

**Remuneration report for the  
Executive and Supervisory Board  
of the annual year 2022**

# Remuneration report

## I. Remuneration report for the 2022 financial year

This remuneration report outlines the remuneration individually granted and due to serving and former Members of the Executive and Supervisory Boards of Medios AG in the 2022 financial year, i.e., in the period from January 1, 2022 to December 31, 2022. In the process, the report provides a detailed and personalized breakdown of the structure and amount of the individual components of Executive and Supervisory Board remuneration. The remuneration report was prepared jointly by the Executive and Supervisory Boards and is based on the requirements of the German Stock Corporation Act (Sect. 162 AktG) and complies with the recommendations of the German Corporate Governance Code (GCGC 2022). Clear, comprehensive and transparent reporting matters to both the Executive and Supervisory Boards.

This remuneration report will be submitted to the 2023 Medios AG Annual General Meeting for approval.

The remuneration report, prepared by Medios in accordance with Section 162 of the German Stock Corporation Act (AktG), on the remuneration granted and owed to the current and former members of the Executive and Supervisory Boards of Medios AG in the previous financial year 2021 was approved by the Annual General Meeting on June 21, 2022 with a majority of 70.69% of the share capital represented pursuant to Section 120a, Paragraph 4, of the German Stock Corporation Act (AktG). The Executive and Supervisory Boards see this vote as confirmation of the format used for the first time in the 2021 remuneration report. It will therefore also be retained for this 2022 remuneration report.

## II. Executive and Supervisory Board remuneration

### 1. New remuneration system passed by the annual general meeting

Pursuant to Section 120, Paragraph 1 of the German Stock Corporation Act (AktG), in the version valid since January 1, 2020 following implementation of the second Shareholder Rights Directive of December 12, 2019 (ARUG II), the Annual General Meeting of a listed company decides on the approval of the remuneration system for Executive Board Members, as submitted by the Supervisory Board, following each significant change to the system, but at least every four years. It was required that the first resolution be passed by the end of the first Annual General Meeting following December 31, 2020.

With this in mind, the Supervisory Board of Medios AG decided on a remuneration system for Executive Board Members that met the requirements of ARUG II and – insofar as no exemption was declared pursuant to Section 161 AktG – that was based on the recommendations of the 2020 GCGC. On the basis of this remuneration system, the Supervisory Board adopted a new remuneration system for the Members of the Executive Board in the 2022 financial year. This remuneration system also complies with the cur-

rently applicable recommendations of the German Corporate Governance Code (GCGC 2022).

The corporate strategy of the Medios Group is geared toward profitable operations in the Specialty Pharma segment and the gain of further market share without generating an excess need for additional working capital. In this regard, considerable importance is attached to responsible corporate governance while simultaneously seizing business opportunities. In respect of the concrete structuring of remuneration, the setting of individual remuneration levels, the selection of key performance indicators and the structuring of payout and allocation conditions, the following principles are pursued/observed:

- Fostering of the long-term and sustainable corporate development of the Medios Group and support for the corporate strategy;
- Compliance with the German Stock Corporation Act and the German Corporate Governance Code;
- Due regard to shareholder interests and the needs of relevant stakeholders;
- Inclusion of ESG criteria (environmental, social and governance) to promote the sustainable development of the Medios Group;
- Transparent communication of Executive Board remuneration, both internally and externally;
- Synchronization and consistency of internal company goals to level the incentive effect for the Executive Board and top tier of management;
- Inclusion of modern elements and mechanisms in line with the market.

The first approval of a remuneration system for the Members of the Executive Board by the Annual General Meeting of Medios AG took place on June 10, 2021. In accordance with statutory provisions, this remuneration system was applicable to employment contracts with Members of the Executive Board of the company that were newly concluded, amended or extended at least two months after the first approval of the remuneration system by the Annual General Meeting (Section 87a, Paragraph 2, Sentence 1 AktG, Section 26j, Paragraph 1, Sentence 2 EGAktG).

The remuneration system for the Members of the Executive Board presented to the Annual General Meeting of Medios AG in the 2022 financial year was approved on June 21, 2022 with a majority of 88.50% of the share capital represented and has since been applied to newly concluded, amended or extended employment contracts with Members of the Executive Board.

Detailed information on the new remuneration system can be found on the company's website at <https://medios.ag/en/investor-relations/corporate-governance>.

## 2. Composition of the Executive Board

In the 2022 financial year, the Executive Board consisted of four members:

- (1) Matthias Gärtner (CEO; Member since September 14, 2015);
- (2) Mi-Young Miehler (COO, Member since July 1, 2017);
- (3) Christoph Prußbeit (CINO, Member since January 1, 2019) and
- (4) Falk Neukirch (CFO, Member since October 1, 2021).

## 3. Key remuneration systems in the 2022 financial year

The following overview shows the remuneration systems ("RSs") of Medios AG and the key remuneration systems (marked "X") applied in the 2022 financial year for the respective member of the Executive Board:

The employment contracts with the Members of the Executive Board serving in the 2022 financial year were amended and extended in 2021 before the end of two months (i.e.,

before August 10, 2021) following the first approval of the remuneration system by the Annual General Meeting. In the case of Mr. Neukirch, the contract was newly concluded. The Executive Board employment contract with Matthias Gärtner was amended on July 29, 2022, following the approval of the new remuneration system adopted in 2022.

Against this background, the remuneration system for the Members of the Executive Board approved by the Annual General Meeting on June 10, 2021, does not apply to the Executive Board employment contracts in place in the 2022 financial year. With effect from August 1, 2022, the new remuneration system for Executive Board Members submitted for approval at the Annual General Meeting on June 21, 2022, is only relevant for Executive Board Member Matthias Gärtner.

Insofar as the remuneration report refers to the applicable and key Executive Board remuneration system in accordance with Section 162 of the German Stock Corporation Act (AktG), the key remuneration system is the one for contracts concluded on or after June 30, 2021, which applied when the Executive Board employment contracts in place in the 2021 financial year were concluded. As explained below, this remuneration system only applied to Mr. Gärtner until July 31, 2022.

For better understanding, a brief description of the key remuneration systems of Medios AG is provided below.

Executive Board	Contract extension/ amendment	Contractual start date	Remuneration systems of Medios AG			
			RS for contracts concluded by June 30, 2021  (Basis: Executive Board employment contract) (RS 1)	RS for contracts concluded on or after June 30, 2021  (Basis: Executive Board employment contract) (RS 2)	RS for contracts concluded on or after June 30, 2021  (Basis: Executive Board employment contract) (RS 2)	RS for contracts concluded on or after June 30, 2022  (Basis: Executive Board employment contract) (RS 2)
Matthias Gärtner (CEO)	June 30, 2021 (renewal)	July 1, 2021		X  (until July 31, 2022)		X  (since August 1, 2022)
	July 29, 2022 (amendment)	August 1, 2022				
Mi-Young Miehler (COO)	July 30, 2021 (renewal)	August 1, 2021		X		
Christoph Prußbeit (CINO)	July 30, 2021 (renewal)	August 1, 2021		X		
Falk Neukirch (CFO)	July 30, 2021 (renewal)	August 1, 2021		X		

X: key remuneration system applied in 2022 for the respective Member of the Executive Board

### 3.1. Key remuneration system up to June 30, 2021 (RS 1)

The Executive Board employment contracts with the Executive Board members Mr. Matthias Gärtner, Mr. Christoph Prußeit and Ms. Mi-Young Miehler were amended in fiscal year 2021 with effect from July 1, 2021.

Until June 30, 2021, the compensation of the members of the Executive Board consisted of the following compensation components:

- (1) Fixed remuneration
- (2) Profit sharing
- (3) Long-term incentive program
- (4) Fringe benefits

#### Fixed remuneration until June 30, 2021

Fixed remuneration constitutes the contractually stipulated basic remuneration. The fixed remuneration of each Executive Board Member is paid in twelve equal installments, with each installment paid by the 28th of each month. If the employment contract is terminated, the fixed remuneration will be paid in full for the month of termination.

#### Aim and relation to corporate strategy

Together with the other remuneration components, fixed remuneration forms the basis for the company's ability to recruit and maintain the highly qualified Executive Board personnel necessary to develop and implement the corporate strategy. The Executive Board remuneration system is a key element of the direction of the Medios Group and plays a significant role in fostering the business strategy and boosting operational performance, with fixed remuneration supporting sustainable corporate governance. In this regard, fixed remuneration needs to reflect the skills, experience and responsibilities of each individual Executive Board Member.

#### Profit sharing until June 30, 2021

The members of the Executive Board receive performance-related (variable) remuneration on the basis of the average adjusted EBT ("EBT")<sup>1</sup>.

Each Member of the Executive Board receives a share of the profit sharing of the entire Executive Board. Profit sharing for the entire Executive Board stands at 20% of the share of EBT that exceeds an EBT margin of 3% of annual revenue. The calculation is to be based on the average of the EBT approved by the Supervisory Board in the annual financial statements of the past three years, with years prior to 2019 not included.

Variable remuneration in the form of profit sharing is limited to 150% of the contractually agreed gross fixed remuneration of each Executive Board Member. The payout amount in each case is due for payment by the last day of the month following the adoption of the annual financial statements for the previous year.

#### Aim and relation to corporate strategy

Profit sharing is intended to motivate the Executive Board Members to achieve demanding and challenging financial, operational and strategic targets during any given financial year. The targets reflect the corporate strategy and are designed to increase the value of the company. The link to EBT means that annual variable remuneration is tied to the achievement of targets for a key performance indicator for the Group in the financial year concerned.

#### Stock options as part of the long-term Incentive Program

The long-term incentive program ("LTIP") represents variable remuneration based on share option plans that provide for the issuance of share options with a vesting period of four years.

Within the scope of the share option plan, Executive Board Members are entitled to options on shares in Medios AG. Under the terms of contractual agreements with each Executive Board Member, the Executive Board Member is granted the right to acquire an individually agreed number of no-par-value bearer shares in Medios AG at an exercise price set in the respective share option plan following expiry of the relevant vesting period and in the event of attainment of the performance target subject to the provisions of the subscription right agreement. The performance target requires an increase in the share price of the Medios share above its price at the time the options are granted.

The stock options can be granted annually by the Supervisory Board in single or multiple tranches. The stock options may be exercised within an exercise period of seven years, which begins at the end of the vesting period. Exercise of the stock options is contingent on the performance target being met in a period of thirty trading days prior to the end of the vesting period. The performance target is deemed to be met if the closing price of the company's share reaches or exceeds an amount defined in the share option plan on thirty consecutive trading days in XETRA trading (or a comparable successor system on the Frankfurt Stock Exchange).

At the end of each year following the granting of the stock options, 25% of the total options granted to an Executive Board Member will become vested.

<sup>1</sup> Where reference is made to EBT below, this means EBT adjusted for nonrecurring expenses. Nonrecurring expenses relate to the items shown in the respective consolidated financial report that are used to reconcile EBT before nonrecurring items to EBT. For EBT (earnings before taxes) and the annual revenue stated therein, as well as for the term "annual financial statements" chosen, the consolidated financial statements of the Medios Group, prepared and audited in accordance with IFRS, are binding. Definitive are the items "revenue" (= annual revenue) and "earnings before taxes" (EBT) shown in the consolidated statement of total comprehensive income.

Within the scope of the key remuneration system until June 30, 2021, Medios AG had introduced a total of three share option plans – Share Option Plans 2017, 2018 and 2020 – with differing criteria for the granting and exercise of the stock options.

- Share Option Plan 2017: The exercise price per share option is €7.00 per share. The performance target for exercising the share options is a share price of at least €12.00.
- Stock Option Plan 2018: The exercise price is €15.00 per share. The performance target for exercising the share options is a share price of at least €23.00.
- Stock Option Plan 2020: The exercise price per share option is €29.00. The performance target for exercising the share options is a share price of at least €50.00.

### Aim and Relation to Corporate Strategy

The company aims to increase the value of the company and shareholder value on a long-term basis by setting ambitious targets that are closely linked to share price development. By establishing a link to the development of the share price, a correlation is created between Executive Board remuneration and the interests and expectations of shareholders. The four-year vesting period helps to ensure that Executive Board actions in the ongoing financial year are also geared toward the long-term development of the company. It is ensured that variable remuneration under the LTIP – which is based on the achievement of long-term targets – exceeds the share attributable to short-term targets, meaning that the remuneration structure as a whole is geared toward sustainable long-term development. The combination of fixed and variable performance-related remuneration elements enables sustainable corporate governance while promoting a performance culture.

### Fringe benefits until June 30, 2021

In addition to fixed remuneration and profit sharing, the Members of the Executive Board are reimbursed for travel expenses and other reasonable expenses in accordance with the company's applicable guidelines.

All Executive Board Members are insured against the risk of being sued for financial losses as part of their work through a D&O insurance policy, with the statutory deductible pursuant to the terms of the German Stock Corporation Act (AktG), taken out at the expense of Medios AG. The D&O insurance policy contains a deductible of 10% of the losses up to the amount of one-and-a-half times the fixed annual remuneration.

### Aim and relation to corporate strategy

The company aims to create an attractive working environment for the Executive Board Members in order to ensure performance-oriented corporate governance.

### 3.2. Key remuneration system from July 1, 2021/ August 1, 2021, to July 31, 2022/December 31, 2022 (RS 2)

Amendments to the Executive Board employment contracts for Executive Board Members Mr. Matthias Gärtner (as of July 1, 2021), Mr. Christoph Prußeit and Ms. Mi-Young Miehler (both as of August 1, 2021) in place in 2021, and the newly concluded Executive Board employment contract for Mr. Falk Neukirch<sup>2</sup> (as of October 1, 2021) resulted in a minor adjustment to the remuneration system applied. For the sake of clarity, it is once again pointed out that the key remuneration system applied does not correspond to the Executive Board remuneration system presented to the Annual General Meeting for approval on June 10, 2021. This new remuneration system was, in accordance with statutory requirements, applied to employment contracts of the company's Executive Board Members that were newly concluded, amended or renewed after two months following initial approval of the remuneration system by the Annual General Meeting (Section 87a, Paragraph 2, Sentence 1 of the German Stock Corporation Act [AktG], Section 26j, Paragraph 1, Sentence 2 of the Introductory Act to the German Stock Corporation Act [EGAktG]).

The remuneration of the Members of the Executive Board in the 2022 financial year was based on the key remuneration system in place since July 1, 2021.

This remuneration system was only relevant for Executive Board Member Matthias Gärtner, and only until July 31, 2022, due to the Executive Board employment contract amended in 2022.

Since July 1, 2021, the remuneration of the Executive Board Members has comprised the following components:

- (1) Fixed remuneration;
- (2) Remuneration based on annual performance ("STI");
- (3) Share options under the LT;
- (4) A performance-based bonus ("ESG");
- (5) Fringe benefits.

The remuneration system is described below.

#### Fixed remuneration

The principles underpinning fixed remuneration did not change in the 2022 financial year. For an explanation of the fixed remuneration component, please refer to the description above.

2) The company and Mr. Falk Neukirch concluded a corresponding Executive Board employment contract on July 20, 2021.

## Remuneration based on annual performance (short-term incentive “STI”) since July 1, 2021

As part of the short-term incentive program (“STI”), the Executive Board Members are eligible for the payment of a bonus if certain ambitious targets, set by the Supervisory Board, are met.

Financial figures			
Inorganic growth	Revenue growth	EBITDA growth	EBITDA margin
target requirements M&A transactions	percentage increase in group revenue	percentage increase in group EBITDA	target requirements group margin
<b>Weighting: 40%</b>	<b>Weighting: 20%</b>	<b>Weighting: 20%</b>	<b>Weighting: 40%</b>

Depending on the extent to which the targets set are achieved, each Executive Board Member can receive an STI amount up to 100% of the fixed remuneration agreed in each case.

The target attainment criteria are stipulated in the Executive Board employment contract for each Executive Board Member.

The specific targets and their calculated share of STI are structured as follows:

- (I) **Inorganic growth:** up to 40% of STI can be achieved in connection with the successful execution of M&A transactions insofar as these meet specific requirements in respect of the ratio of purchase price<sup>3</sup> to EBITDA and the profitability of the target company;
- (II) **Revenue growth:** a further 20% of STI can be achieved if Group revenue grows year over year by an ambitious percentage rate set by the Supervisory Board;
- (III) **EBITDA growth:** a further 20% of STI can be achieved if Group EBITDA (before nonrecurring items) grows year over year by an ambitious percentage rate set by the Supervisory Board;
- (IV) **EBITDA margin:** a further 20% of STI can be achieved if the Group EBITDA margin (before nonrecurring items) grows year over year by an ambitious margin set by the Supervisory Board.

### Aim and relation to corporate strategy

The variable remuneration for Executive Board Members seeks to set the right incentives for the Executive Board to act in accordance with the corporate strategy and stakeholder interests and to sustainably achieve long-term goals.

STI is intended to motivate the Executive Board Members to achieve demanding and challenging financial, operational and strategic targets during any given financial year. The targets reflect the corporate strategy and are designed to increase the value of the company. In particular, the link to EBITDA and revenue growth means that annual variable remuneration is tied to the achievement of targets for key performance indicators for the Group in the financial year concerned.

### Stock options as part of the long-term incentive program

The fundamentals of LTIP remuneration did not change over the course of the entire 2021 and 2022 financial years. Therefore, please refer to the LTIP information above.

### Variable ESG bonus since July 1, 2021

The ESG bonus represents short-term variable (performance-related) remuneration in the form of a bonus with a one-year assessment basis.

Before the start of any given financial year, the Supervisory Board, in consultation with the Executive Board, sets consistent ESG targets from various areas (e.g., climate and the environment) for all Executive Board Members. For each of the defined ESG targets, the Supervisory Board sets a target value, a demanding threshold value and an appropriate maximum value.

When setting the ESG targets, the Supervisory Board considers nonfinancial targets from the areas of climate and the environment, employees, social aspects and corporate governance, and technology and innovation. Relevant topics include, for instance, contributions to global climate protection (CO<sub>2</sub> reduction/carbon neutrality), recycling, renewable energies, the fostering of diversity and employee satisfaction, and occupational health and safety.

<sup>3</sup>) The purchase price is defined in IFRS 3 and is explained in more detail for the respective transaction in the notes to the consolidated financial statement of Medios AG.



When setting ESG targets, the Supervisory Board also determines the weighting between the ESG targets for total target attainment, as well as criteria and methods for assessing attainment of each ESG target. At the same time, a specific amount in euros is set for each Executive Board Member for a total attainment level of 100% of the ESG targets set.

An identical target amount is agreed upon in the employment contract of each Executive Board Member.

After the end of the financial year, the Supervisory Board determines the level of target attainment of each defined ESG target as a percentage for each Executive Board Member. Values between the threshold, target and maximum values are interpolated on a linear basis. Using the target attainment levels for each of the ESG targets, the Supervisory Board then calculates the total target attainment level as an average. A target attainment level below the threshold of 80% for a defined ESG target is included in the calculation with a factor of zero. The payout amount is then calculated by multiplying the target amount by the total target attainment level.

The payout amount of the ESG bonus is capped at 100% of the target amount. As there is no guaranteed minimum target attainment, it may be the case that no amount whatsoever is paid out.

The ESG bonus becomes payable in cash four months after the end of the financial year concerned.

If the employment contract/governing body position only applied for a portion of any given financial year, the total attainment level will be calculated on a pro rata basis, with the ESG bonus also only paid out on a pro rata basis.

#### **Aim and relation to corporate strategy**

Sustainable activities form an integral component of the strategy of both Medios AG and the Medios Group.

The ESG bonus focuses on the contribution made by Medios AG toward achieving stable economic, social and environmental conditions for the generations of today and tomorrow. As a company with a leading position in the area of specialty pharma, the Medios Group aims to implement an innovative sustainability strategy that matches the innovativeness of its products and services. A remuneration component in the form of an ESG bonus, geared solely towards nonfinancial sustainability targets, helps to ensure that Medios AG lives up to its responsibility as part of society.

#### **Fringe benefits since July 1, 2021**

Alongside fixed remuneration and profit sharing, the Executive Board Members have also received the following fringe benefits since July 1, 2021:

- An appropriate company car or, alternatively, a financial settlement according to the company's applicable guidelines in this area;
- A subsidy for statutory or private health and nursing care insurance.

All Executive Board Members are insured against the risk of being sued for financial losses as part of their work through a D&O insurance policy, with the statutory deductible pursuant to the terms of the German Stock Corporation Act (AktG), taken out at the expense of Medios AG. The D&O insurance policy contains a deductible of 10% of the losses up to the amount of one-and-a-half times the fixed annual remuneration.

#### **Aim and relation to corporate strategy**

The company aims to create an attractive working environment for the Executive Board Members in order to ensure performance-oriented corporate governance.

### **3.3. Remuneration system of June 10, 2021 (RS 3) – not applied**

Remuneration system 3 was approved by the Annual General Meeting of Medios AG on June 10, 2021, and, in accordance with statutory provisions, was applicable to employment contracts with Members of the Executive Board of the company that were newly concluded, amended or extended at least two months after the approval of the remuneration system by the Annual General Meeting (Section 87a, Paragraph 2, Sentence 1 AktG, Section 26j, Paragraph 1, Sentence 2 EGAktG).

The remuneration system was not applied because the contracts of the Members of the Executive Board were newly concluded, amended or extended before the end of two months after the approval of the remuneration system by the Annual General Meeting, i.e., before August 10, 2021.

This remuneration system will also not apply to Executive Board employment contracts concluded, amended or extended in the future, as key remuneration system 4 of June 21, 2022, as set out below, is relevant to such contracts and has also been applied to Matthias Gärtner's Executive Board employment contract, which was amended in 2022.

### **3.4. Relevant remuneration system as of August 1, 2022 (RS 4)**

The Executive Board remuneration system approved by the Annual General Meeting on June 21, 2022, has, since that date, been applied to newly concluded, amended or exten-

ded employment contracts with Members of the Executive Board. This remuneration system was applied for the first time following an amendment to the employment contract of Mr. Matthias Gärtner in the 2022 financial year (effective August 1, 2022). For reasons of clarity, please note that key remuneration system 2, applicable as of July 1, 2021, continued to apply to Executive Board Members Mr. Christoph Prußeit, Ms. Mi-Young Miehler and Mr. Falk Neukirch in the 2022 financial year.

As part of the adjustment to the Executive Board remuneration system, determination of the performance target and the exercise price was made more flexible in connection with the long-term incentive program, meaning that these criteria can be determined on the basis of current developments in the future.

Medios AG introduced the Share Option Plan 2022 as part of the key remuneration system applicable as of August 1, 2022. The exercise price per share option is €27.00. The performance target for exercising the share options is a share price of at least €40.00.

The basic features of the remuneration system and the remuneration components did not change in the 2022 financial year as a result of the adjustment. For an explanation of the remuneration components, please refer to the description above.

#### **4. Application of the key remuneration system**

The key remuneration system was implemented and applied in full in the context of Executive Board remuneration in the 2022 financial year.

In particular, no advance payments, loans, sureties, pension commitments or similar payments or benefits were made to Executive Board Members that were not in accordance with the key remuneration system.



## 5. Individual Executive Board remuneration in 2022 pursuant to Sec. 162 AktG and the application of the performance criteria

### 5.1 Individually granted remuneration (pursuant to Sec. 314 para. 1 no. 6a of the German Commercial Code [HGB])

The following table presents the fixed and variable remuneration components (and fringe benefits) granted (i.e., actually paid out) and owed (i.e., legally established, not yet paid out but due in 2022) to current and retired members of the Executive Board in the past financial year 2022, including their respective relative share pursuant to Section 162 of the German Stock Corporation Act (AktG).

For the Executive Board Members Matthias Gärtner, Mi-Young Miehler, Christoph Prußeit and Falk Neukirch, the remuneration granted and owed in the 2022 financial year comprised the fixed basic remuneration, fringe benefits, variable remuneration in the form of the STI and the ESG bonus, and the granting of stock options under LTIP.

The sums paid out in the 2022 financial year as part of variable remuneration in the form of the STI and the ESG bonus are allocated to 2021.

The respective payout amount under variable remuneration in the form of the STI is payable by the last day of the month following the adoption of the annual financial statements for the previous year. This means that the existence of a payment entitlement to variable remuneration in the form of the STI for the 2021 financial year is only reviewed once the annual financial statements for the 2021 financial year have been adopted at the beginning of 2022.

in € (gross)	Fixed remuneration		Variable remuneration				
	Basic salary	in %	Fringe benefits	in %	One year	in %	Multiple years
Matthias Gärtner	320,000	68.3	10,800	2.3	138,000	29.4	0
Mi-Young Miehler	280,000	69.8	19,374	4.8	101,666	25.4	0
Christoph Prußeit	280,000	70.8	13,602	3.4	101,666	25.7	0
Falk Neukirch	240,000	78.7	11,904	3.9	53,000*	17.4	0

\* pro rata (new contract concluded as of October 1, 2021)

Under the terms of the ESG bonus, the respective payout amount is due for payment in cash four months after the end of the financial year concerned. This means that an entitlement to payment is only established at the beginning of 2022 once the Supervisory Board has reviewed the attainment of targets after the end of the 2021 financial year.

In the 2022 financial year, variable remuneration under STI and the ESG bonus was neither granted nor owed to any Executive Board Member for the 2022 financial year. A decision on attainment of targets and performance criteria for the STI and ESG bonus for the 2022 financial year will be taken in conjunction with the adoption of the annual financial statements for the period ending December 31, 2022, or at the beginning of the 2023 financial year, by the Supervisory Board. This means that any payment amounts under the STI and ESG bonus for the 2022 financial year are due and payable in 2023 at the earliest.

In addition, the relative shares of all fixed and variable remuneration components in total remuneration must be disclosed pursuant to Section 162, Paragraph 1, Sentence 2, No. 1 of the German Stock Corporation Act (AktG). The relative shares disclosed in the following table relate to the remuneration components granted and owed in the financial year concerned pursuant to Section 162, Paragraph 1, Sentence 1 of the German Stock Corporation Act (AktG).

<b>Extraordinary payments</b>	<b>Pension expenses</b>	<b>Total remuneration</b>	<b>in %</b>
0	0	468,800	100
0	0	401,040	100
0	0	395,268	100
0	0	304,904	100

## 5.2 Variable remuneration, target attainment and application of the performance criteria

The performance-related variable remuneration under the STI/the ESG bonus is payable by the last day of the month following the adoption of the annual financial statements for the previous year/four months after the end of the financial year concerned following a review by the Supervisory Board (see also explanations above).

As such, the following tables show the fulfillment level of the performance criteria agreed for the 2021 financial year in respect of the variable remuneration components, with the remuneration actually paid out ("granted" within the meaning of Section 162 AktG) in the 2022 financial year.

Executive Board	Performance criteria	Relative weighting of the performance criterion in %	Information about the performance target		a) Target attainment  b) Amount paid out
Matthias Gärtner			a) Minimum target and  b) corresponding remuneration	a) Maximum target and  b) corresponding remuneration	
	Inorganic growth	40	a) Revenue of the acquired target or assets less than €20 million;  Purchase price more than 10 times the EBITDA of the target/ assets in Germany or more than 12 times the EBITDA of the target/assets abroad;  EBITDA of up to €2 million  b) €0	a) The sum of all revenues of all acquired targets or assets amounts to at least €40 million;  Purchase price is no more than 10 times the EBITDA of the respective target or asset;  Total EBITDA of all acquired targets or assets exceeds €4 million  b) €64,000	a) Yes / 100%  b) €64,000
	Revenue growth	20	a) Medios Group revenue growth compared to previous year < 84%  b) €0	a) Medios Group revenue growth compared to previous year at least 84%  b) €32,000	a) Yes / 100%  b) €32,000
	EBITDA growth	20	a) Medios Group EBITDA growth compared to previous year < 150%  b) €0	a) Medios Group EBITDA growth compared to previous year at least 150%  b) €32,000	a) Yes / 100%  b) €32,000
	EBITDA margin	20	a) EBITDA margin 2021 < 3%  b) €0	a) EBITDA margin 2021 at least 3%  b) €32,000	a) No / 0%  b) €0
<b>Total STI payout</b>					<b>€128,000</b>

Executive Board	Performance criteria	Relative weighting of the performance criterion in %	Information about the performance target		a) Target attainment  b) Amount paid out
Mi-Young Miehler			a) Minimum target and  b) corresponding remuneration	a) Maximum target and  b) corresponding remuneration	
	Inorganic growth	40	a) Revenue of the acquired target or assets less than €20 million;  Purchase price more than 10 times the EBITDA of the target/ assets in Germany or more than 12 times the EBITDA of the target/assets abroad;  EBITDA of up to €2 million  b) €0	a) The sum of all revenues of all acquired targets or assets amounts to at least €40 million;  Purchase price is no more than 10 times the EBITDA of the respective target or asset;  Total EBITDA of all acquired targets or assets exceeds €4 million  b) €46,667	a) Yes / 100%  b) €46,667
	Revenue growth	20	a) Medios Group revenue growth compared to previous year < 84%  b) €0	a) Medios Group revenue growth compared to previous year at least 84%  b) €23,333	a) Yes / 100%  b) €23,333
	EBITDA growth	20	a) Medios Group EBITDA growth compared to previous year < 150%  b) €0	a) Medios Group EBITDA growth compared to previous year at least 150%  b) €23,333	a) Yes / 100%  b) €23,333
	EBITDA margin	20	a) EBITDA margin 2021 < 3%  b) €0	a) EBITDA margin 2021 at least 3%  b) €23,333	a) No / 0%  b) €0
<b>Total STI payout</b>					<b>€93,333</b>

Executive Board	Performance criteria	Relative weighting of the performance criterion in %	Information about the performance target		a) Target attainment  b) Amount paid out
Christoph Prußeit			a) Minimum target and  b) corresponding remuneration	a) Maximum target and  b) corresponding remuneration	
	Inorganic growth	40	a) Revenue of the acquired target or assets less than €20 million;  Purchase price more than 10 times the EBITDA of the target/ assets in Germany or more than 12 times the EBITDA of the target/assets abroad;  EBITDA of up to €2 million  b) €0	a) The sum of all revenues of all acquired targets or assets amounts to at least €40 million;  Purchase price is no more than 10 times the EBITDA of the respective target or asset;  Total EBITDA of all acquired targets or assets exceeds €4 million  b) €46,667	a) Yes / 100%  b) €46,667
	Revenue growth	20	a) Medios Group revenue growth compared to previous year < 84%  b) €0	a) Medios Group revenue growth compared to previous year at least 84%  b) €23,333	a) Yes / 100%  b) €23,333
	EBITDA growth	20	a) Medios Group EBITDA growth compared to previous year < 150%  b) €0	a) Medios Group EBITDA growth compared to previous year at least 150%  b) €23,333	a) Yes / 100%  b) €23,333
	EBITDA margin	20	a) EBITDA margin 2021 < 3%  b) €0	a) EBITDA margin 2021 at least 3%  b) €23,333	a) No / 0%  b) €0
<b>Total STI payout</b>					<b>€93,333</b>

Executive Board	Performance criteria	Relative weighting of the performance criterion in %	Information about the performance target		a) Target attainment  b) Amount paid out
Falk Neukirch			a) Minimum target and  b) corresponding remuneration	a) Maximum target and  b) corresponding remuneration	
	Inorganic growth	40	a) Revenue of the acquired target or assets less than €20 million;  Purchase price more than 10 times the EBITDA of the target/ assets in Germany or more than 12 times the EBITDA of the target/assets abroad;  EBITDA of up to €2 million  b) €0	a) The sum of all revenues of all acquired targets or assets amounts to at least €40 million;  Purchase price is no more than 10 times the EBITDA of the respective target or asset;  Total EBITDA of all acquired targets or assets exceeds €4 million  b) €24,000	a) Yes / 100%  b) €24,000
	Revenue growth	20	a) Medios Group revenue growth compared to previous year < 84%  b) €0	a) Medios Group revenue growth compared to previous year at least 84%  b) €12,000	a) Yes / 100%  b) €12,000
	EBITDA growth	20	a) Medios Group EBITDA growth compared to previous year < 150%  b) €0	a) Medios Group EBITDA growth compared to previous year at least 150%  b) €12,000	a) Yes / 100%  b) €12,000
	EBITDA margin	20	a) EBITDA margin 2021 < 3%  b) €0	a) EBITDA margin 2021 at least 3%  b) €12,000	a) No / 0%  b) €0
<b>Total STI payout</b>					<b>€ 48,000</b>

## ESG-Bonus

Executive Board Member	Performance criteria	Relative weighting of the performance criterion in %
Matthias Gärtner	Development of a complete ESG strategy for the Medios Group by the end of 2021	50
	Formulation and determination of objectively measurable ESG KPIs for the 2022 financial year	50
Mi-Young Miehler	Development of a complete ESG strategy for the Medios Group by the end of 2021	50
	Formulation and determination of objectively measurable ESG KPIs for the 2022 financial year	50
Christoph Prußeit	Development of a complete ESG strategy for the Medios Group by the end of 2021	50
	Formulation and determination of objectively measurable ESG KPIs for the 2022 financial year	50
Falk Neukirch	Development of a complete ESG strategy for the Medios Group by the end of 2021	50
	Formulation and determination of objectively measurable ESG KPIs for the 2022 financial year	50



Information about the performance target		a) Target attainment
		b) Amount paid out
a) Minimum target and b) corresponding remuneration	a) Maximum target and b) corresponding remuneration	
a) No/only one performance criterion met b) €0	a) Both performance criteria met b) €10,000	a) Yes / 100% b) €10,000
a) No/only one performance criterion met b) €0	a) Both performance criteria met b) €8,333	a) Yes / 100% b) €8,333
a) No/only one performance criterion met b) €0	a) Both performance criteria met b) €8,333	a) Yes / 100% b) €8,333
a) No/only one performance criterion met b) €0	a) Both performance criteria met b) €5,000	a) Yes / 100% b) €5,000

The following pages contain a description of how the agreed performance criteria and the targets for the remuneration components “short-term incentive,” “ESG bonus” and “LTIP” were applied for the 2022 financial year.

### 5.2.1. Short-term incentive

Depending on the extent to which the targets set are achieved, each Executive Board Member can receive an STI amount up to 100% of the fixed remuneration agreed in each case. In respect of revenue growth, Group EBITDA growth and the Group EBITDA margin, the consolidated financial statements of the Medios Group, prepared and audited in accordance with IFRS, are definitive. Prior to the start of the relevant financial year, the Supervisory Board sets the four targets/percentages and margins for the STI target areas annually, following consultation with each Executive Board Member, and informs the Executive Board Members accordingly.

The following targets were set for 2022:

#### Inorganic growth (40% weighting)

##### 20% bonus on completion of a transaction by December 31, 2022, if

- the revenue of the acquired target or assets amounts to at least €20 million;
- the purchase price is no more than 10 times the EBITDA of the target or the assets in Germany, or no more than 12 times the EBITDA of the target or the assets abroad, and
- EBITDA exceeds €2 million.
- revenue and EBITDA are deemed to have been gained by Medios if they are disclosed in the most recently adopted annual financial statements and there are no indications that they cannot also be realized within the Medios Group.

#### 40% bonus on conclusion of one or more transactions by December 31, 2022, if

- the sum of all revenues of all acquired targets or assets amounts to at least €40 million;
- the purchase price is no more than 10 times the EBITDA of the target or the assets in Germany, or no more than 12 times the EBITDA of the target or the assets abroad, and
- the total of all EBITDA of all acquired targets or assets amounts to more than €4 million.
- multiple transactions are necessary to achieve these targets, at least one of the transactions must relate to internationalization or diversification into new segments for the Medios Group.
- revenue and EBITDA are deemed to have been gained by Medios if they are disclosed in the most recently adopted annual financial statements and there are no indications that they cannot also be realized within the Medios Group.

#### Revenue growth (20% weighting)

- 60% of this component if the consolidated revenue of the Medios Group amounts to at least €1.45 billion in 2022;
- 80% of this component if the consolidated revenue of the Medios Group amounts to at least €1.525 billion in 2022;
- 100% of this component if the consolidated revenue of the Medios Group amounts to at least €1.6 billion in 2022.

#### EBITDA growth (20% weighting)

- 60% of this component if the Medios Group's EBITDA before nonrecurring items amounts to at least €52 million in 2022;
- 80% of this component if the Medios Group's EBITDA before nonrecurring items amounts to at least €55 million in 2022;
- 100% of this component if the Medios Group's EBITDA before nonrecurring items amounts to at least €58 million in 2022.

#### EBITDA margin (20% weighting)

- 50% of this component if the Medios Group's EBITDA margin before nonrecurring items is at least 3.5% in 2022;

- 100% of this component if the Medios Group's EBITDA margin before nonrecurring items is at least 3.6% in 2022;

The STI payout amount in each case is due for payment by the last day of the month following the adoption of the annual financial statements for the previous year ended. As a result, the payout amount for the aforementioned STI targets for the 2022 financial year will only be paid out in the 2023 financial year, reflecting the level of target attainment.

#### 5.2.2. ESG bonus

Before the start of any given financial year, the Supervisory Board, in consultation with the Executive Board, sets consistent ESG targets from various areas (e.g., climate and the environment) for all Executive Board Members. When setting ESG targets, the Supervisory Board also determines the weighting between the ESG targets for total target attainment, as well as criteria and methods for assessing attainment of each ESG target. At the same time, a specific amount in euros is set for each Executive Board Member for a total attainment level of 100% of the ESG targets set.

The target value for the ESG bonus for the 2022 financial year is €20 thousand ("target amount"). In the event of

- attainment of at least 17 of these targets (80% target attainment), the Executive Board receives a bonus of €16 thousand.
- Attainment of each additional target increases this amount by €1,000 up to a maximum of €20 thousand for attainment of 20 targets (100% target attainment).

The following table shows the specific measures agreed for attaining the ESG targets for the 2022 financial year.

	ESG target/measure	Target attainment criteria (measurement of success)
1.	Identification and evaluation of ESG risks	ESG rating issued by a rating provider
2.	Compliance training for all employees	At least 60% of employees received training in 2022
3.	Introduction of a complaint management system for all employees	System introduced by 12/31/2022
4.	Setting up of an internal audit department	Internal audit set up by 09/30/2022 at the latest
5.	Introduction of a package of measures to improve data protection	Package of measures introduced by 12/31/2022
6.	Code of Conduct training for all employees	At least 60% of employees received training in 2022
7.	Extension of the whistleblower system to suppliers	All suppliers able to access the system by 12/31/2022
8.	Regular customer satisfaction surveys	Completion and evaluation of a survey by 12/31/2022
9.	Introduction of a complaint management system for customers	System introduced by 12/31/2022
10.	Evaluation of customer complaints	80% of customer complaints evaluated and a report prepared by 12/31/2022
11.	Implementation of a platform with e-prescription compatibility for doctors, health insurers and specialized partner pharmacies	Medios Connect supplemented by a software module by 12/31/2022 that enables the processing of e-prescriptions
12.	Conduct annual employee review with employees	At least 60% of employees had a review in 2022
13.	Annual analyses of gender pay parity	An analysis carried out by 12/31/2022
14.	Offer of checkups and vaccinations	At least 60% of employees offered these services by 12/31/2022
15.	Introduction of uniform Group-wide occupational health and safety strategies, including training	At least 60% of employees received training in 2022
16.	Implementation of ESG software and expansion of digital electricity meters	System introduced by 12/31/2022
17.	Determination of energy-efficiency criterion in procurement criteria	Criterion defined by 12/31/2022
18.	Step-by-step transition to 100% green power	50% green electricity used by 12/31/2022 (consumption)
19.	Reusability or recyclability of suits, gloves, etc. defined as a procurement criterion	Defined as a procurement criterion by 12/31/2022
20.	Use of recycled and reusable packaging	10% of packaging recyclable or reusable by 12/31/2022
21.	Carry out a recycling awareness campaign	Campaign carried out by 12/31/2022
22.	Medios Specialty Pharma Day	A Specialty Pharma Day held by 12/31/2022

The ESG bonus for the 2022 financial year will become payable in cash four months after the end of the 2022 financial year, i.e., in the 2023 financial year. As a result, the payout amount for the aforementioned ESG bonus targets for the 2022 financial year will only be paid out in the 2023 financial year, reflecting the level of target attainment. The Executive Board expects target attainment of 80% for the 2022 financial year.

### 5.2.3. Variable remuneration under the LTIP

In the 2022 financial year, Executive Board Member Matthias Gärtner was granted options on shares in Medios AG under the LTIP.

These granted share options originate from the 2022 tranche of the Share Option Plan 2022. By means of contractual agreement, Matthias Gärtner was given the right to purchase an agreed number of 60,000 no-par-value bearer shares in Medios AG under the Share Option Plan 2022 at an exercise price of €27.00 after the expiry of the four-year vesting period and upon attainment of the performance target of €40.00 in accordance with the provisions of the share option plan.

The stock options may be exercised within an exercise period of three years, which begins at the end of the vesting period. Exercise of the stock options is contingent on the performance target being met in a period of 30 trading days prior to the end of the vesting period.

The performance target is deemed to be met if the closing price of the company's share reaches or exceeds an amount of €40.00 on 30 consecutive trading days in XETRA trading (or a comparable successor system on the Frankfurt Stock Exchange).

In the 2022 financial year, Executive Board Member Mr. Matthias Gärtner was "granted" share options within the meaning of Section 162, Paragraph 1, Sentence 1 AktG under the LTIP, as shown in the following table:

#### Key conditions for exercising the options:

<b>Share option plan</b>	SOP 2022
<b>Vesting period</b>	4 years
<b>Grant date</b>	10/28/2022
<b>Vesting date</b>	12/31/2025
<b>End of vesting period</b>	10/31/2026
<b>End of exercise period</b>	10/31/2029
<b>Exercise price/performance target (in €)</b>	27 / 40
<b>Number of share options</b>	60,000



### 5.2.4 Stock options in the 2022 financial year

As part of the Share Option Plan 2020, Executive Board Members Matthias Gärtner, Mi-Young Miehler, Christoph Prußeit and Falk Neukirch each received 40,000 options to subscribe to Medios AG shares (purchase option) on October 31, 2021. The exercise price of these options is €29.00. The option rights may be exercised following a vesting period of four years from the date of issue. The performance target is deemed to be met if the closing price of the company's share reaches or exceeds an amount of €50.00 on 30 consecutive trading days in XETRA trading (or a comparable successor system on the Frankfurt Stock Exchange) prior to the exercise of the rights concerned.

The vesting period for the share options granted expires on October 31, 2025, meaning that the options become exercisable on this date.

In respect of the share options granted to Executive Board Member Mr. Matthias Gärtner as part of the Share Option Plan 2022, please refer to the explanations outlined above.

#### Disclosures on stock options for Medios AG shares pursuant to sec. 162 para. 1 no. 3 AktG

Executive Board	Share option plan (SOP) and term	Opening balance	In the 2022 financial year
		as of January 1, 2022	granted and pledged (forfeitable) options
		No. of share options as of January 1, 2022	
Matthias Gärtner	SOP 2017	0	0
	SOP 2018	0	0
	SOP 2020	40,000	0
	SOP 2022	0	60,000
Mi-Young Miehler	SOP 2017	0	0
	SOP 2018	0	0
	SOP 2020	40,000	0
	SOP 2022	0	0
Christoph Prußeit	SOP 2017	0	0
	SOP 2018	0	0
	SOP 2020	40,000	0
	SOP 2022	0	0
Falk Neukirch	SOP 2017	0	0
	SOP 2018	0	0
	SOP 2020	40,000	0
	SOP 2022	0	0

In the 2022 financial year	Closing balance as of December 31, 2022		
non-forfeitable options	exercised options	forfeited options	No. of share options as of December 31, 2022
0	0	0	0
0	0	0	0
20,000	0	0	40,000
15,000	0	0	60,000
0	0	0	0
0	0	0	0
20,000	0	0	40,000
0	0	0	0
0	0	0	0
0	0	0	0
20,000	0	0	40,000
0	0	0	0
0	0	0	0
0	0	0	0
20,000	0	0	40,000
10,000	0	0	0



## 6. Benefits in the 2022 financial year pursuant to the 2017 GCGC

Pursuant to Item 4.2.5, Appendix tables 1 and 2, of the German Corporate Governance Code (GCGC) in the version dated February 7, 2017 ("2017 GCGC"), the following tables shows the "benefits granted" by Medios AG within the meaning of the 2017 GCGC. The recommendations underpinning the disclosure of such tables for the "benefits granted" within the meaning of the 2017 GCGC stopped being applicable with the enactment of the revised GCGC on March 20, 2020.

There is also no obligation under the German Stock Corporation Act in the applicable version of ARUG II (Shareholder Rights Directive) to continue including such information in the remuneration report. In order to provide our shareholders with an improved comparison against information from prior years, however, and to maintain the previously achieved level of transparency, the Executive and Supervisory Boards have decided to voluntarily include the information on "benefits granted" within the meaning of the former version of the GCGC in the remuneration report for the 2022 financial year.

The "benefits granted" within the meaning of the 2017 GCGC are not the same as the "granted and owed remuneration" within the meaning of Section 162, Paragraph 1, Sentence 1 AktG, as described above:

- "Benefits granted" within the meaning of the 2017 GCGC are – irrespective of the date of payment – all remuneration components that have been pledged in principle to an Executive Board Member in the financial year and whose (future) amount can at least be estimated.
- "Granted and owed remuneration" within the meaning of Section 162, Paragraph 1, Sentence 1 AktG, on the other hand, only constitutes remuneration that has factually been paid out in the financial year or remuneration that, as shown in the draft resolution (BT-Drs. 19 / 9739, page 111), is "due subject to legal categories, but that has not (yet) been paid out."

### 6.1 Benefits granted pursuant to the 2017 GCGC

The table of "granted benefits" pursuant to the 2017 GCGC shows the amounts allocated in the financial year. The stock options granted under LTIP are shown at their fair value at the grant date. The future amount of the resulting benefits cannot be reliably estimated, which is why no figures have been provided in the table. Pursuant to Section 162, Paragraph 1, Sentence 2, No. 1 AktG, all fixed and variable remuneration components are to be disclosed that were "granted and owed" to individual Executive Board Members in the 2022 financial year. These disclosures mostly correspond to the disclosures reportable as "benefits received" within the meaning of the 2017 GCGC.

Benefits granted 2022 according to 2017 GCGC	Matthias Gärtner			Mi-Young Miehler			Christoph Prußeit			Falk Neukirch		
	2022	min	max	2022	min	max	2022	min	max	2022	min	max
<b>In thousand €</b>												
Fixed remuneration	320	320	320	280	280	280	280	280	280	240	240	240
Fringe benefits	11	11	11	19	19	19	14	14	14	12	12	12
<b>Total</b>	<b>331</b>	<b>331</b>	<b>331</b>	<b>299</b>	<b>299</b>	<b>299</b>	<b>294</b>	<b>294</b>	<b>294</b>	<b>252</b>	<b>252</b>	<b>252</b>
Short-term variable remuneration	259	0	340	229	0	300	229	0	300	198	0	260
Long-term variable remuneration	0	0	0	0	0	0	0	0	0	0	0	0
Plan ID (plan term)	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>590</b>	<b>331</b>	<b>671</b>	<b>528</b>	<b>299</b>	<b>599</b>	<b>523</b>	<b>294</b>	<b>594</b>	<b>450</b>	<b>252</b>	<b>512</b>
Service cost	5	5	5	5	5	5	5	5	5	5	5	5
<b>Total remuneration</b>	<b>595</b>	<b>336</b>	<b>676</b>	<b>533</b>	<b>304</b>	<b>604</b>	<b>528</b>	<b>299</b>	<b>599</b>	<b>455</b>	<b>257</b>	<b>517</b>

## 7. Relationship between remuneration and work performance in 2022 (“pay for performance”)

In order to illustrate the correlation between remuneration and work performance for the 2022 financial year, the following table sets out both the remuneration components received in 2022 and – regardless of the date of payment – all remuneration components that were at least fundamentally promised to a Member of the Executive Board in the 2022 financial year and whose (future) amount can at least be estimated:

in € (gross)	Fixed remuneration		Variable (STI)				Variable (LTIP)
	Fixed remuneration	Maximum possible STI bonus 100%	STI bonus (estimated) 76.3%	Maximum possible ESG bonus 100%	ESG bonus (estimated) 80%	Total	Granted share options (number)
Matthias Gärtner	320,000	320,000	243,200	20,000	16,000	259,200	60,000
Mi-Young Miehler	280,000	280,000	212,800	20,000	16,000	228,800	0
Christoph Prußeit	280,000	280,000	212,800	20,000	16,000	228,800	0
Falk Neukirch	240,000	240,000	182,400	20,000	16,000	198,400	0
<b>Total</b>	<b>1,120,000</b>	<b>1,120,000</b>	<b>851,200</b>	<b>80,000</b>	<b>64,000</b>	<b>915,200</b>	<b>60,000</b>

The STI bonus is broken down into the individual components as follows:

in € (gross)	Inorganic growth (40%)	Revenue growth (20%)	EBITDA growth (20%)	EBITDA margin (20%)	Total STI
<b>Target attainment</b>	<b>100%</b>	<b>100%</b>	<b>80%</b>	<b>0%</b>	<b>76.3%</b>
Matthias Gärtner	128,000	64,000	51,200	0	243,200
Mi-Young Miehler	112,000	56,000	44,800	0	212,800
Christoph Prußeit	112,000	56,000	44,800	0	212,800
Falk Neukirch	96,000	48,000	38,400	0	182,400
<b>Total</b>	<b>448,000</b>	<b>224,000</b>	<b>179,200</b>	<b>0</b>	<b>851,200</b>

## 8. Disclosures pursuant to Section 162, Paragraph 1, No. 4 AktG and benefits for the event of premature termination of Executive Board employment within the meaning of Section 162, Paragraph 2 AktG

### 8.1 Penalties and clawbacks

Under the key remuneration system since July 1, 2021, penalty and clawback provisions have been implemented with the employment contracts of Executive Board Members. This enables the recovery/reduction of already disbursed or not yet disbursed variable remuneration components in certain circumstances. This recovery/reduction option covers all variable remuneration components of Executive Board remuneration, i.e., payments under the ESG bonus as well as under the long-term incentive program and the short-term incentive program.

In the event of a serious and intentional breach of obligation or compliance on the part of an Executive Board Member, the company is entitled to cancel/withhold, whether in full or in part, variable remuneration under the ESG bonus, under the short-term incentive and under the long-term incentive ("penalty") and to impose a forfeit on or demand repayment of variable remuneration components already granted ("clawback").

(Variable) remuneration under LTIP, STI and the ESG bonus is subject to a penalty/clawback clause applicable in financial years starting on or after January 1, 2022. In the 2022 financial year, no use was made of the option to demand

### 8.2 Contractual termination and remuneration

In the event of a withdrawal of an appointment, the resignation of an Executive Board Member or other termination of the Executive Board position, the Executive Board employment contract ends at the end of the relevant period stipulated in Section 622 of the German Civil Code (BGB). In this instance, Medios AG is entitled to put the Executive Board Member concerned on garden leave, relieving them of any further duties, for the remaining term of their employment contract. Contractually agreed payments will continue during garden leave.

In the event of the death of an Executive Board Member prior to the end of their employment contract, the Executive Board Member's spouse or dependent children are entitled to the granting of the non-performance-related fixed basic remuneration (i.e., the gross monthly salary pursuant to the Executive Board employment contract concerned) for the month of the Executive Board Member's death and the following three months.

### 8.3 Severance clauses

The Executive Board employment contracts in place in the 2022 financial year contain severance clauses that comply with the recommendations of the German Corporate Gov-

ernance Code. If the employment contract with an Executive Board Member ends due to resignation or mutually agreed compromise agreement, the Executive Board Member will be entitled to a severance payment. This does not, however, apply in the event of termination of the employment contract for cause by the company pursuant to Section 626 of the German Commercial Code (BGB), where the Executive Board Member bears the responsibility. The severance payment may not exceed the amount of two total annual remunerations and is capped at the level of remuneration for the remaining term of the employment contract.

### 8.4 Change of control

In the event of a change of control, the Executive Board employment contracts set out the following special regulations under the key remuneration system since July 1, 2021, but do not provide for any additional severance payment:

In the event of a change of control, the Executive Board Member may resign from their position subject to a three-month notice period. The employment contract ends at this point. A change of control is present if

- the shares in the company are removed from stock market trading on a regular market (delisting);
- the appointment of an Executive Board Member ends due to a change to the company's legal form or due to a merger of the company with another entity unless the Executive Board Member is offered a position on the Executive Board of the new company at conditions economically similar to those previously offered;
- a company agreement is concluded with Medios AG as a dependent company pursuant to Section 291 et seq. AktG or the company is incorporated pursuant to Section 319 et seq. AktG.

### 8.5 Post-contractual non-compete clause

Under the key remuneration system since July 1, 2021, all Executive Board employment contracts contain a non-compete clause for up to two years after the end of the contract. During the term of the non-compete clause, each Executive Board Member is entitled to compensation in the amount of 50% of their most recent contractual payments. During the term of the non-compete clause, any other employment income earned will be offset against the compensation if the compensation plus the other employment income would exceed the most recently received contractual payments. Furthermore, any other contractual severance payments made to an Executive Board Member are offset against the compensation.

No compensation payments whatsoever were granted or owed in the 2022 financial year.

## 9. Further mandatory disclosures pursuant to Section 162, Paragraph 1 and Paragraph 2 AktG

The remuneration report for the 2021 financial year prepared by Medios in accordance with Section 162 of the German Stock Corporation Act (AktG) was approved by the Annual General Meeting on June 21, 2022.

There were no deviations from the key remuneration systems. As a precaution, we would like to point out that the Executive Board remuneration system<sup>4</sup> submitted to the Annual General Meeting for approval in 2022 has not yet been applied to Ms. Mi-Young Miehler, Mr. Christoph Prußeit and Mr. Falk Neukirch, although the content of the corresponding Executive Board employment contracts generally corresponds to this system.

The maximum remuneration of €2.5 million (Chairman of the Executive Board) and €2.0 million (Members of the Executive Board) stipulated in the key remuneration systems

was adhered to in the 2022 financial year, as these maximum amounts exceeded the remuneration paid and owed to Mr. Gärtner (€469 thousand), Ms. Miehler (€401,000 thousand), Mr. Prußeit (€395,000 thousand) and Mr. Neukirch (€305,000 thousand).

## III. Comparison of annual changes in the remuneration of the Executive Board with earnings development and with the average remuneration of employees of Medios AG pursuant to Section 162, Paragraph 1, No. 2 AktG

The following comparison presents the annual change in granted and owed remuneration of current Executive Board Members against the earnings development of the company and the remuneration of employees on a full-time-equivalent basis pursuant to Section 162 AktG.

	Remuneration granted and owed in 2022	Change 2022 vs. 2021	Remuneration granted and owed in 2021	Change 2021 vs. 2020	Remuneration granted and owed in 2020
	In thousand €	in %	In thousand €	in %	In thousand €
<b>Executive Board</b>					
Matthias Gärtner	469	58.4	296	15.7	256
Mi-Young Miehler	401	42.4	282	7.7	262
Christoph Prußeit	395	62.2	244	73.6	141
Falk Neukirch	305	18.4	258	n/a	n/a
<b>Employees</b>					
Average of Medios Group employees	48.7	-1.2	49.2	6.8	46.1
<b>Earnings development of Medios AG</b>					
Net profit for the year of the Medios Group (in €m)	19.2	159.2	7.4	34.0	5.5
Net profit for the year of Medios AG (in €m)	19.5	137.4	8.2	26.0	6.5

4) The remuneration granted and owed to Mr. Neukirch for the 2021 financial year (from October 1, 2021 to December 31, 2021) was paid pro rata and, in simplified form, projected on a linear basis in order to ensure meaningful comparability with the 2022 financial year.

The remuneration of the Executive Board Members shown in the table represents the amounts granted in the financial year concerned. Where Executive Board Members only received pro rata remuneration in a specific financial year – e.g., due to being appointed partway through the year – the remuneration for the financial year in question has been extrapolated to that of a full year for the sake of comparability.

The average remuneration of the Medios Group workforce is used for the comparison with the development of average employee remuneration. The remuneration of all employees – excluding executive staff within the meaning of sec. 5 para. 3 of the German Works Constitution Act (BetrVG) – was included for this purpose. In cases where employees also receive remuneration as Members of the Supervisory Board of Medios AG, this remuneration was not included. For the sake of comparability, the remuneration of part-time employees was extrapolated to that of full-time equivalents.

The earnings development is shown on the basis of the development of the annual net profit of Medios AG pursuant to sec. 275 no. 17 of the German Commercial Code (HGB).

#### IV. Review of the appropriateness of Executive Board remuneration

After the end of the 2022 financial year, the Supervisory Board conducted the annual review of Executive Board remuneration for the 2022 financial year. It came to the conclusion that the level of Executive Board remuneration pay is appropriate from a legal perspective within the meaning of sec. 87 para. 1 AktG.

When evaluating the appropriateness of Executive Board remuneration, the Supervisory Board also regularly seeks external advice. Firstly, the ratio of the amount and structure of Executive Board remuneration to the remuneration of the upper management tier and the workforce as a whole is evaluated from an external perspective (vertical comparison). Alongside a status quo assessment, the vertical comparison also looks at the development of remuneration ratios over time. Secondly, the remuneration level and structure are also evaluated on the basis of Medios AG's position in a comparative market (horizontal comparison). The comparative market consists of a combination of DAX and SIX/Euronext companies that fall within the scope of the German Stock Corporation Act or comparable European standards, that belong to comparable sectors and/or exhibit similar key characteristics and that are of a similar size as of the cutoff date of the analysis. The horizontal comparison not only includes fixed remuneration, but also the short- and long-term remuneration components and the amount of occupational pensions.

#### Comparative companies for the assessment of appropriateness of Executive Board remuneration

Company	Stock market segment
Fresenius SE & Co. KG aA	DAX
Zur Rose Group AG	Six
Galenica AG	Six
Fagron N.V.	Euronext

## V. Supervisory Board and Supervisory Board remuneration

The remuneration system for Supervisory Board Members is based on statutory provisions and pays due regard to the applied regulations and suggestions of the German Corporate Governance Code. The Supervisory Board advises and oversees the Management Board and, in this regard, is closely involved in operational and strategic corporate governance topics. Supervisory Board remuneration is also vital to ensure the effectiveness of the Supervisory Board. This remuneration is commensurate with the duties of the Supervisory Board members and the position of the company. Appropriate Supervisory Board remuneration in line with the market supports the corporate strategy and the long-term development of Medios AG.

Pursuant to sec. 13 of the company's Articles of Association, the Annual General Meeting sets the level of Supervisory Board remuneration. The remuneration system for the Supervisory Board sets out both the abstract and specific parameters for Supervisory Board remuneration.

This ensures that the remuneration of Supervisory Board Members corresponds to the remuneration system passed by the Annual General Meeting at all times.

Pursuant to the revised version of sec. 113 para. 3 sent. 1 and 2 of the German Stock Corporation Act (AktG), effective as of January 1, 2020, the Annual General Meeting of a listed company must pass a resolution of Supervisory Board remuneration every four years, with a resolution confirming the remuneration also permissible. Pursuant to the transition regulation pursuant to sec. 26j para. 1 sent. 1 of the Introductory Act to AktG, the first resolution had to be passed in the Annual General Meeting following December 31, 2020. This resolution was passed on June 10, 2021.

The remuneration of the members of the Supervisory Board pursuant to Article 13 of the Articles of Association was last amended by the Annual General Meeting on June 21, 2022 with (retroactive) effect for the entire 2022 financial year.

More detailed information on the remuneration system for Supervisory Board Members can be found on the company's website at

<https://medios.ag/investor-relations/corporate-governance>

In accordance with the Articles of Association, the Supervisory Board of Medios AG consisted of four members in the 2022 financial year.

The members serving in the 2022 financial year were Dr. Yann Samson (Chairman of the Supervisory Board), Mr. Klaus J. Buß, Joachim Messner (Deputy Chairman of the Supervisory Board) and Dr. Anke Nestler.

## 1. Structure of the remuneration system for Supervisory Board Members

The currently applicable remuneration system for Supervisory Board Members, passed by the Annual General Meeting, has applied since the start of the 2022 financial year and can be summarized as follows:

Each Supervisory Board Member receives fixed basic remuneration of €30,000 per annum (in words: thirty thousand euros), payable after the end of the financial year. The Chair of the Supervisory Board receives double the basic remuneration.

In addition to the basic remuneration, each ordinary Member of a Supervisory Board committee receives annual remuneration of €10,000 per annum (in words: ten thousand euros) for their committee membership, payable after the end of the financial year. The Chair of a Supervisory Board committee receives double this remuneration; the Chair of the Audit Committee receives four times this remuneration. In addition to the basic and committee remuneration, the ESG Officer receives fixed annual remuneration of €10,000 (in words: ten thousand euros), payable at the end of the financial year.

Supervisory Board Members who only serve on the Supervisory Board or a Supervisory Board committee, or who only chair the Supervisory Board or a Supervisory Board committee, for part of a financial year will receive corresponding pro rata remuneration.

The company reimburses each Supervisory Board Member for their incurred expenses and for the VAT incurred on their remuneration insofar as the Supervisory Board Members are entitled to bill the company for VAT separately and insofar as they exercise this right.

The insurance premium for D&O insurance that the company needs to take out for Supervisory Board Members is paid by the company.

In the 2022 financial year, the Supervisory Board remuneration system was applied in all aspects as passed by resolution of the Annual General Meeting.

Beyond this, the Members of the Supervisory Board did not receive any further remuneration/benefits in the financial year for personally rendered services, in particular advisory and brokerage services. Furthermore, no loans or advances were granted to Supervisory Board Members, nor were any liability obligations entered into in their favor.

As the remuneration of Supervisory Board Members does not include any variable components, but instead solely comprises fixed components, there is no need to set a maximum total remuneration level for Supervisory Board Members. This also applies pursuant to the new provisions of the German Stock Corporation Act in the ARUG II (Shareholder

Rights Directive) version. These new provisions only expressly require the setting of a maximum remuneration level for Executive Board Members, but not for Supervisory Board Members.

## 2. Remuneration granted and owed in 2022 within the Meaning of Sec. 162 Para. 1 Sent. 1 AktG

The following table shows the fixed remuneration components granted and owed to serving Supervisory Board Members in the 2022 financial year, including the relative shares pursuant to sec. 162 AktG.

According to the resolution of the Annual General Meeting, the Supervisory Board remuneration is payable pro rata after the end of each financial year. Therefore, the valid remuneration system in place for the 2021 financial year still applies to the remuneration paid in 2022.

The following table, which shows remuneration for the 2022 financial year, therefore presents the remuneration paid out for the work carried out by the Members of the Supervisory Board in the 2021 financial year. The remuneration for the 2022 financial year does not become due until 2023 and is not listed as owed remuneration within the meaning of AktG for the 2022 financial year.

Please note that a different remuneration system still applied in respect of amounts paid to Supervisory Board Members for the 2021 financial year. The Annual General Meeting on June 10, 2021, approved the remuneration of the Supervisory Board in the 2021 financial year. The previous remuneration system for Members of the Medios AG Supervisory Board, still in place for the 2021 financial year, was as follows:

Each Supervisory Board Member receives fixed basic remuneration of €20,000 per annum (in words: twenty thousand euros), payable after the end of the financial year. The Chair of the Supervisory Board receives double the basic remuneration.

In addition to the basic remuneration, each ordinary Member of a Supervisory Board committee receives annual remuneration of €5,000 per annum (in words: five thousand euros) for their committee membership, payable after the end of the financial year. The Chair of a Supervisory Board committee receives double this remuneration; the Chair of the Audit Committee receives four times this remuneration. The company reimburses each Supervisory Board Member for their incurred expenses and for the VAT incurred on their remuneration insofar as the Supervisory Board Members are entitled to bill the company for VAT separately and insofar as they exercise this right.

The insurance premium for D&O insurance that the company needs to take out for Supervisory Board Members is paid by the company.

Supervisory Board	Fixed remuneration in €	Committee remuneration in €	Attendance fee in €	Fringe benefits <sup>5</sup> in €	Total in €
Dr. Yann Samson	40,000	5,589	3,794	0	49,383
Joachim Messner	20,000	2,808	0	0	22,808
Dr. Anke Nestler	11,667	11,667	3,434	0	26,768
Klaus J. Buß	20,000	2,808	0	0	22,808

5) In the interests of the company, the company includes the Members of the Supervisory Board in coverage under a pecuniary loss liability policy held in an appropriate amount, insofar as such a policy is held. The company pays the premiums for this policy.



## VI. Comparison of annual changes in the remuneration of the Supervisory Board with earnings development and with the average remuneration of employees of Medios AG pursuant to Section 162, Paragraph 1, No. 2 AktG

The following table compares the percentage changes in the remuneration of Supervisory Board Members with the earnings development of Medios AG and with the average remuneration of full-time equivalent employees compared to the previous year. The remuneration of the Supervisory Board Members shown in the table represents the amounts actually paid out in the financial year concerned. Where Supervisory Board Members only received pro rata remuneration in a specific financial year – e.g., due to being appointed partway through the year – the remuneration for the financial year in question has been extrapolated to that of a full year for the sake of comparability. Where Supervisory Board Members previously sat on the Executive Board of Medios AG and received remuneration for doing so, this remuneration is not included in the comparison.

The earnings development is shown on the basis of the development of the annual net profit. As the remuneration of the Supervisory Board Members is also significantly dependent on the development of Group key performance indicators, the development of the adjusted annual net profit of the Medios Group, as reported in the consolidated financial statements, is also shown.

The average remuneration of the Medios Group workforce is used for the comparison with the development of average employee remuneration. The remuneration of all employees – excluding executive staff within the meaning of sec. 5 para. 3 of the German Works Constitution Act (BetrVG) – was included for this purpose. For the sake of comparability, the remuneration of part-time employees was extrapolated to that of full-time equivalents.

	Remuneration granted and owed in 2022	Change 2022 vs. 2021	Remuneration granted and owed in 2021	Change 2021 vs. 2020	Remuneration granted and owed in 2020
	In thousand €	in %	In thousand €	in %	In thousand €
<b>Supervisory Board</b>					
Dr. Yann Samson	49	23.5	40	100	20
Joachim Messner	23	52.1	15	50	10
Dr. Anke Nestler	27	n/a	n/a	n/a	n/a
Klaus J. Buß	23	14.0	20	100	10
<b>Employees</b>					
Average of Medios Group employees	48.7	-1.2	49.2	6.8	46.1
<b>Earnings development of Medios AG</b>					
Net profit for the year of the Medios Group (in €m)	19.2	159.2	7.4	34.0	5.5
Net profit for the year of Medios AG (in €m)	19.5	137.4	8.2	26.0	6.5



# Independent auditor's assurance report on the examination of the remuneration report by Sec. 162 para. 3 AktG

To Medios AG, Berlin

## Opinion

We have examined the attached remuneration report of Medios AG, Berlin, for the financial year from January 1 to December 31, 2022 which was prepared in accordance with the requirements of Section 162 AktG [German Stock Corporations Act]. The examination of the content of the remuneration report described in this audit report includes the formal examination of the remuneration report required by Section 162 paragraph 3 AktG, including the issuance of a report on this audit.

In our opinion based on our audit findings, the remuneration report for the financial year from January 1 to December 31, 2022 complies, in all material respects, with the disclosure requirements pursuant to Section 162 AktG.

## Basis for the opinion

We conducted our audit of the remuneration report in accordance with Section 162 paragraph 3 AktG and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

## Responsibilities of the Legal Representatives and the Supervisory Board

The legal representatives and the Supervisory Board of Medios AG are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The legal representatives and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

## Auditor's responsibilities

Our objective is to obtain reasonable assurance as to whether the disclosures in accordance with Section 162 paragraph 1 and 2 AktG have been made in the remuneration report in all material respects including the issuance of a report on this audit.

We planned and performed our audit so as to give reasonable assurance on the formal completeness of the remuneration report by comparing the information provided in the remuneration report with the information required in Section 162 paragraph 1 and 2 AktG. In accordance with Section 162 paragraph 3 AktG we have not audited the accuracy of the information, the completeness of the individual information or the appropriate presentation of the remuneration report.

## Limitation of liability

For the performance of the engagement and our responsibility and liability, also in relation to third parties, the "General Engagement Terms for German Public Auditors and Public Audit Firms" in the version dated 1 January 2017 issued by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer) apply.

Munich, March 29, 2023

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## **Concept**

Medios AG

