Board remuneration to the remuneration of senior management and the workforce as a whole (vertical comparison). Selected MDAX and SDAX companies are considered for the horizontal comparison. To assess the appropriateness of Management Board remuneration within the Medios Group, the upper management level below the Management Board within the Medios Group is taken as a basis, while the average remuneration of Medios Group employees in Germany is used for the workforce as a whole. Both the current ratio and the change in the ratio over time are considered.

If necessary, the Supervisory Board can call in external consultants. If the Supervisory Board consults an external remuneration expert to develop the remuneration system and assess the appropriateness of the remuneration, it ensures the expert's independence from the Management Board and the company and takes precautions to avoid conflicts of interest.

In accordance with the remuneration system presented, the Supervisory Board determines the specific target total remuneration and, for the upcoming financial year, the performance criteria for the variable remuneration components for the members of the Management Board provided for in the remuneration system. The "target total remuneration" is the sum of fixed and variable remuneration for each member of the Management Board.

In particular exceptional cases (such as a severe economic crisis), the Supervisory Board may temporarily deviate from the components of the Management Board remuneration system (procedures and regulations on the remuneration structure and amount as well as with regards to the individual remuneration components) if this is necessary in the interests of the long-term well-being of the company. A deviation from the remuneration system is only possible with a corresponding resolution by the Supervisory Board and after careful consideration of the necessity. The components of the remuneration system that may be deviated from under the afore mentioned circumstances are the procedure, the remuneration structure, the individual remuneration components, and their performance criteria. Furthermore, in this case the Supervisory Board may temporarily grant additional remuneration components or replace individual remuneration components with other remuneration components, as far as this is necessary to restore the appropriateness of the Management Board remuneration in the specific situation.

III. Overview of the remuneration components and the remuneration structure

The remuneration system described here can be applied to employment contracts with members of the Management Board of Medios AG with effect from the beginning of January 1, 2025 of the current financial year.

1. Remuneration components

The remuneration system for the Medios AG Management Board comprises the remuneration components shown below.

The remuneration of the members of the Management Board consists of a non-performance-related (fixed) remuneration component and a performance-related (variable) remuneration component. A company pension scheme (pension commitments) is expressly not provided for. The fixed remuneration components comprise the non-performance-related basic remuneration and fringe benefits. The variable remuneration consists of an annual short-term variable remuneration component ("short-term incentive" or "STI"), a bonus payment for the achievement of certain ESG criteria ("ESG bonus") and long-term variable remuneration ("long-term incentive" or "LTI").

2. Remuneration structure

The fixed remuneration components account for 28% - 35% of the target total remuneration of a Management Board member, while the variable remuneration components account for 65% - 72% of the target total remuneration (of which around 2% - 3% is attributable to the ESG bonus, 28% - 35% to the STI and 29% - 42% to the LTI).

IV. Presentation of the remuneration components in detail

1. Differentiation according to individual requirement profile

In view of the principle of overall responsibility of the Management Board, the Supervisory Board has decided against function-specific differentiations with regard to the remuneration of individual members of the Management Board. One exception is the higher remuneration of the CEO, which is intended to appropriately reflect his greater scope of responsibility and representation and the associated additional workload. For first-time appointments, the Supervisory Board reserves the right to agree a lower target total remuneration with lower remuneration components.

2. Maximum remuneration

In accordance with Section 87a para. (1) sent. 2 no. 1 AktG, the Supervisory Board has set a maximum amount of remuneration that limits the total amount of remuneration actually granted for a specific financial year. Amounts from all fixed and variable remuneration components are taken into account as part of the total amount to be paid.

The maximum remuneration for the CEO is EUR 2.5 million and for the ordinary members of the Management Board EUR 2 million.

If the total payments from a financial year exceed this maximum remuneration, the last remuneration component to be paid out is reduced accordingly.

3. Basic remuneration independent of performance

The annual basic remuneration is contractually agreed with the respective Management Board member and is paid in twelve equal monthly installments. The Management Board member does not receive separate remuneration for holding offices or other activities in other companies that are affiliated with the company within the meaning of Sections 15 et seq. AktG, the Management Board member does not receive any separate remuneration.

4. Fringe benefits

In addition to the reimbursement of travel expenses and other official expenses, each member of the Management Board receives a monthly allowance for health and long-term care insurance in accordance with statutory regulations. The company can provide each member of the Management Board with an appropriate company car and a cell phone for private use. In addition, the company provides each member of the Management Board with accident insurance (in the event of death or disability).
All members of the Management Board are insured against the risk of claims being made against them for financial losses in the performance of their duties via a D&O insurance policy taken out at the expense of Medios AG with the statutory deductible in accordance with the provisions of the German Stock Corporation Act.

5. Variable performance-related remuneration components

The variable remuneration of the members of the Management Board is intended to provide the right incentives for the Management Board to act in line with the corporate strategy and stakeholders and to achieve long-term targets on a sustainable basis. The three performance-related variable remuneration components are the ESG bonus and the STI, each with a term of one (financial) year, and the LTI with a term of four years.

If the total payments from a financial year exceed the maximum remuneration, the last remuneration component to be paid - usually a variable performance-related remuneration component - is reduced accordingly.

a. Short-Term-Incentive

The short-term incentive provides for a bonus payment to the members of the Management Board if certain ambitious targets set by the Supervisory Board are achieved.

aa. Performance targets and calculation

Depending on the achievement of the defined targets, each member of the Management Board can receive an amount of up to 100% of the agreed fixed remuneration as STI. The "inorganic growth" performance target is replaced by the "Operating Cash Flow" performance target.

As part of the realignment, the weighting of the remaining performance targets is also to be adjusted in order to create a balanced incentive system. The new breakdown of the performance targets is shown below:

Performance Target	Old Share	New Share
➢ Inorganic Growth	40 %	**Not Applicable**
➢ Sales Growth	20 %	**20 % (Unchanged)**
➢ Ebitdapre Growth	20 %	**30 % (+10%)**
➢ Ebitdapre Margin	20 %	**30 % (+10%)**
➢ Operating Cash Flow	---	**20 % (New)**

The specific performance targets and the calculation of their share of the STI are therefore structured as follows:

- Sales growth: Up to 20% of the STI can be earned if Group sales grow by an ambitious percentage compared to the previous year, as determined by the Supervisory Board;

- EBITDA pre growth: Up to a further 30% of the STI can be achieved through growth in Group

- EBITDA pre (i.e., EBITDA before defined special effects) compared to the previous year by an ambitious percentage set by the Supervisory Board;

- EBITDA pre margin: Up to a further 30% of the STI can be achieved by increasing the Group

- EBITDA pre margin (i.e., EBITDA before defined special effects) to an ambitious margin set by the Supervisory Board.

- Operating Cash Flow: Up to a further 20% of the STI can be earned by achieving an Operating Cash Flow defined by the Supervisory Board. The Operating Cash Flow indicates the cash and cash equivalents generated from operating activities in a financial year. Based on the corporate planning for the respective financial year, the Supervisory Board sets ambitious performance targets for the operating cash flow, which correspond to target achievement of 60%, 80% and 100% respectively. Target achievement with regard to Operating Cash Flow is determined on a linear interpolated basis from the achievement of the target value for 60% up to the target value of 100%. Target achievement is limited to 100%. If the minimum target value of 60% is not achieved, the target achievement is zero. When determining target achievement, the Supervisory Board has the option of considering significant extraordinary special effects that were not taken into account or were taken into account differently in the corporate planning and can make corresponding adjustments. Such a special effect exists, for example, if suppliers do not collect receivables on the due date despite them being due and this results in a partial or complete shift in the outflow of liquidity to the following financial year.

The share of short-term variable remuneration under the STI in the target total remuneration is between 28% and 35%. The amount of the annual payments under the STI for the respective Management Board member is limited to 100% of the non-performance-related basic remuneration (excluding fringe benefits).

bb. Target values and other regulations

For sales growth, Group EBITDA pre growth, Group EBITDA pre margin and operating cash flow, the audited consolidated financial statements prepared in accordance with IFRS are binding for the Medios Group.

Payments under the STI are owed *pro rata temporis* in the event of a contract term of a Management Board member beginning or ending during the year. The respective payment amount under the STI is due for payment by the last day of the month following the adoption of the annual financial statements for the past financial year.

The adjustment of the STI component is the result of a structured review process by the Supervisory Board. Current market standards, regulatory requirements and the strategic orientation of Medios AG were taken into account. In order to make a well-founded decision, the Supervisory Board consulted the expertise of an independent, renowned remuneration consultant, who worked out and confirmed the plausibility, market conformity and effectiveness of the planned changes

b. Long-Term-Incentive-Program (stock option plan)

At Medios AG, the variable long-term remuneration for members of the Management Board consists of a share option plan (Long-Term Incentive Program, "LTIP" or "share option plan"). The share of long-term variable remuneration under the LTIP in the target total remuneration is between 29% and 42%.

Medios AG pursues a remuneration policy aligned with the interests of shareholders in line with the "shareholder value principle". The aim is to increase the long-term value of the shareholders' investment, expressed by increasing the value of the company's shares. Both managers and employees should be incentivized towards this goal. The fact that a significant proportion of the target total remuneration consists of long-term variable remuneration in the form of share options ensures that the corporate strategy is strongly geared towards sustainable corporate growth, including the creation of added value for shareholders and all stakeholders.

aa. Allocation

As part of the share option plan, members of the Management Board are entitled to options on Medios AG shares. By contractual agreement with each member of the Management Board ("subscription rights agreement"), the Management Board member receives the right to acquire an individually agreed number of no-par value bearer shares in Medios AG ("no-par value shares") at an exercise price ("exercise price") determined by the Supervisory Board at its discretion after expiry of the respective waiting period and upon fulfillment of the performance target in accordance with the provisions of the subscription rights agreement ("stock options"). The performance target provides for a significant increase in the Medios share price above the share price at the time the options are granted.

The share options can be issued annually by the Supervisory Board in single or multiple tranches.

bb. Exercisability and performance target

The four-year waiting period ("waiting period") begins on the day the share options are issued. The respective Management Board member can only exercise the share options after the waiting period has expired. The share options may only be exercised in respect of a contractually agreed minimum number.

The share options can be exercised within an exercise period of three years (previously: seven years), which begins at the end of the waiting period ("exercise period"). If the option rights are not exercised by the beneficiary by the end of the exercise period, the option rights expire without replacement.

The prerequisite for exercising the share options is that the performance target has been reached in a period of thirty stock exchange trading days before the end of the waiting period. The performance target is achieved if the closing price of the company's shares in XETRA trading (or a comparable successor system of the Frankfurt Stock Exchange) reaches or exceeds an amount determined by the Supervisory Board at its own discretion on thirty consecutive trading days ("performance target").

cc. Miscellaneous

Medios AG does not have any further blocking periods or share holding periods (such as Share Ownership Guidelines).

If the employment relationship is terminated by the company or the Management Board member, or if the board or service relationship is otherwise terminated for whatever reason ("termination"), the portion of the share options for which the respective vesting period has not yet expired by the time of termination is forfeited. The share option plan provides for a quarter of the share options allocated to vest at the end of December 31 of each year (vesting).

c. ESG bonus

Sustainable action should form an integral part of the strategy of Medios AG and the Medios Group. The ESG bonus focuses on Medios AG's contribution to creating stable economic, social, and environmental conditions for current and future generations. Performance criteria for measuring the ESG bonus are therefore exclusively sustainability targets, primarily from the following areas:

- Climate, Energy & Environment,
- Employees, Social & Governance and
- Technology & Innovation.

As a company with a leading position in the Specialty Pharma segment, the Medios Group aims to implement an equally innovative sustainability strategy with its innovative services and products. A remuneration component in the form of an ESG bonus based exclusively on non-financial sustainability targets encourages Medios AG to live up to its responsibility as part of society.

The short-term variable remuneration under the ESG bonus accounts for 2% to 3% of the target total remuneration of the respective Management Board member. The ESG bonus is structured as a target bonus with a one-year assessment period corresponding to the company's financial year and is calculated on the basis of overall target achievement of selected ESG targets determined by the Supervisory Board.

aa. Objectives and achievement of objectives

Before the start of each financial year, the Supervisory Board determines two to four ESG targets for all members of the Management Board in consultation with the Management Board. For each of the defined ESG targets, the Supervisory Board sets a target value, an ambitious threshold value and an appropriate maximum value.

When setting ESG targets, the Supervisory Board takes into account non-financial targets from the areas of climate & environment, employees, social & governance, and technology & innovation. These include, for example, contributions to global climate protection (CO_2 reduction or CO_2 neutrality), recycling, renewable energies, the promotion of diversity and employee satisfaction as well as health in the workplace.

When setting the ESG targets, the Supervisory Board also determines the weighting among the defined ESG targets for the overall target achievement and criteria and methods for assessing the achievement of the respective ESG targets. At the same time, a specific target amount in EUR ("target amount") is set for each Management Board member for achieving an overall target achievement level of 100% for the defined ESG targets.

bb. Determination of target achievement

At the end of the financial year, the Supervisory Board determines the degree of target achievement for each of the defined ESG targets as a percentage for the respective member of the Management Board. Values between the threshold, the target and the maximum value are interpolated linearly, and the Supervisory Board then calculates the overall target achievement level as an average from the target achievement levels for each of the ESG targets. Target achievement for a defined ESG target below the threshold value of 80% is included in the calculation with a factor of zero. Finally, the payout amount is calculated by multiplying the target amount by the overall target achievement level.

The payout amount of the ESG bonus is limited to 100% of the target amount. There is no guaranteed minimum target achievement; the payout can therefore be waived completely.

The ESG bonus is due for payment in cash four months after the end of the financial year in question. If the employment contract or position on a governing body only existed pro rata temporis during a financial year, the overall degree of target achievement is also calculated pro rata temporis and the ESG bonus is only paid pro rata temporis.

The remuneration report for the past financial year provides transparent information on the specific ESG targets set, the degree of target achievement for each of the ESG targets, the overall degree of target achievement and the target amounts for a financial year.

6. Malus and clawback

Malus and clawback provisions are also implemented in the Management Board service contracts. These make it possible to reclaim or reduce variable remuneration components that have already been paid out or not yet paid out under certain conditions. This clawback or reduction option applies to all variable components of Management Board remuneration, i.e. remuneration under the ESG bonus, the long-term incentive program, and the short-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 partially or fully cancel or withhold the variable compensation under the ESG bonus, the Short-Term Incentive, and the Long-Term Incentive Program ("malus"), and may forfeit or reclaim already granted variable compensation components without replacement ("clawback"), provided that these are variable compensation components agreed upon after the expiry of two months following the initial approval of the remuneration system by the Annual General Meeting.

The relevant breaches of duty or compliance violations include breaches of due diligence in the management of the company within the meaning of Section 93 AktG, breaches of internal company codes of conduct, criminal offenses, and other serious unethical conduct.

The Supervisory Board of the company decides on a malus or clawback in each individual case at its due discretion and gives the Management Board member concerned the opportunity to comment on the respective breach of conduct in advance.

In the event of a clawback, the Management Board member must reimburse 50% of the amount received ("net amount"), limited to a period of up to four years prior to the clawback. The possibility of a malus and clawback also exists if the position or employment relationship with the Management Board member has already ended at the time of the decision.

If variable remuneration components that are linked to the achievement of certain targets were wrongly paid out on the basis of incorrect data, the company is entitled to reclaim the difference resulting from the recalculation of the amount of variable remuneration on the basis of correct data compared to the payment made ("no-fault clawback"), irrespective of any misconduct on the part of the Management Board member. The company must demonstrate that the data on which the remuneration calculation was based was incorrect and that the variable remuneration was therefore too high. The malus and clawback provisions described above apply accordingly in this case.

Claims for damages and other statutory claims against the Management Board member remain unaffected by the malus and clawback provision.

7. Remuneration related provisions

a. Terms of the Management Board service contracts

The Supervisory Board complies with the statutory requirements and the recommendations of the German Corporate Governance Code when appointing members of the Management Board and determining the duration of their contracts. Management Board service contracts are concluded for the duration of the respective appointment. In the case of an initial appointment to the Management Board, the term of appointment is generally three years, although this can be deviated from in justified exceptional cases (for example, if an employee at the management level of Medios AG is promoted to Management Board member). In the event of reappointment, the maximum term is five years.

If the Management Board member becomes permanently incapacitated for work during the term of the employment contract, the contract ends at the latest at the end of the quarter in which the permanent incapacity for work is established, without the need for termination.

In the event of revocation of the appointment, resignation from office by the Management Board member or other termination of the position on the executive body, the Management Board service contract ends upon expiry of the relevant period under Section 622 BGB. In this case, Medios AG is entitled to release the Management Board member from any further activity for the company for the remaining term of the employment contract. The release shall take place with continued payment of the contractually agreed remuneration.

This does not affect the right of both parties to terminate the Management Board service contract without notice for good cause.

b. Benefits upon termination of the contract

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

Severance payment arrangements that comply with the recommendations of the German Corporate Governance Code can be agreed in the Management Board service contracts. If the employment relationship with a member of the Management Board ends due to resignation or a mutual termination agreement, the members of the Management Board are entitled to a severance payment in this case.

However, this does not apply if the employment contract is terminated by the company for good cause for which the Management Board member is responsible in accordance with Section 626 of the German Civil Code (BGB). The 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.

c. Change of control

When concluding new contracts with members of the Management Board (initial appointment) or extending such contracts, the following special provisions can be agreed in the event of a change of control, but no additional severance payment.

In the event of a change of control, the Management Board member has the right to resign from office with three months' notice. The employment contract also ends at this time. A change of control is deemed to have occurred if:

- the company's shares are removed from trading on a regulated market (delisting);

- the appointment of the Management Board member ends due to a change in the company's legal form or a merger of the company into another company, unless the Management Board member is offered an appointment as a member of the Management Board in the new company on the same economic terms as before:

- an intercompany agreement has been concluded with Medios AG as a dependent company in accordance with Sections 291 et seq. AktG or the company is integrated in accordance with Section 319 et seq. AktG is integrated.

d. Entry and exit during the year

In the event of an employee joining or leaving the company during the year, the total remuneration is granted *pro rata temporis* in accordance with the duration of the employment relationship in the relevant financial year.

e. Post-contractual non-competition clause

The Supervisory Board can stipulate a post-contractual non-competition clause for up to two years in the Management Board service contracts. For the duration of the non-competition clause, compensation amounting to 50% of the last contractually agreed remuneration is to be paid to the respective Management Board member. Any other income received during the period of the non-competition clause will be offset against the compensation if the compensation would exceed the last contractual remuneration received when the other income is added. In addition, other contractual severance payments to a member of the Management Board are offset against the compensation for non-competition.

The Supervisory Board has the option of agreeing such a clause in future - also in individual cases. If a post-contractual non-competition clause is agreed as part of the termination, it is contractually agreed that any severance payment will be offset against any compensation for non-competition.

f. Remuneration for board activities within the Medios Group

The members of the Management Board of Medios AG do not receive any additional or separate remuneration, fixed or variable, for holding offices or other activities in other companies that are affiliated with Medios AG within the meaning of Sections 15 et seq. AktG (German Stock Corporation Act). Any remuneration nevertheless received is offset against the contractually agreed remuneration under the Management Board service contract.

V. Consideration of the remuneration and employment conditions of employees when determining the remuneration system (Section 87a para. (1) sent. 2 no. 9 AktG)

The Supervisory Board regularly reviews the appropriateness of the remuneration of the members of the Management Board based on a comparison with the company's internal remuneration structure (vertical comparison), among other things. To assess the appropriateness of Management Board remuneration within Medios AG, the upper management level below the Management Board within the Medios Group is used as a basis for the Management Board, while the average remuneration of Medios Group employees in Germany is used as a basis for the workforce as a whole. Both the current ratio and the change in the ratio over time are considered by comparing the remuneration of the Management Board with the remuneration of the respective management level below the Management Board and the total workforce.

VI. Secondary activities of the members of the Management Board

The acceptance of public offices, Supervisory Board, Administrative Board, Advisory Board and comparable mandates as well as appointments to economic or scientific bodies requires the prior approval of the Supervisory Board of Medios AG, unless these are mandates within the Medios Group.

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