

## **Remuneration system for the members of the Executive Board of Enapter AG (as of 14 June 2022)**

### **A. Fundamentals and objectives**

The remuneration system for the members of the board of directors aims to remunerate the board members appropriately according to their scope of duties and responsibilities and to directly take into account the performance of each board member as well as the success of the company. The structure of the remuneration system for the members of the Executive Board of Enapter AG aims at a sustainable increase in the value of the company and success-oriented corporate management.

### **B. Procedure**

The supervisory board shall determine the remuneration system for the members of the executive board in accordance with the legal requirements in §§ 87 para. 1, 87a para. 1 AktG. If necessary, the supervisory board may call in external advisors, who are changed from time to time. When mandating them, attention is paid to their independence. The applicable regulations of the German Stock Corporation Act (AktG) and the rules of procedure of the Supervisory Board on the handling of conflicts of interest in the Supervisory Board are also observed in the procedure for establishing, implementing and reviewing the remuneration system. Should a conflict of interest arise in the course of the establishment, implementation and review of the remuneration system, the Supervisory Board will treat it in the same way as other conflicts of interest in the person of a Supervisory Board member, so that the Supervisory Board member in question will not participate in the adoption of resolutions or, in the case of a more serious conflict of interest, also in the deliberations. Should a permanent and unresolvable conflict of interest arise, the Supervisory Board member in question will resign from office. In this context, early disclosure of any conflicts of interest will ensure that decisions by the supervisory board are not influenced by improper considerations.

The remuneration system adopted by the supervisory board shall be submitted to the general meeting for approval. If the general meeting does not approve the remuneration system put to a vote, a revised remuneration system shall be submitted for resolution at the latest at the following ordinary general meeting, in accordance with § 120a para. 3 AktG.

The remuneration system is regularly reviewed by the Supervisory Board. Whenever there is a significant change in the remuneration system, but at least every four years, the remuneration system shall be submitted to the general meeting for approval in accordance with section 120a (1) sentence 1 AktG.

This remuneration system applies to the remuneration of all members of the Executive Board of Enapter AG from 1 May 2021, taking into account the amendments of 14 June 2022.

### **C. Explanations on the determination of the specific target total remuneration**

In accordance with the remuneration system, the supervisory board determines the amount of the target total remuneration for each member of the executive board for the upcoming financial year. The guideline for this, according to § 87 para. 1 sentence 1 AktG, is that the respective remuneration is in an appropriate relationship to the tasks and performance of the respective board member as well as to the situation of the company, does not exceed the usual remuneration without special reasons and is oriented towards the long-term and sustainable development of Enapter AG. For this purpose, both external and internal comparisons are made.

In the assessment, both the remuneration structure and the amount of the remuneration of the members of the Executive Board are evaluated, in particular in comparison to the external market (horizontal appropriateness) as well as to the other remuneration in the company (vertical appropriateness). For the external comparison, peer groups are used that are compiled from comparable companies in the business field of renewable energies with a focus on hydrogen/electrolysis.

In the case of vertical appropriateness, the relation of the remuneration of the members of the executive board to the average remuneration of the first group level as well as to the remuneration of the total workforce is determined internally within the company and this relation is compared with the peer group mentioned above and checked for market appropriateness, whereby the development of the remuneration over time is also taken into account. The supervisory board determines how the senior management group and the relevant workforce are to be delineated and how the remuneration is assessed in comparison.

### **D. Components of the remuneration system**

The remuneration of the Executive Board member consists of a fixed basic remuneration of up to EUR 250,000.00 p.a. payable monthly. The remuneration of the Executive Board member consists of a fixed, monthly basic remuneration of up to EUR 250,000.00 p.a., which takes into account the tasks and performance of the Executive Board members, and performance-related variable remuneration components in the form of a bonus of up to EUR 150,000.00 p.a. and stock options. A maximum of 50,000 stock options per Executive Board member may be issued to current and future members of the Executive Board of the Company for the purpose of a long-term incentive effect, which must be directed towards increasing the sustainable value of the Company in accordance with the framework conditions of the German Stock Corporation Act. According to the Stock Option Plan 2021 proposed for resolution at this Annual General Meeting, the Supervisory Board shall be authorised to issue up to 50,000 options to current and future members of the Executive Board of the Company.

Remuneration in kind and other fringe benefits are included in the non-performance-related fixed remuneration.

The remuneration may consist of third-party remuneration, i.e. remuneration is paid by the company to a company that belongs to the executive board and the executive board in turn receives remuneration from this third-party company. The principles of this remuneration system are then to be applied with regard to the payment to the third party company.

### **Target total remuneration**

(assuming that the maximum amount is reached in each case)

<b>Long-term variable remuneration (Stock options 2021)</b>	<b>Fixed remuneration (Annual fixed salary, benefits in kind and fringe benefits)</b>	<b>Short-term variable remuneration (bonus) (with 100 % target achievement)</b>
approx. 71 %	approx. 18 %	approx. 11 %

## **1. performance-independent components**

### **1.1. Annual fixed salary**

The fixed annual salary is a cash remuneration related to the respective financial year, which is based in particular on the scope of responsibility of the respective Executive Board member. The individually determined fixed income is paid out in twelve equal parts.

### **1.2. Remuneration in kind and other fringe benefits**

Remuneration in kind and other fringe benefits may include, in particular, benefits in kind such as company cars, the provision of telecommunication means, the reimbursement of business travel expenses and the continuation of remuneration in the event of illness, accident or death.

## **2. Performance-related remuneration components:**

### **2.1. Short-term variable remuneration: Bonus**

The objectives for the granting of the bonus shall primarily be based on sustainability criteria (ESG: *environmental, social and good governance*). In particular, they shall be aligned with the departmental responsibilities of the respective member of the Executive Board. A combination of financial indicators, milestones (project or company-related) and so-called "soft facts" is permissible. However, a restriction to individual categories of objectives is also permissible.

Pro rata target achievement can be provided for. The period for target achievement shall be between one and three business years.

## **2.2. Long-term variable remuneration: Share options 2021**

Pursuant to section 87a, paragraph 1, sentence 2, no. 7 of the German Stock Corporation Act (AktG), in the case of share-based remuneration, the remuneration system shall contain the time limits, the conditions for holding shares after acquisition and an explanation of how this remuneration contributes to the promotion of the business strategy and the long-term development of the company.

The key data for the share-based variable remuneration component in the form of share options under the 2021 share option plan are as follows:

The group of beneficiaries of the options available for issue in the amount of up to 2,310,130 also includes current and future members of the Executive Board of the Company, who are entitled to up to 20% of the options.

The options will be exercisable at the earliest 4 years after they are granted, provided that the performance target has been achieved.

In principle, the options can be offered to the beneficiaries for purchase once or in several tranches until 5 May 2026.

The share option programme 2021 contributes to the promotion of the business strategy and the long-term development of the company insofar as the exercise of the options is made dependent on the achievement of the goal of reducing the material input costs for electrolysers manufactured by the Enapter Group on the basis of the anion exchange membrane technology. Furthermore, based on such a cost structure for the electrolysers, the goal of competitiveness with fossil fuels can be achieved according to current estimates.

Within the framework of the stock options, individual arrangements are to be made with beneficiary members of the Executive Board to ensure that the corresponding resulting remuneration does not exceed the maximum remuneration.

## **E. Determination of the maximum remuneration**

Pursuant to section 87a, paragraph 1, sentence 2, no. 1 of the German Stock Corporation Act (AktG), it is necessary to determine the maximum remuneration of the members of the Executive Board in the Executive Board remuneration system. The maximum remuneration is determined for the members of the Executive Board as follows and is based on the maximum possible non-performance-related remuneration components and the performance-related remuneration components.

There is an Executive Board service agreement between Enapter AG and Mr Sebastian-Justus Schmidt. Mr Schmidt does not receive a basic annual salary. In

