

# 2024 Remuneration Report of RATIONAL AG

Section 162 of the Aktiengesetz (AktG, German Stock Corporation Act) requires the executive and supervisory boards of listed companies to prepare a clear, understandable annual report on the remuneration granted and owed to the individual current or former member of the executive and supervisory boards of the company and of companies of the same group in the previous fiscal year.

This remuneration report starts by presenting the basic principles and main features of the remuneration system for the Executive Board and Supervisory Board of RATIONAL AG. It also explains in particular the individualised remuneration granted and owed, broken down by component, to current and former members of the Executive Board and Supervisory Board for the 2024 fiscal year.

The 2025 ordinary General Meeting of Shareholders of RATIONAL AG will, in accordance with section 120a of the AktG, resolve on the approval of the remuneration report for the 2024 fiscal year prepared and audited in accordance with section 162 of the AktG. The remuneration report for the 2023 fiscal year was approved by the 2024 ordinary General Meeting of Shareholders of RATIONAL AG with a majority of 94.73% of the votes cast. Due to the high approval rate, there was no need to make any changes to the remuneration system, its implementation or the way in which it is reported.

Executive Board remuneration at RATIONAL AG is the responsibility of the Supervisory Board. At its meeting on 26 January 2021, the Supervisory Board of RATIONAL AG resolved a clear and understandable system for the remuneration of members of the Executive Board in accordance with the provisions of the Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie (ARUG II, Act Implementing the Second Shareholders' Rights Directive) (the "2021 Remuneration System"). On 12 May 2021, the 2021 virtual ordinary General Meeting of Shareholders approved the 2021 Remuneration System with a majority of 82.50% of the votes cast.

At its meeting on 17 December 2024, the Supervisory Board resolved additions, clarifications and linguistic amendments to the existing 2021 remuneration system for Executive Board members. Moreover, the maximum remuneration for Executive Board members was appropriately increased. To reflect the changed market conditions, the maximum remuneration for the Chief Executive Officer will in future be 3,500,000 euros (previously 2,750,000 euros) and for ordinary Executive Board members it will be 2,500,000 euros (previously 2,000,000 euros).

In terms of remuneration for the members of the Supervisory Board, the following adjustment will be proposed to the General Meeting of Shareholders of RATIONAL AG on 14 May 2025: For the Chair of the Audit Committee, additional remuneration of 25,000 euros will be paid for each fiscal year for the additional work that this position entails, unless the incumbent is the Chair or Deputy Chair of the Supervisory Board at the same time. In the previous constellation of the Supervisory Board, this had been covered by the remuneration of the Chair of the Audit Committee, Dr Hans Maerz, as part of his simultaneous function of Deputy Chair of the Supervisory Board.

The amended remuneration systems for the Executive Board ("2024 Remuneration System") and Supervisory Board will be published together with the invitation to the 2025 General Meeting of Shareholders at [rat.ag/hv](https://rat.ag/hv). They will be presented to the General Meeting of Shareholders for a vote on 14 May 2025.

The amendments contained in the 2024 Remuneration System for Executive Board members are not yet presented below. The new system will come into effect two months after it is approved by the General Meeting of Shareholders for all Executive Board members whose service contracts are newly concluded or renewed after this time.

The 2021 Remuneration System has been applied to all members of the Executive Board since fiscal year 2022. The 2021 Remuneration System for Executive Board members can be accessed by following this link: [rat.ag/remuneration-system-board](https://rat.ag/remuneration-system-board)

Here follows a summary of the 2021 Remuneration System for Executive Board members, which was applicable in fiscal year 2024, and a description of the individual remuneration components in fiscal year 2024.

## A. Remuneration system for Executive Board members

### I. Main features of the remuneration system for Executive Board members at RATIONAL AG

The remuneration system for members of the Executive Board makes an important contribution to promoting and implementing RATIONAL AG's corporate strategy and to the company's ongoing development. The Supervisory Board and Executive Board of RATIONAL AG pursue a long-term strategy that is sustainably geared to customer benefit as the basis for growth and profitability. Customer benefit is achieved particularly through the quality, superior technology, and reliability of the company's products and services. The Supervisory Board is convinced that long-term corporate responsibility and sustainability rely only to a limited extent on complex variable remuneration components. The remuneration system is geared towards clarity and transparency.

The remuneration system for members of the Executive Board sets incentives that are consistent with and support the corporate strategy.

The main component of remuneration is the fixed salary as the basis for the company's long-term success.

The short-term one-year variable remuneration is based on the financial performance criterion of earnings after taxes as reported in the consolidated financial statements of RATIONAL AG. This encourages the Executive Board to focus its activities on continuous growth with high earnings power.

To align the remuneration of Executive Board members towards the company's sustainable, long-term success, total remuneration includes a multi-year variable remuneration component. The multi-year variable remuneration is based on a three-year performance period. The majority of the multi-year variable remuneration depends on the return on capital employed (ROCE) of RATIONAL AG.

A smaller portion of the long-term variable remuneration is linked to non-financial performance criteria, which are generally set for the whole Executive Board but in some cases also as individual targets of individual Executive Board mem-

bers. The setting of non-financial performance criteria particularly incorporates social, customer- and employee-focused as well as ecological goals (ESG goals). This supports the company's sustainable strategic development.

The two components of long-term variable remuneration take account of shareholders' interests in the profitability of RATIONAL AG and promote the achievement of central strategic objectives set within the company.

The Remuneration System for Executive Board members meets the requirements of the German Stock Corporation Act (Aktiengesetz, AktG) as amended by the Act Implementing the Second Shareholders' Rights Directive of 12 December 2019 (Federal Law Gazette Part I 2019, No. 50 of 19 December 2019). It takes into account the recommendations of the German Corporate Governance Code (GCGC) in the version dated 27 June 2022.

### II. Components of remuneration

The remuneration of Executive Board members comprises fixed and variable components. The fixed components of Executive Board members' remuneration are the fixed annual salary, fringe benefits, and pension contributions. The variable components are the one-year variable remuneration (Short Term Incentive, "STI") and the multi-year variable remuneration (Long Term Incentive, "LTI"). The Remuneration System does not specify share-based or option-based remuneration and does not contain any requirements for Executive Board members to hold shares.

## Components of remuneration

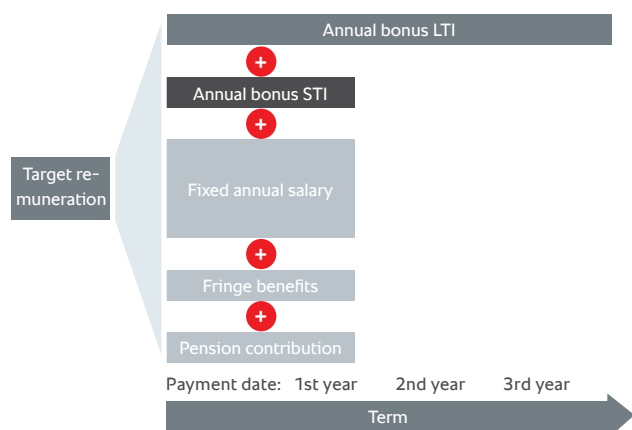
	Assessment basis/parameters	
Fixed remuneration components		
Fixed annual salary	In 12 equal monthly instalments at the end of each calendar month	
Fringe benefits	In particular:   > Private use of company car > Accident insurance	
Pension contributions	Plan type: Defined contribution plan for annual payments	
	Contribution: 15% of fixed annual salary each year	
Variable remuneration components		
STI	Type	Target bonus
	Cap:	200% of the target amount
	Performance criteria:	Earnings after taxes as reported in the consolidated financial statements
	Assessment period:	Next year
	Payment date:	In the month following adoption of the consolidated financial statements
LTI	Plan type	Performance cash plan
	Cap:	> Financial LTI Component: 200% of the target amount > Non-financial LTI Component: 100% of the target amount
	Performance criteria:	> Return on capital employed (75%) > Non-financial targets (25%)
	Performance period:	Next three years
	Payment date:	In the month following adoption of the consolidated financial statements for the last fiscal year of the performance period, or no later than the following month

Based on the remuneration system, the Supervisory Board sets a specific target total remuneration for each Executive Board member. This is commensurate with the tasks and performance of the Executive Board member and the company's situation and may not exceed customary remuneration without specific reason. Target total remuneration comprises the sum of all remuneration components relevant for total remuneration. For the STI and LTI, target total remuneration is based on the target amount for 100% target achievement.

The share of long-term variable remuneration in the target total remuneration exceeds the share of short-term variable remuneration in the target total remuneration. The relative shares of the fixed and variable remuneration components are shown below in relation to target total remuneration.

Fixed remuneration	Variable remuneration	
	STI	LTI
Fixed annual salary + Fringe benefits + Contribution to the company pension scheme		
<b>Approx. 70%</b>	<b>Approx. 10%</b>	<b>Approx. 20%</b>

## Target total remuneration



For all Executive Board members, the share of fixed remuneration (fixed annual salary, fringe benefits and contributions to the company pension scheme) makes up approximately 70% of target total remuneration, while variable remuneration makes up approximately 30% of target total remuneration. The share of the STI (target amount for 100% target achievement) in target total remuneration is approximately 10%, and the share of the LTI (target amount for 100% target achievement) in target total remuneration is approximately 20%.

The above shares may differ slightly for future fiscal years due to changes in the costs of contractually agreed fringe benefits and for any new appointments. Any payments granted on the occasion of a new member taking office may also result in a deviation from the above shares.

#### Fixed remuneration components

The members of the Executive Board receive a fixed annual salary in twelve monthly instalments.

The Executive Board members are also awarded fringe benefits: in particular, each member of the Executive Board is provided with a company car which may also be used privately. RATIONAL AG takes out accident insurance (death and disability) for the Executive Board members.

Defined contribution pension plans are in place for the individual members of the Executive Board. RATIONAL AG pays annual contributions to these plans for the Executive Board members. These annual contributions to the external provident fund are capped at 15% of fixed annual salary.

In individual cases, on the occasion of a new Executive Board member taking office, the Supervisory Board may award a payment in the first or second year of the new member's appointment. A payment of this kind may, for example, serve to compensate an Executive Board member for the loss of variable remuneration from a former employer incurred as a result of moving to RATIONAL AG.

#### Variable remuneration components

The following section describes the variable remuneration components. It explains the link between achievement of the performance criteria and the amount of variable remuneration paid out. It also sets out when and in what form Executive Board members have access to the variable remuneration components they have been granted.

#### One-year variable remuneration (STI)

The STI is a performance-based bonus with a one-year assessment period. The STI depends exclusively on a financial performance criterion: earnings after taxes as reported in the consolidated financial statements. This performance criterion incorporates all the key success factors for the company. It therefore sets incentives to continuously improve profitability, and also recognises the collective performance of the Executive Board. The Supervisory Board sets the target for this financial performance criterion at the beginning of the fiscal year.

For each fiscal year, the Supervisory Board sets the level of earnings after taxes that will represent 100% target achievement and a target amount for the STI to be paid out for 100% target achievement. This target amount for the STI represents 10% of gross annual salary. Following presentation and

adoption of the audited consolidated financial statements for the fiscal year, the level of target achievement is determined by comparing the actual figure in the audited consolidated financial statements with the targets for the respective fiscal year. The STI is then calculated.

Calculation of the annual STI is as follows:

- › For every full 2 percentage points by which earnings after taxes as reported in the consolidated financial statements fall short of the target figure, the STI is reduced by 10 percentage points of the target amount, down to a target achievement of 80%. If earnings after taxes as reported in the consolidated financial statements are below 80% of the target figure, no STI is paid out.
- › For every full 2 percentage points by which earnings after taxes as reported in the consolidated financial statements exceed the target figure, the STI is increased by 10 percentage points of the target amount, up to a target achievement of 120%. If earnings after taxes in the consolidated financial statements are above 120% of the target figure, the STI is capped at 200% of the target amount.

Payment of the annual STI is due in the month following adoption of the consolidated financial statements of RATIONAL AG for the fiscal year to which the STI relates.

The financial performance criterion may not be changed retrospectively. However, the Supervisory Board is entitled, should any extraordinary events or developments occur, e.g. the acquisition or sale of part of the company, to temporarily adjust the terms of the STI plan appropriately at its reasonable discretion.

If an appointment begins or ends in the course of a fiscal year, the target amount of the STI is reduced pro rata temporis based on the date on which the member's employment begins or ends. The same applies to periods for which an existing Executive Board member is not entitled to remuneration (e.g. because employment is suspended or the member is unable to work and not entitled to continued remuneration). The payment due date and parameters for calculating the STI are not affected by the Executive Board member beginning or ending their appointment in the course of a fiscal year.

### Multi-year variable remuneration (LTI)

The LTI is structured as a performance cash plan. It consists of two components, one of which is linked to a financial performance criterion ("Financial LTI Component") and the other to non-financial performance criteria ("Non-Financial LTI Component"). Based on a target achievement of 100% for each component ("LTI Full Target Achievement"), the Financial LTI Component is given a 75% weighting and the Non-Financial LTI Component a 25% weighting. The LTI is awarded on a rolling basis in annual tranches. Each tranche of the performance cash plan has a three-year term ("performance period"). Each performance period begins on 1 January of the first fiscal year of the performance period ("Fiscal Year of Award") and ends on 31 December of the third fiscal year of the performance period.

After the end of the performance period, the target achievement for the LTI is calculated and the amount of the payment for each member of the Executive Board is determined based on the level of target achievement. Payment is due in the month following adoption of RATIONAL AG's consolidated financial statements for the last fiscal year of the performance period, or no later than the following month.

The relevant financial performance criterion for the Financial LTI Component is the return on capital employed (ROCE) at Group level. The performance indicator ROCE is defined as  $\text{EBIT} / (\text{equity} + \text{interest-bearing borrowings} + \text{pension provisions})$ . ROCE is a key performance indicator that measures how efficiently the capital tied up in the company is being used. Linking the LTI to ROCE sets a long-term incentive to generate lasting profitable growth.

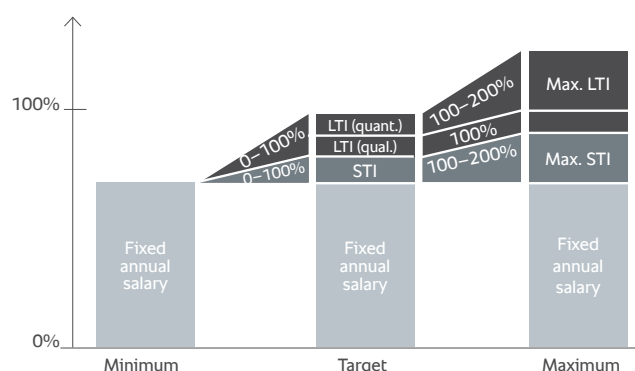
At the beginning of a performance period, the Supervisory Board decides, based on the multi-year planning, how high average ROCE should be at the end of the three-year performance period ("Target ROCE"). The Supervisory Board also sets a target amount for the Financial LTI Component. This figure, which is set for the Fiscal Year of Award, equates to 75% of the LTI in the event of LTI Full Target Achievement. To calculate target achievement for the Financial LTI Component, the arithmetic average of the ROCEs actually achieved in the three years of the performance period is calculated at the end of the performance period and compared to the Target ROCE. The following applies to the Financial LTI Component:

- › For every full 1 percentage point by which ROCE falls short of the target figure, the Financial LTI Component is reduced by 10 percentage points of the target amount, down to a target achievement of 90% of Target ROCE. If target achievement is below 90% of Target ROCE, no Financial LTI Component is paid out.
- › For every full 1 percentage point by which ROCE exceeds the target figure, the Financial LTI Component is increased by 10 percentage points of the target amount, up to a target achievement of 110% of Target ROCE. If target achievement is above 110% of Target ROCE, the Financial LTI Component is capped at 200% of the target amount.

The relevant non-financial performance criteria for the Non-Financial LTI Component are established by the Supervisory Board, predominantly through the setting of social, customer- and employee-oriented, and environmental goals. This supports the company's sustainable development. The non-financial performance criteria are generally set for the Executive Board as a whole but may also be set as individual targets in some cases. Based on long-term planning of a strategic or operational nature, the Supervisory Board sets one or more long-term targets for the three-year performance period. It also sets a target amount for the Non-Financial LTI - Component, which equates to 25% of the LTI in the event of LTI Full Target Achievement.

At the end of the performance period, the level of target achievement in relation to the non-financial performance criteria is determined by the Supervisory Board, which, at its own discretion and exercising all due care and diligence, compares the actual outcome to the target outcome. The target amount set is not increased in the event that the targets for the non-financial performance criteria are outperformed.

### Composition of Executive Board remuneration



Payment of the LTI depends on the target achievement for both performance criteria. In the event of LTI Full Target Achievement, the LTI equates to 100% of the target amount. The amount of the LTI to be paid out is calculated after the end of the performance period. However, at the end of the first two fiscal years of a performance period, the Executive Board members receive a prepayment of 25% of the LTI payment amount for the relevant performance period, assuming an overall target achievement of 100%. If the overall target achievement calculated at the end of the performance period is so far below 100% that the prepayments already received by Executive Board members exceed the LTI payment to which the members are entitled for that performance period, RATIONAL AG is entitled to reimbursement of the excess amount paid and may deduct the corresponding amount from any remuneration components due to be paid out.

The performance criteria may not be changed retrospectively. However, the Supervisory Board is entitled, should any extraordinary events or developments occur, e.g. the acquisition or sale of part of the company, to temporarily adjust the terms of the LTI plan appropriately at its reasonable discretion.

If the term of office of an Executive Board member begins or ends in the course of a Fiscal Year of Award, the target amount is reduced pro rata temporis based on the date on which the member's term of office begins or ends. The same applies to periods for which an existing Executive Board member is not entitled to remuneration (e.g. because employment is suspended or the member is unable to work and not entitled to continued remuneration). The payment due date and parameters for calculating the LTI are not affected by the Executive Board member beginning or ending their appointment in the course of a fiscal year.

All claims in relation to a current performance period are forfeited without replacement or compensation if RATIONAL AG terminates the employment contract before the end of the performance period for cause on grounds for which the Executive Board member is responsible, if the Executive Board member's appointment is revoked due to a gross breach of duty, or if the Executive Board member resigns from office without cause and without the consent of RATIONAL AG.

### Maximum remuneration

The 2021 Remuneration System specifies individual maximum remuneration separately for each member of the Executive Board within the meaning of section 87a of the AktG.

The total remuneration to be awarded to the Executive Board members for a fiscal year (the sum of all of the remuneration amounts paid for a fiscal year, including fixed annual salary, variable remuneration components, pension contributions and fringe benefits) – irrespective of whether they are paid out in that fiscal year or at a later point in time – is subject to a cap ("maximum remuneration").

The maximum remuneration is

- › 2,750,000 euros for the Chief Executive Officer and
- › 2,000,000 euros each for the ordinary members of the Executive Board.

On the occasion of a new Executive Board member taking office, maximum remuneration may differ in the first or second year of the new member's appointment from the set maximum remuneration if, in exceptional cases, the Supervisory Board awards payments to the newly appointed member as compensation for the loss of remuneration from the member's former employer. In such cases, the maximum remuneration for this one fiscal year is increased by up to 50% for the Chief Executive Officer and by up to 25% for ordinary members of the Executive Board.

If remuneration exceeds the maximum remuneration, the LTI payment amount is reduced for the relevant fiscal year. If, after this reduction, remuneration still exceeds the maximum remuneration, the Supervisory Board may reduce other remuneration components at its own discretion, exercising all due care and diligence.

Irrespective of the maximum remuneration set, the payment amounts for the individual variable remuneration components are also capped. The payment amount for the STI is capped at 200% of the STI target amount. The payment amount for the Financial LTI Component is capped at 200% and the payment amount for the Non-Financial LTI Component at 100% of the respective target amount.

### Malus and clawback provision for variable remuneration components

The Supervisory Board may, at its own discretion and exercising all due care and diligence, reduce by up to 100% the payment amount calculated for the variable remuneration components in the event of misconduct by the Executive Board member ("Grounds for Malus") during the assessment period (for the STI during the relevant one-year assessment period and for the LTI during the relevant three-year assessment period).

Grounds for Malus will be deemed to exist particularly in the event of significant breaches of the duty of care within the meaning of section 93 of the AktG on the part of the Executive Board member during the assessment period. The basis for the Supervisory Board's decision as to whether and to what extent there are Grounds for Malus will include, in particular, the degree to which the Executive Board member was at fault, the significance of the breach of duty, the weight of the member's own contribution to the incident in question, the degree of any damage, the record or otherwise of any individual misconduct or organisational negligence in the last three fiscal years preceding the assessment period, and any official sanctions.

In the event of Grounds for Malus in a fiscal year that is part of the assessment period for multiple variable remuneration components, the malus may be applied to each of these variable remuneration components, in other words, multiple variable remuneration components with multi-year assessment periods may be subject to a malus on identical grounds.

RATIONAL AG is entitled to receive (pro rata) reimbursement from the Executive Board member of an STI and/or LTI payment if it has emerged, after the payment, that published consolidated financial statements relating to the assessment period for the STI and/or LTI were objectively incorrect and therefore in need of subsequent correction under the relevant accounting standards and that the STI and/or LTI payment would have been lower or non-existent had it been calculated based on the corrected consolidated financial statements.

The Supervisory Board may exercise this entitlement to reimbursement at its own discretion, with all due care and diligence. The entitlement to reimbursement equates to the difference between the actual payments made and the

payments that would have been due to the Executive Board member under the rules of the STI and LTI based on the corrected consolidated financial statements. As a general rule, the Executive Board member must reimburse the gross amount in the event of such a claim.

There were no grounds requiring the application of a malus or clawback for the 2024 fiscal year.

### Benefits promised in case of premature termination

In case of early termination of an Executive Board member's office without cause, the amount of any severance payment is limited to the equivalent of two years' remuneration ("Settlement Cap"). Under no circumstances will severance payments exceed the remuneration due for the remaining term of the employment contract. Calculation of the Settlement Cap is based on total remuneration in the preceding fiscal year and, if appropriate, expected total remuneration for the current fiscal year. Executive Board members are generally subject to a post-contractual non-competition clause for a period of two years after the end of their employment contract.

For the duration of the post-contractual non-competition clause, Executive Board members receive a compensation payment for each year they are subject to non-competition. The payment is equivalent to 50% of the total remuneration last paid to the member in question. Current payments from pension commitments and any transitional allowances or settlements are set off against this compensation.

Benefits awarded for the early termination of an Executive Board member's term of office due to a change of control will not exceed 150% of the settlement cap.

### Benefits promised in case of regular termination

In cases of regular termination of their term of office, Executive Board members do not receive any benefits from the company. Once they are eligible, they receive benefits from the provident fund, into which contributions were paid by the company during the term of the service contract. These contributions are already reported as remuneration granted in the respective year in which the contribution is paid. In addition, after regular termination of their term of office, Executive Board members receive payments from the multi-year variable remuneration components, providing this is not prevented by any grounds for applying a malus or clawback. Executive Board members do not receive any other company benefits from the company after termination of their contract, unless they have been promised such benefits on termination in individual circumstances.



## Remuneration of Executive Board members in fiscal year 2024

In thousands of euros

	Dr Peter Stadelmann		Dr Martin Hermann		Markus Paschmann		Jörg Walter		Peter Wiedemann		Total	
Basic salary	1,330	55%	665	58%	1,033	56%	677	57%	980	56%	4,685	56%
Fringe benefits	50	2%	17	1%	24	1%	16	1%	38	2%	145	2%
Payments into pension scheme	200	8%	100	9%	155	8%	102	9%	147	8%	704	8%
<b>Fixed remuneration</b>	<b>1,580</b>	<b>66%</b>	<b>782</b>	<b>68%</b>	<b>1,212</b>	<b>66%</b>	<b>795</b>	<b>67%</b>	<b>1,165</b>	<b>66%</b>	<b>5,534</b>	<b>66%</b>
STI 2024	323	13%	161	14%	251	14%	164	14%	238	14%	1,137	14%
LTI 2022–2024	120	5%	17	1%	78	4%	42	4%	78	4%	335	4%
LTI 2024–2026	380	16%	190	17%	295	16%	193	16%	280	16%	1,338	16%
<b>Total performance-related remuneration</b>	<b>823</b>	<b>34%</b>	<b>368</b>	<b>32%</b>	<b>624</b>	<b>34%</b>	<b>399</b>	<b>33%</b>	<b>596</b>	<b>34%</b>	<b>2,810</b>	<b>34%</b>
<b>Total remuneration granted and owed</b>	<b>2,403</b>		<b>1,150</b>		<b>1,836</b>		<b>1,194</b>		<b>1,761</b>		<b>8,344</b>	

### III. Individual remuneration of Executive Board members appointed in fiscal year 2024

#### Executive Board members in fiscal year 2024

In fiscal year 2024, the Executive Board of RATIONAL AG had the following members:

- › Dr Peter Stadelmann, Executive Board member since December 2012, Chief Executive Officer since January 2014
- › Peter Wiedemann, Executive Board member since September 1999
- › Markus Paschmann, Executive Board member since December 2013
- › Jörg Walter, Executive Board member since March 2021
- › Dr Martin Hermann, Executive Board member since September 2022

Mr Peter Wiedemann retired at the end of December 2024 after 25 years on the Executive Board of RATIONAL AG. During the handover and induction process, his successor, Dr Martin Hermann, had gradually taken on his tasks and responsibilities since September 2022. Following Mr Wiedemann's departure, the Executive Board of RATIONAL AG has four members again, starting in 2025.

#### Remuneration granted and owed in fiscal year 2024

In accordance with section 162 (1) sentence 1 of the AktG, the remuneration report must disclose the remuneration granted and owed to each individual Executive Board member in the past fiscal year. The terms are defined as follows:

- › The term "granted" relates to the remuneration "for the fiscal year in which the (one- or multi-year) activity on which the remuneration is based was provided in full";
- › The term "owed" relates to "all legally existing liabilities for remuneration components that are due but have not yet been settled".

#### Total Executive Board remuneration in fiscal year 2024

The total remuneration paid to the Executive Board for the performance of its duties in the fiscal year 2024 was 8.3 million euros (2023: 7.6 million euros). Individualised Executive Board remuneration is presented in the table below, showing all fixed and variable remuneration components and their relative share of total remuneration; it is explained in the sections that follow.



### Fixed remuneration components

The fixed remuneration components of the Executive Board (fixed remuneration) totalled 5.5 million euros in 2024 (2023: 5.3 million euros); they comprised the basic salary, payments into the pension scheme and fringe benefits in kind relating primarily to the use of a company car, telephone, and insurance premiums. The incidental benefits are part of their remuneration package and the individual Executive Board members therefore have to pay tax on them.

### Performance-related remuneration components

The 2021 Remuneration System specifies short-term variable remuneration (STI) and multi-year variable remuneration components with an assessment period of three years. The respective performance-related remuneration components are presented below.

#### Short-term performance-related remuneration (STI 2024)

STI 2024 is a performance-related bonus with a one-year assessment period; it is calculated in relation to profit after tax as reported in the 2024 consolidated financial statements. It accounts for 10% of total target remuneration of the Executive Board.

Profit after taxes for fiscal year 2024 amounted to 250.5 million euros (2023 target: 215.8 million euros). According to the calculation method described in the Remuneration System, this resulted in a grant rate of 170% for the 2024 reporting year (2023: 170%). The payment of 1.1 million euros (2023: 1.1 million euros) was made in the first quarter of 2025.

### LTI 2022–2024

LTI 2022–2024 is a performance-related remuneration component for fiscal year 2022 with a three-year assessment period from 2022 to 2024. The LTI component accounts for 20% of total target remuneration of the Executive Board for the fiscal year 2022.

In the financial statements of fiscal year 2022, an LTI 2022–2024 component of 1.1 million euros was reported in Executive Board compensation. It is equivalent to the target LTI for target achievement of 100%. Target achievement for the period from 2022–2024, and therefore the amount of the LTI 2022–2024 component, was finally determined on the basis of the criteria and thresholds defined by the 2021 Remuneration System at the time the 2024 financial statements were prepared.

The LTI component will be paid out to the Executive Board members on the basis of total target achievement at the end of the performance period and the resulting grant rate. At the end of the first two fiscal years of the performance period, the Executive Board members received a prepayment of 25% of the LTI payment amount for the relevant performance period, assuming an overall target achievement of 100%. The prepayment was now deducted from the remuneration payable at the end of this performance period (31 December 2024).

The figures presented below apply equally to all Executive Board members. The average ROCE of 38.2% exceeded the target ROCE of 33.5% (mean for 2022–2024) by 4.7 percentage points. The grant rate accordingly stands at 140%. Both non-financial targets (see below) were met, resulting in a grant rate of 100% for each. Based on the target weighting, the grant rate of the LTI 2022–2024 component totals

### STI 2024

Objectives	Actual 2024	Achievement in 2024	Grant rate in 2024
Net profit/loss in 2024 <sup>1</sup>	250.5 million euros	114,3%	170%

<sup>1</sup> In the range between 80% and 120% target achievement, the grant rate increases by 10 percentage points for each full 2 percentage points rise in target achievement up to a maximum of 200%.

### LTI 2022–2024

Objectives	LTI weighting	Target achievement 2022–2024	Grant rate 2022–2024
Long-term financial performance criterion: ROCE Ø 2022–2024 <sup>1</sup>	75.0%	+4.7 percentage points	140%
Environment-related sustainability target: high energy efficiency of our cooking systems (US Energy Star <sup>2</sup> )	12.5%	100%	100%
Customer satisfaction sustainability target: Net Promotor Score (NPS) <sup>3</sup>	12.5%	100%	100%
<b>Total LTI</b>			<b>130.0%</b>

<sup>1</sup> For a variance from target ROCE in the range between –10 and +10 percentage points, the grant rate decreases/increases by 10 percentage points for each full percentage point down/up to 0%/a maximum of 200%.

<sup>2</sup> US Energy Star is a US environmental label for energy-saving appliances, building materials, public/commercial buildings or residential buildings. Energy Star certifies that e.g. electrical appliances meet the power-saving criteria of the US Environmental Protection Agency (EPA) and the US Department of Energy.

<sup>3</sup> The Net Promoter Score (NPS) expresses the extent to which satisfied customers are prepared to recommend our products to friends or business partners.

130%. The difference to the remuneration already reported for fiscal year 2022 (30.0% of 2022 target remuneration), which amounts to 0.3 million euros, is added to the 2024 Executive Board remuneration (for calculation, see table above). The payments will be made in March 2025 once the 2024 consolidated financial statements have been approved.

#### Long-term performance-related remuneration (LTI 2024–2026)

LTI 2024–2026 is a performance-related remuneration component for fiscal year 2024 with a three-year assessment period from 2024 to 2026. The LTI component accounts for 20% of total target remuneration for 2024 of the Executive Board.

The LTI 2024–2026 component reported for fiscal year 2024 is 1.3 million euros (2023: LTI 2022–2025: 1.1 million euros). It is in each case equivalent to the target LTI for assumed target achievement of 100%. Target achievement for the underlying three-year period 2024–2026 will be finally determined on the basis of the criteria and thresholds defined by the 2021 Remuneration System at the time the 2026 consolidated financial statements are prepared. The LTI component will be paid out to the Executive Board members in March 2027 on the basis of total target achievement at the end of the performance period and the resulting grant rate. At the end of the first two fiscal years of the performance period, the Executive Board members receive a prepayment of 25% of the LTI payment amount for the relevant performance period, assuming an overall target achievement of 100%. The prepayment will be deducted from the remuneration payable at the end of the performance period. If the LTI 2024–2026 component finally granted in accordance with the criteria of the Remuneration System is less than the accumulated prepayment of 50% of target LTI, RATIONAL will request repayment of the corresponding amount.

The targets presented for the LTI 2024–2026 component apply equally to all Executive Board members.

#### IV. Remuneration of former Executive Board members

Former Chief Executive Officer Dr Günter Blaschke received inventor remuneration of 1 thousand euros in 2024 (2023: 1 thousand euros).

#### B. Remuneration system for Supervisory Board members

Supervisory Board remuneration is specified in the Articles of Association of RATIONAL AG. The Supervisory Board receives fixed remuneration based on market conditions and oriented to suggestion G.18 of the German Corporate Governance Code (the Code). In accordance with recommendation G.17 of the Code, the Chairman of the Supervisory Board and his deputy receive higher compensation to reflect the larger time commitment. In addition, a company vehicle is made available to the Chairman of the Supervisory Board and his deputy, including for private use (other).

By way of election by the General Meeting of Shareholders on 8 May 2024, Ms Clarissa Käfer and Dr Christoph Lintz were appointed as new members of the Supervisory Board. In addition, Mr Moritz Graser was appointed to the Supervisory Board, effective on the same day. Dr Hans Maerz, Dr Gerd Lintz and Dr Georg Sick were not available for re-election to the Supervisory Board and stepped down from the Supervisory Board effective as at the end of this General Meeting of Shareholders.

Mr Erich Baumgärtner was elected Deputy Chair of the Supervisory Board at the Supervisory Board's constituent meeting on 14 May 2024.

#### LTI 2024–2026

Objectives	LTI weighting
Long-term financial performance criterion: ROCE Ø 2024–2026 <sup>1</sup>	75.0%
Sustainability target product quality: MIS-12 metric for both product categories iCombi and iVario <sup>2</sup>	12.5%
Customer satisfaction sustainability target: Net Promoter Score (NPS) <sup>2</sup>	12.5%

- For a variance from target ROCE in the range between -10 and +10 percentage points, the grant rate decreases/increases by 10 percentage points for each full percentage point down/up to 0%/a maximum of 200%.
- The MIS metric (Month-in-Service) is considered a measure of product quality and indicates the proportion of produced cooking systems that required technical service within a defined period (MIS 12 → within 12 months).
- The Net Promoter Score (NPS) expresses the extent to which satisfied customers are prepared to recommend our products to friends or business partners.

#### Remuneration of Supervisory Board members in fiscal year 2024

In thousands of  
euros

	Fixed	Other	Total
Walter Kurtz	250	25	275
Erich Baumgärtner	182	2	184
Dr Hans Maerz	70	4	75
Moritz Graser	98	–	98
Clarissa Käfer	98	–	98
Dr Christoph Lintz	98	–	98
Dr Gerd Lintz	53	–	53
Werner Schwind	150	–	150
Dr Georg Sick	53	–	53
Dr Johannes Würbser	150	–	150
<b>Total</b>	<b>1,201</b>	<b>31</b>	<b>1,232</b>

### C. Comparative presentation of changes in Executive Board remuneration, Supervisory Board remuneration, employee remuneration and profits/losses

The presentation below sets the annual change in the remuneration of members of the Executive Board and Supervisory Board against the average remuneration of employees and the Company's profit or loss for the last five fiscal years.

#### Change compared with previous year

in %

	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023
<b>Changes in Executive Board remuneration (current and former Executive Board members)</b>					
Dr Peter Stadelmann	-3	+18	-4	+2	+5
Dr Martin Hermann <sup>1</sup>	-	-	-	+1	+9
Markus Paschmann	-2	+35	-2	+4	+11
Jörg Walter <sup>2</sup>	-	-	+9	+11	+25
Peter Wiedemann	-2	+17	+13	+4	+6
<b>Changes in Supervisory Board remuneration<sup>3</sup> (current and former Supervisory Board members)</b>					
Walter Kurtz	-4	+5	+2	0	0
Erich Baumgärtner <sup>4</sup>	-5	+5	0	0	+23
Dr Hans Maerz <sup>5</sup>	-6	+5	0	0	0
Moritz Graser	-	-	-	-	-
Clarissa Käfer	-	-	-	-	-
Dr Christoph Lintz	-	-	-	-	-
Dr Gerd Lintz <sup>5</sup>	-5	+5	0	0	0
Werner Schwind	-5	+5	0	0	0
Dr Georg Sick <sup>5</sup>	-5	+5	0	0	0
Dr Johannes Würbser	-5	+5	0	0	0
<b>Changes in employee remuneration</b>					
Average no. of employees (FTEs) <sup>6</sup>	-7	+10	+11	+3	+1
<b>Changes in profit/loss</b>					
Net loss of RATIONAL AG <sup>7</sup>	-33	-65	+92	+174	+40
Consolidated net profit	-53	+54	+50	+15	+17

<sup>1</sup> Dr Martin Hermann was appointed to the Executive Board with effect from 1 September 2022. To make figures easier to compare, the 2022 remuneration has been extrapolated to a 12-month period to compensate for the difference in length compared to 2023.

<sup>2</sup> Mr Jörg Walter was appointed to the Executive Board with effect from 1 March 2021. To make figures easier to compare, the 2021 remuneration has been extrapolated to a 12-month period to compensate for the difference in length compared to 2022.

<sup>3</sup> In response to the coronavirus crisis and its effects on RATIONAL AG's business, the Supervisory Board opted to forego part of its remuneration in 2020.

<sup>4</sup> Mr Erich Baumgärtner has been Deputy Chair of the Supervisory Board since May 2024, and his remuneration has been adjusted accordingly.

<sup>5</sup> The persons concerned left the Supervisory Board at the 2024 Annual General Meeting. To make figures easier to compare, the 2024 remuneration has been extrapolated to a 12-month period to compensate for the difference in length compared to 2023.

<sup>6</sup> Employee remuneration is determined by dividing total remuneration (incl. social security expenses) reported in the notes to the consolidated financial statements less Executive Board remuneration by the average number of full-time equivalents (FTEs) in the fiscal year concerned.

<sup>7</sup> As a precaution and to preserve liquidity at our sales subsidiaries, profit distributions by the subsidiaries were reduced significantly in fiscal years 2020 and 2021.

## **D. Report of the independent auditor on the audit of the remuneration report in accordance with Section 162 (3) AktG**

To RATIONAL Aktiengesellschaft, Landsberg am Lech

### **Audit Opinion**

We have formally audited the remuneration report of RATIONAL Aktiengesellschaft, Landsberg am Lech, for the fiscal year from 1 January to 31 December 2024 to ascertain whether the disclosures required under section 162 (1) and (2) of the German Stock Corporation Act (Aktiengesetz, AktG) were made in the remuneration report. In accordance with Section 162 (3) AktG, we did not audit the content of the remuneration report.

In our opinion, the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the accompanying remuneration report. Our audit opinion does not cover the content of the remuneration report.

### **Basis for the Audit Opinion**

We conducted our audit of the remuneration report in accordance with Section 162 (3) AktG and in compliance with the IDW Auditing Standard: The Audit of the Remuneration Report in Accordance with Section 162 (3) of the AktG (IDW PS 870 (09.2023)). Our responsibilities under those requirements and this standard are further described in the "Auditor's Responsibilities" section of our auditor's report. Our audit firm has applied the requirements of the IDW Quality Assurance Standard. We have fulfilled our professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Charter for German Public Auditors and German Sworn Auditors (BS WP/vBP) including the requirements on independence.

### **Responsibilities of the Executive Board and the Supervisory Board**

The executive board and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. In addition, they are responsible for such internal controls as they consider necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatements due to fraud (in other words, accounting manipulation and asset misappropriation) or error.

### **Auditor's Responsibilities**

Our objective is to obtain reasonable assurance about whether the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report, and to express an audit opinion on this in a report.

We planned and conducted our audit in such a way that, by comparing the disclosures made in the remuneration report the disclosures required under section 162 (1) and (2) of the AktG, we can determine whether the remuneration report is formally complete. In accordance with Section 162 (3) AktG, we have neither audited the correctness of the content of the disclosures, nor the completeness of the content of the individual disclosures, nor the adequate presentation of the remuneration report.

### **Handling of possible misrepresentations**

In connection with our audit, our responsibility is to read the remuneration report taking into account our knowledge obtained in the financial statement audit while remaining attentive to any signs of misrepresentations in the remuneration

report regarding the correctness of the disclosures' contents, the completeness of individual disclosures' contents or the reasonable presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is such a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Munich, 4 March 2025

Deloitte GmbH  
Wirtschaftsprüfungsgesellschaft

**Dirk Bäßler**  
Wirtschaftsprüfer  
(German Public Auditor)

**Johanna Pickl**  
Wirtschaftsprüferin  
(German Public Auditor)