

2025 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 2025 fiscal year.

The 2026 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 2025 fiscal year prepared and audited in accordance with section 162 of the AktG. The remuneration report for the 2024 fiscal year was approved by the 2025 ordinary General Meeting of Shareholders of RATIONAL AG with a majority of 77.67% of the votes cast. The resolution of the 2025 General Meeting of Shareholders did not give rise to any material amendments to the remuneration report.

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 appropriately increased the maximum remuneration for Executive Board members. 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). Moreover, to present the calculation of variable remuneration

more clearly, minor additions and linguistic adjustments were made to the existing 2021 Remuneration System for Executive Board members

In terms of remuneration for the members of the Supervisory Board, the General Meeting of Shareholders of RATIONAL AG resolved the following adjustments on 14 May 2025: For the Chair of the Audit Committee, additional remuneration of 25 thousand 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 system for the Executive Board ("2024 Remuneration System") was approved by the General Meeting of Shareholders on 14 May 2025 with a majority of 77.62%. The changes to the remuneration of the Supervisory Board were resolved with a majority of 99.75%.

Both remuneration systems for Executive Board members can be accessed by following this link: rat.ag/remuneration-system-board

Here follows a summary of the 2024 Remuneration System for Executive Board members and a description of the individual remuneration components in fiscal year 2025.

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 the RATIONAL Group's strategy and to its 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 (Short-term Incentive, "STI") 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 (Long-term Incentive, "LTI"). 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 the RATIONAL Group.

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

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

The Supervisory Board has further developed the existing remuneration system and resolved its current version at its meeting on 17 December 2024. The 2024 Remuneration System is largely the same as the previous remuneration system. During the review, the Supervisory Board clarified the arrangements in the STI and LTI without changing their substance. The maximum remuneration has also been increased to reflect the changed market conditions.

The new remuneration system applied two months after its approval by the Annual General Meeting for all Executive Board members whose service contracts are newly concluded or renewed after this time.

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. Variable components are the one-year variable remuneration and the multi-year variable remuneration. The remuneration system does not specify any share ownership requirements for the Executive Board members.

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.

Components of remuneration

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	Plan type:	Target bonus
	Cap:	200% of the target amount
	Performance criteria:	Earnings after taxes as reported in the consolidated financial statements
	Performance 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
Other	Payment in individual cases when a new incumbent takes office.	
Malus and clawback rules	Restatement clawback, if published consolidated financial statements objectively contained errors and had to be corrected subsequently. Correction of variable remuneration components (STI, LTI) possible in the event of misconduct by a member of the Executive Board during the assessment period ("Grounds for Malus").	
Maximum remuneration	3,500,000 euros (previously: 2,750,000 euros) for the Chief Executive Officer and 2,500,000 euros (previously: 2,000,000 euros) each for the ordinary members of the Executive Board.	

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 in target total remuneration is approximately 10%, and the share of the LTI in target total remuneration is approximately 20% (target amount for 100% target achievement in each case).

Components of target remuneration

Fixed remuneration	Variable remuneration	
Fixed salary	STI	LTI
+ Fringe benefits		
+ Contribution to the company pension scheme		
Approx. 70%	Approx. 10%	Approx. 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 customary 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.

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 of the RATIONAL Group, as reported in the audited 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.

The Supervisory Board sets the level of earnings after taxes as reported in the consolidated financial statements that will represent 100% target achievement. The STI target amount for 100% target achievement is agreed in the service contract with Executive Board members. This target amount for the STI represents approximately 10% of target 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, approved 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 each full 2 percentage points by which earnings after taxes (as reported in the consolidated financial statements) fall short of the target set by the Supervisory Board for 100% target achievement, the grant rate for the STI is reduced by 10 percentage points. If earnings after taxes as reported in the consolidated financial statements is at or below 80% of the target, the grant rate is 0% and no STI is paid.
- For each full 2 percentage points by which earnings after taxes (as reported in the consolidated financial statements) exceeds the target set by the Supervisory Board for 100% target achievement, the grant rate for the STI is raised by 10 percentage points, up to a maximum target achievement of 120%. If earnings after taxes in the consolidated financial statements are above 120% of the target, the grant rate is not increased any further.
- To determine the amount to be paid, the grant rate derived from target achievement is multiplied by the target amount. The payment amount for the STI is capped at 200% of the STI 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. The Supervisory Board is entitled, should any extraordinary events or developments occur, e.g. the acquisition or sale of part of the company or extraordinary events or developments, to temporarily adjust the plan terms and the way target achievement is determined for the STI 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, as reported in the Annual Report for the respective fiscal year. The performance indicator ROCE is defined as EBIT / (average equity + interest-bearing borrowings + average 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 for the three-year performance period ("Target ROCE" = average ROCE of the three individual years planned). Target ROCE corresponds to 100% target achievement for the Financial LTI Component. 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:

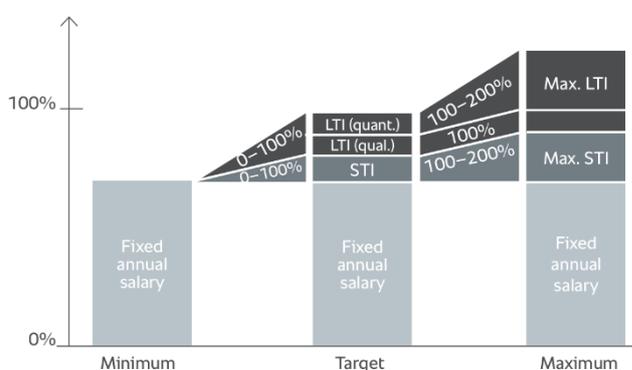
- For every full 1 percentage point by which ROCE falls short of the target figure, the grant rate of the Financial LTI Component is reduced by 10 percentage points of the target amount. If average ROCE is 10 percentage points or more below the Target ROCE, the grant rate is 0% and no Financial LTI Component is payable.

- For every full 1 percentage point by which ROCE exceeds the target figure, the grant rate of the Financial LTI Component is increased by 10 percentage points of the target amount, up to a target achievement of 200%. If average ROCE is 10 percentage points or more above the Target ROCE, the grant rate is not increased any further.
- To calculate the payment amount from the Financial LTI Component, the grant rate derived from the target achievement is multiplied by the target amount for the Financial LTI Component. The payment amount from the Financial LTI Component is capped at 200% of the target amount attributable to the Financial LTI Component.

The relevant non-financial performance criteria for the Non-financial LTI Component are established by the Supervisory Board, predominantly by 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. If target achievement is below 100%, the payment amount attributable to the Non-financial LTI Component is reduced accordingly. The target amount set for 100% target achievement 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. 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.

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.

Maximum remuneration

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

- 3,500,000 euros (previously: 2,750,000 euros) for the Chief Executive Officer and
- 2,500,000 euros (previously: 2,000,000 euros) each for the ordinary members of the Executive Board.

In March 2025, before the 2024 Remuneration System entered into force, the service contract of the CTO, Dr Martin Hermann, was extended by five years. At the end of July 2025, i.e. after the 2024 Remuneration System entered into force, the service contract of the CSMO, Markus Paschmann, was extended by three years. However, the existing contract still runs until February 2026 so that the contract extension relates to the period from March 2026 to February 2029. For these reasons, the 2024 Remuneration System was not applicable to either of them during the entire reporting year.

For the CEO, Dr Peter Stadelmann, and the CFO, Jörg Walter, it was agreed in the context of salary adjustments in the course of the year that the 2024 Remuneration System would be applicable with effect from 1 August 2025.

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.

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.

III. Individual remuneration of Executive Board members appointed in fiscal year 2025

Executive Board members in fiscal year 2025

In fiscal year 2025, the Executive Board of RATIONAL AG had the following members:

Executive Board members of RATIONAL AG in 2025

Name	Position	Executive Board member since	Contract term
Dr Peter Stadelmann	CEO	Dec. 2012 (CEO since Jan. 2014)	Nov. 2027
Dr Martin Hermann	CTO	Sep. 2022	Aug. 2030
Markus Paschmann	CSMO	Dec. 2013	Feb. 2029
Jörg Walter	CFO	Mar. 2021	Feb. 2029

Remuneration granted and owed in fiscal year 2025

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".

Fixed remuneration components

The fixed remuneration components of the Executive Board (fixed remuneration) 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 2024 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 2025)

STI 2025 is a performance-related bonus with a one-year assessment period; it is calculated in relation to profit after tax as reported in the 2025 consolidated financial statements. It accounts for 10% of total target remuneration of the Executive Board.

Profit after taxes for fiscal year 2025 amounted to 253.8 million euros (2024 target: 250.5 million euros). According to the calculation method described in the Remuneration System, this resulted in a grant rate of 170% for the 2025 reporting year (2024: 170%). The payment of 0.7 million euros (2024: 1.1 million euros) will be made in March 2026 once the 2025 consolidated financial statements have been approved.

Remuneration of Executive Board members in fiscal year 2025

in thousands of euros	Dr Peter Stadelmann		Dr Martin Hermann		Markus Paschmann		Jörg Walter	
Basic salary	1,388	61%	980	62%	1,050	61%	729	61%
Fringe benefits	48	2%	16	1%	24	1%	19	2%
Payments into pension scheme	208	9%	147	9%	158	9%	109	9%
Fixed remuneration	1,644	72%	1,143	72%	1,232	72%	857	72%
STI 2025	218	10%	154	10%	165	10%	115	10%
LTI 2023–2025	17	1%	8	1%	12	1%	7	1%
LTI 2025–2027	397	17%	280	18%	300	18%	208	18%
Performance-related remuneration	632	28%	442	28%	477	28%	330	28%
Total remuneration granted and owed	2,276		1,585		1,709		1,187	

STI 2025

Objectives	Actual 2025	Achievement in 2025	Grant rate in 2025
Earnings after taxes as reported in the consolidated financial statements ¹	253.8	102.3%	110%

¹ 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%.

Long-term performance-related remuneration (LTI 2023–2025)

LTI 2023–2025 is a performance-related remuneration component for fiscal year 2023 with a three-year assessment period from 2023 to 2025. The LTI component accounts for 20% of total target remuneration of the Executive Board for the fiscal year 2023.

In the financial statements of fiscal year 2023, an LTI 2023–2025 component of 1.3 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 2023–2025, and therefore the amount of the LTI 2023–2025 component, was finally determined on the basis of the criteria and thresholds defined by the 2021 Remuneration System applicable to all Executive Board members at the time the 2025 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 2025).

The figures presented below apply equally to all Executive Board members. The average ROCE of 38.2% exceeded the

ROCE Target of 37.2% (mean for 2023–2025) by 1.0 percentage points. The grant rate accordingly stands at 110.0%.

Non-financial targets at RATIONAL are derived from the sustainability strategy, i.e. with the focus particularly on quality, customer benefit, nutritional and environmental aspects. The definition of targets is guided by the results of the double materiality assessment in accordance with the Corporate Sustainability Reporting Directive (CSRD).

All cooking systems for which there is a category of the US Energy Star meet the criteria required to carry this label. This means that the environment-related sustainability target was met at 100% and the grant rate is accordingly 100%. The sustainability strategy, which was approved in 2022, had largely been implemented by the reporting year. Climate targets were set in 2024 and communicated in 2025. However, the topics of circular economy and water strategy had not yet been fully implemented as at the end of 2025, which is why the Supervisory Board rated achievement of this sub-target at 75%, resulting in a grant rate of likewise 75%.

Based on the target weighting, the grant rate of the LTI 2023–2025 component totals 104.4%. The difference to the remuneration already reported for fiscal year 2023 (4.4% of 2023 target remuneration), which amounts to 44 thousand euros, is added to the 2025 Executive Board remuneration (for calculation, see the table entitled "Remuneration of Executive Board members" above). The payments will be made in March 2026 once the 2025 consolidated financial statements have been approved.

LTI 2023–2025

Objectives	LTI weighting	Target achievement 2023–2025	Grant rate 2023–2025
Long-term financial performance criterion: ROCE Ø 2023–2025 ¹	75.0%	+1.0 percentage points	110.0%
Environment-related sustainability target: high energy efficiency of our cooking systems (US Energy Star ²)	12.5%	100.0%	100.0%
Sustainability strategy sustainability target: Complete implementation of the sustainability strategy by fiscal year 2025	12.5%	75.0%	75.0%
Total LTI			104.4%

¹ In the range between –10/+10 percentage points of target achievement, the grant rate increases by 10 percentage points for each full 2 percentage point rise in target achievement up to a maximum of 200%.

² US Energy Star is a US environmental label for energy-saving appliances, building materials, public/commercial buildings and 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.

Long-term performance-related remuneration (LTI 2025–2027)

LTI 2025–2027 is a performance-related remuneration component for fiscal year 2025 with a three-year assessment period from 2025 to 2027. The LTI component accounts for 20% of total target remuneration for 2025 of the Executive Board.

The LTI 2025–2027 component reported for fiscal year 2025 is 1.2 million euros (2024: LTI 2022–2026: 1.3 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 2025–2027 will be finally determined on the basis of the criteria and thresholds defined by the 2021 Remuneration System at the time the 2027 consolidated financial statements are prepared. The difference to the remuneration already reported for fiscal year 2025 will be added to the 2027 Executive Board remuneration. The payments will be made in March 2028 once the 2027 consolidated financial statements have been approved.

The LTI component will be paid out to the Executive Board members in March 2028 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 2025–2027 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 LTI prepayments and any repayments if the grant rate is below 50% are not part of the remuneration reported in the table above.

The targets presented for the LTI 2025–2027 component apply equally to all Executive Board members.

LTI 2025–2027

Objectives	LTI weighting
Long-term financial performance criterion: ROCE Ø 2025–2027 ¹	75.0%
Non-financial product quality target: MIS-12 metric for both product categories, iCombi and iVario ²	12.5%
Non-financial ConnectedCooking/online appliances target: Increase in the number of online appliances by 2027	12.5%

¹ 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 to 0%/up to a maximum of 200%.

² The MIS (months in service) metric 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).

No grounds for applying a malus or clawback in the reporting year

There were no grounds requiring the application of a malus or clawback for the 2025 fiscal year.

Compliance with maximum remuneration

In the reporting year, the maximum remuneration under the respective remuneration systems applicable amounted to 3,500,000 euros for CEO Dr Peter Stadelmann, 2,500,000 euros for CFO Jörg Walter (2024 Remuneration System for both) as well as 2,000,000 euros for CSMO Markus Paschmann and CTO Dr Martin Hermann (2021 Remuneration System for both). The maximum remuneration was not exceeded for any of the Executive Board members (see table entitled "Remuneration of Executive Board members in fiscal year 2025").

IV. Remuneration of former Executive Board members

Remuneration granted and owed in fiscal year 2025 (individualised)

In accordance with section 162 (5) sentence 2 of the AktG, the obligation to report on remuneration granted and owed to former Executive Board members on an individualised basis covers the remuneration granted up to the end of ten years after the fiscal year in which the former Executive Board member stepped down from the last office held at RATIONAL AG. Mr Peter Wiedemann retired at the end of December 2024 after 25 years on the Executive Board of RATIONAL AG. The remuneration granted to Mr Wiedemann in fiscal year 2025 amounted to 726 thousand euros and consisted of compensation payments of 714 thousand euros (98% of the remuneration) and the LTI 2023–2025 component (12 thousand euros, 2% of the remuneration).

Section 162 (5) sentence 2 of the AktG does not require remuneration granted to former Executive Board members in 2025 who had already stepped down from the last office held at RATIONAL AG before the beginning of 2016, and therefore more than ten years before the preparation of this remuneration report, to be reported on an individualised basis. The total amount was 1 thousand euros (2024: 1 thousand euros).

B. Remuneration system for Supervisory Board members

In accordance with Article 12 (1) of the Articles of Association of RATIONAL AG, the Supervisory Board members of RATIONAL AG receive appropriate remuneration, which is set by resolution of the General Meeting of Shareholders. In accordance with section 113 (3) sentence 1 of the AktG, the 2025 General Meeting of Shareholders on 14 May 2025 resolved changes to the remuneration of the Supervisory Board with a majority of 99.75% of the votes cast. This means that as from the reporting year, additional remuneration of 25 thousand euros will be paid to the Chair of the Audit Committee 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.

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 Walter Kurtz and his deputy Erich Baumgärtner receive higher remuneration 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). As Chair of the Audit Committee, Ms Clarissa Käfer is entitled to additional remuneration of 25 thousand euros.

Remuneration of Supervisory Board members in fiscal year 2025

in thousands of euros	Fixed	Other	Total
Walter Kurtz	250	25	275
Erich Baumgärtner	200	10	210
Clarissa Käfer	175	0	175
Moritz Graser	150	0	150
Dr Christoph Lintz	150	0	150
Werner Schwind	150	0	150
Dr Johannes Würbser	150	0	150
Total	1,225	35	1,260

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 %

in %	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023	2025 vs 2024
Changes in Executive Board remuneration (current and former Executive Board members)					
Dr Peter Stadelmann	+18	-4	+2	+5	-5
Dr Martin Hermann ¹⁾	–	–	+1	+9	+38
Markus Paschmann	+35	-2	+4	+11	-7
Jörg Walter ²⁾	–	+9	+11	+25	-1
Peter Wiedemann ³⁾	17	17	4	6	-59
Changes in Supervisory Board remuneration (current and former Supervisory Board members) ⁴⁾					
Walter Kurtz	+5	+2	0	0	0
Erich Baumgärtner ⁵⁾	+5	0	0	+23	+14
Clarissa Käfer ^{6) 7)}	–	–	–	–	+17
Monitz Graser ⁶⁾	–	–	–	–	0
Dr Christoph Lintz ⁶⁾	–	–	–	–	0
Werner Schwind	+5	0	0	0	0
Dr Johannes Würbser	+5	0	0	0	0
Dr Hans Maerz ⁸⁾	+5	0	0	0	–
Dr Gerd Lintz ⁸⁾	+5	0	0	0	–
Dr Georg Sick ⁸⁾	+5	0	0	0	–
Changes in employee remuneration					
Average no. of employees (FTEs) ^{9) 10)}	+10	+11	+3	+1	-2
Changes in profit/loss					
Net loss of RATIONAL AG ¹¹⁾	-65	+92	+174	+40	-10
Earnings after taxes as reported in the consolidated financial statements	+54	+50	+15	+17	+1

1 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. Following the assumption in 2025 of all the areas of responsibility of the COO Peter Wiedemann, who had stepped down as of the end of 2024, his pay was adjusted to reflect his new role.

2 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.

3 Mr Peter Wiedemann resigned from the Executive Board of RATIONAL AG on 31 December 2024. For the 2025 financial year, he received contractual compensation in the amount of €714 thousand as well as a final payment for LTI 2023–2025 in the amount of €12 thousand.

4 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.

5 Mr Erich Baumgärtner has been Deputy Chair of the Supervisory Board since May 2024, and his remuneration has been adjusted accordingly.

6 Upon election by the General Meeting of Shareholders, the individuals concerned joined the Supervisory Board of RATIONAL AG in May 2024. 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 2025.

7 As Chair of the Audit Committee, Ms Clarissa Käfer has since fiscal year 2025 received additional remuneration of 25,000 euros a year in accordance with the remuneration system applicable to Supervisory Board members since 2025.

8 The persons concerned left the Supervisory Board at the 2024 Annual General Meeting. For better comparability, the remuneration for 2024 and 2025 has been extrapolated to 12 months to take into account the time difference to 2023. Since 2025, the persons concerned have no longer received any Supervisory Board remuneration from RATIONAL AG.

9 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.

10 The decline in average remuneration of employees in fiscal year 2025 is attributable in particular to high currency effects in the translation into euros.

11 As a precaution and to preserve liquidity at our sales subsidiaries, profit distributions to RATIONAL AG 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/Germany

Audit Opinion

We conducted a formal audit of the remuneration report of RATIONAL Aktiengesellschaft, Landsberg am Lech/Germany, for the financial year from 1 January to 31 December 2025, to assess whether the disclosures required under Section 162 (1) and (2) German Stock Corporation Act (AktG) have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not audited 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: Audit of the Remuneration Report pursuant to Section 162 (3) AktG (IDW AuS 870 (09.2023)). Our responsibilities under those requirements and this standard are further described in the "Auditor's Responsibilities" section of our report. Our audit firm has applied the requirements of the IDW Quality Management Standards. 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 control as they consider necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) 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 opinion on this in a report.

We planned and conducted our audit in such a way to be able to determine whether the remuneration report is formally complete by comparing the disclosures made in the remuneration report with the disclosures required under Section 162 (1) and (2) AktG. 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/Germany, 3 March 2026

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Dirk Bäbler
Wirtschaftsprüfer

Katharina Haugg
Wirtschaftsprüferin