

Remuneration Report

Remuneration Report in accordance with Section 162 of the German Stock Corporation Act

The remuneration report, prepared jointly by the Executive Board and the Supervisory Board of GRAMMER AG in accordance with Section 162 of the German Stock Corporation Act (AktG), describes the basic features of the remuneration system for both the Executive Board and the Supervisory Board. The remuneration report provides information on the remuneration awarded and due to current and former members of the Executive Board and Supervisory Board in the fiscal year 2022 in accordance with the remuneration system applicable for the fiscal year 2022. The report takes into account the recommendations and suggestions of the German Corporate Governance Code (GCGC) in the version dated April 28, 2022 (published in on June 27, 2022).

In accordance with Section 162 (3) AktG, Ernst & Young Wirtschaftsprüfungsgesellschaft has formally audited the remuneration report. The remuneration report and the note regarding the audit are published on the website of GRAMMER AG (www.grammer.com).

On May 10, 2023 the remuneration report is to be submitted to the Annual General Meeting for approval in accordance with the requirements of Section 120a (4) AktG.

The Executive Board and Supervisory Board of GRAMMER AG submitted the remuneration report for fiscal year 2021 prepared in accordance with section 162 of the German Stock Corporation Act (AktG) to the Annual General Meeting on May 18, 2022 for resolution. It has been approved with a 99.77% approval rate. The Executive Board and Supervisory Board of GRAMMER AG regard this high approval rate as a clear confirmation of the form and content of the remuneration report and will therefore maintain the previous structure when preparing the remuneration report for fiscal year 2022.

1. Review of the fiscal year 2022

Despite the challenging economic environment in fiscal year 2022, in particular triggered by the effects of the Covid-19 pandemic as well as the war in Ukraine and the associated rising raw material, material and energy prices, the GRAMMER Group was able to report a positive revenue development. The company achieved consolidated earnings before interest and taxes (EBIT) in the amount of EUR -45.0 million. This result was negatively impacted especially by the impairment in the Americas region, which was necessary due to the increased interest rate level. By contrast, operating EBIT improved to EUR 35.5 million on a year-on-year basis.

In fiscal year 2022, the Supervisory Board and the Chief Executive Officer of GRAMMER AG, Thorsten Seehars, mutually agreed to terminate Thorsten Seehars' appointment as of May 31, 2022. As of June 01, 2022, Jens Öhlenschläger was appointed Spokesman of the Executive Board, while Jurate Keblyte took over the duties of Labor Director. In the further course of the fiscal year, the Supervisory Board decided not to appoint a third Executive Board member, so that from June 01, 2022 the Executive Board consisted of two people.

Alfred Weber and Dr. Peter Merten retired from the Supervisory Board at the end of the Annual General Meeting on May 18, 2022. Instead, Dagmar Rehm and Dr. Martin Kleinschmitt were elected to the Supervisory Board by the Annual General Meeting. Dr. Martin Kleinschmitt took over as Chairman of the Supervisory Board.

To secure the 2022 annual results, the Supervisory Board and the members of the Executive Board in office on December 31, 2022 agreed to pay out only half of the remuneration owed under the STI 2022, which constitutes a waiver in the amount of 50%. In addition, the members of the Supervisory Board in office on December 31, 2022 have waived 10% of their fixed remuneration (excluding committee remuneration) as a contribution to achieving the annual result.

2. Overview of the Remuneration system of the Executive Board

2.1 Principles

On June 23, 2021 the current remuneration system for the members of the Executive Board of GRAMMER AG was approved by the Annual General Meeting with an approval rate of 99.89% and has been in place since the fiscal year 2021 for all active members of the Executive Board.

The remuneration system adopts a clear pay-for-performance approach, setting ambitious targets that are aligned with the corporate strategy. In addition, the remuneration system is more closely oriented to the capital market by offering a revised Long-term incentive in the form of a performance share plan. Among other things, the Short-term incentive includes ESG objectives, i.e. environmental aspects, social objectives, and responsible corporate governance, in order to provide an incentive for sustainable and responsible development at GRAMMER AG.

The principles of the new remuneration system are explained below.

2.2 Remuneration elements

The remuneration system of the Executive Board of GRAMMER AG consists of both fixed and variable components. In this context, a high proportion of the remuneration is performance-related. The variable remuneration components comprise a Short-term incentive (STI) and a Long-term incentive (LTI). The table below shows the main principles of the remuneration system.

Fixed components

Fixed remuneration	Contractually agreed fixed remuneration paid in twelve equal monthly installments
Ancillary benefits	Standard ancillary benefits (including company car and insurance cover)
Retirement benefits	Cash amount that can be used by the member of the Executive Board for private pension savings

Variable components

Short-term incentive (STI)

Plan type	Annual target bonus plan
Cap	170% of the target amount
Performance criteria	<ul style="list-style-type: none"> • Net income, EBIT or EBT (determined annually by the Supervisory Board) • Free cash flow (FCF) • Strategic and ESG goals, e.g. compliance, environmental protection, economic stability and growth
Payment	In cash after the end of the financial year

Long-term incentive (LTI)

Plan type	Performance share plan
Cap	200% of the target amount
Performance criteria	<ul style="list-style-type: none"> • Total shareholder return (TSR) relative to the SDAX • ROCE
Performance period	Four years
Payment	In cash after four-year performance period

Further contractual provisions

Maximum remuneration	<ul style="list-style-type: none"> • EUR 2,700,000 for the Chairman of the Executive Board • EUR 1,800,000 for the other members of the Executive Board
Penalty / claw-back	Possibility of reducing or reclaiming performance-related remuneration in the event of serious breaches of duty or misstatements in the consolidated financial statements
Cap on terminations benefits	Termination benefits may not exceed the value of two years' total remuneration

Fixed remuneration

The fixed remuneration is paid in twelve equal monthly installments at the end of each month. The members of the Executive Board do not receive any separate remuneration for accepting intra-Group mandates.

Benefits in kind

The members of the Executive Board are granted customary ancillary benefits such as insurance benefits in line with market practice as well as a company car.

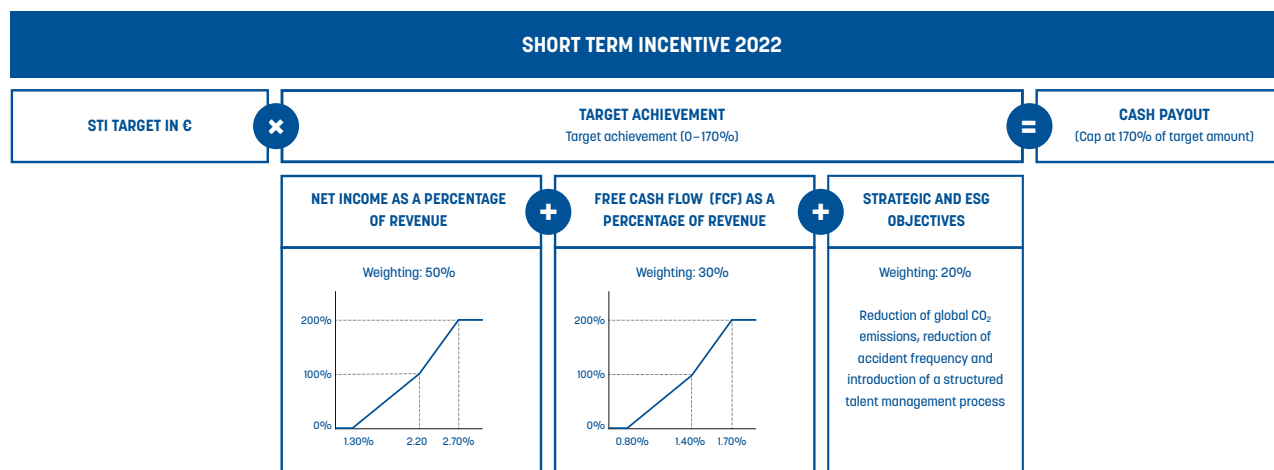
Pension substitute payment

Pension substitute payments are granted to the members of the Executive Board. This cash amount will be paid in December and can be used for private retirement provisions. A company financed pension plan does not exist.

Short-term incentive

The Short-term incentive is structured as a target bonus system and includes financial, strategic, and ESG targets. The financial performance criteria are derived directly from the corporate strategy and thus take into account the company's profitability and liquidity. In addition, the strategic and ESG objectives are intended to ensure the sustainability of the company's development.

The Short-term incentive (STI) 2022 complies with the remuneration system of GRAMMER AG, approved by the Annual General Meeting, and is described in the graphic below:



The Supervisory Board set EBIT (Earnings before Interest and Taxes) and Free Cash Flow, each as a percentage of revenue, as financial performance criteria for the STI and determined the individual weightings for the fiscal year 2022. Thus, the Supervisory Board considers profitability and liquidity of GRAMMER AG and supports the implementation of the corporate strategy through the use of these core performance indicators.

EBIT as a percentage of revenue (50%) and Free Cash Flow (30%) are weighted at 80% of the total.

For strategic and ESG objectives the reduction of global CO₂-emissions in terms of annual revenue, the reduction of

accident frequency (LTIFR = Lost time incident frequency rate), continuation of a structured talent management process as well as succession planning taking into account a medium-term diversity target rate. Those strategic and ESG criteria were selected by the Supervisory Board from a catalog of criteria derived from the materiality analysis of sustainability reporting. Strategic and ESG targets are weighted at 20%. The individual targets were equally weighted at 6.7%.

For all performance criteria, a target achievement between 0% and 200% can be achieved. Target achievements at intermediate values are interpolated linearly.

The following table shows target achievements and objectives for every performance criteria which is part of the Short Term Incentive for the fiscal year 2022:

STI 2022

	Weighting	Lower threshold	Target value	Upper threshold	Actual value	Target achievement
Earnings before Interest and Taxes (EBIT) (EBIT as % of revenue)	50%	1.30%	2.20%	2.70%	-2.10%	0%
Free Cash Flow as % of revenue	30%	0.80%	1.40%	1.70%	1.4%	100%
Reduction of global CO ₂ emissions in terms of revenue	6.7%	Previous year's value	-5% compared to previous year's value	-15% compared to previous year's value	45 g	200%
Reduction of accident frequency (LTIFR)	6.7%	200% target from 2021	-10% compared to previous year's value 200% target from 2021	-20% compared to previous year's value 200% target from 2021	3.33	200%
Introduction of a structured talent management process	6.7%	Qualitative assessment of the supervisory board				110%
Total target achievement						64%

The basis for STI payments is the STI target amount specified in the service contracts, which is multiplied by overall target achievement of the financial, strategic, and ESG performance criteria. The STI payment is made in cash and capped at 170% of the STI target amount.

This results in the following target and payout amounts for the 2022 short term incentive:

Target and payout amounts STI 2022

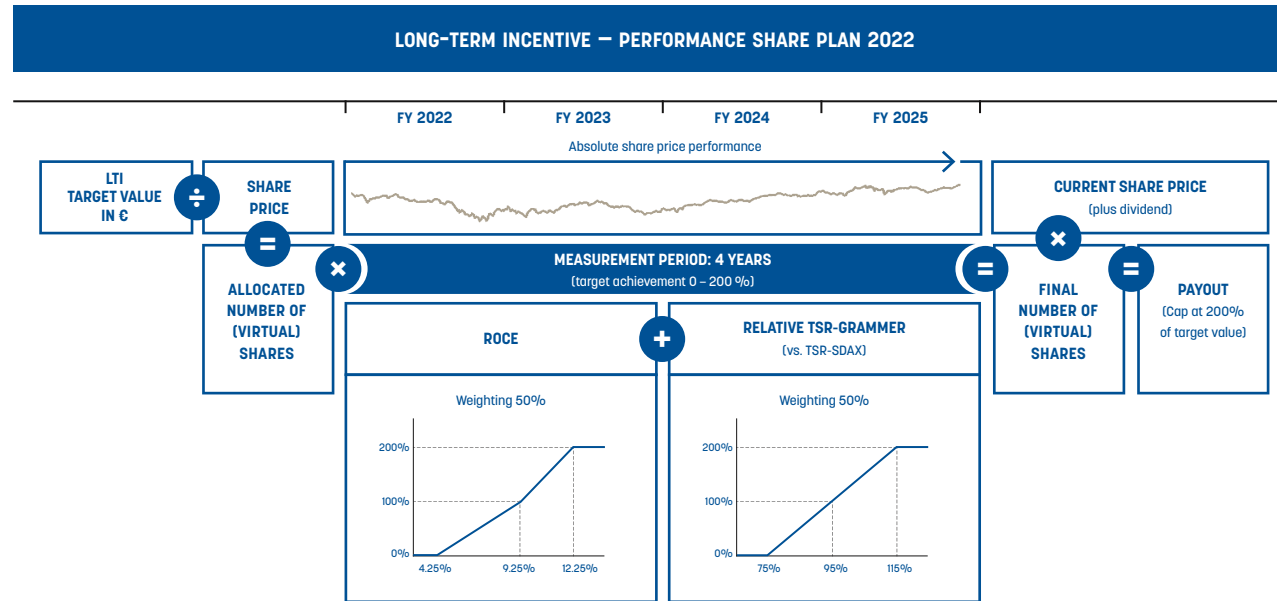
	Target value in EUR k	Target achievement in %	Calculated amount in EUR k	Payout in EUR k
Thorsten Seehars ¹	135	64	87	87
Jurate Keblyte ²	230	64	147	74
Jens Öhlenschläger ²	230	64	147	74

¹ Pro rata temporis target amount due to termination of Executive Board mandate as of May 31, 2022.

² It was agreed between the Supervisory board and the members of the Executive Board in office on December 31, 2022 to pay out only half of the remuneration due under the STI 2022, which constitutes a waiver in the amount of 50%.

Long-term incentive – Performance Share Plan

The Long-term incentive (LTI) 2022 is structured as a Performance Share Plan and corresponds to the remuneration system of GRAMMER AG approved by the Annual General Meeting.



With a performance period of four years, the LTI is geared towards the long-term development of GRAMMER AG and, through its orientation to the share price, provides an incentive for achieving continuous growth in enterprise value. By additionally taking into account the Company's share performance relative to the SDAX, the interests of the Executive Board and shareholders are further aligned and GRAMMER AG's competitiveness in the capital market enhanced.

Under the performance share plan, a number of virtual shares are contingently allocated at the beginning of the performance period. The number of virtual shares is determined by dividing the LTI target by the arithmetic mean of the closing prices for the GRAMMER AG share over the last 60 trading days before the start of the performance period (initial reference price).

For the performance share plan 2022 the following allocations of virtual shares were made:

LTI tranche 2022 allocations

	Target value in EUR k	Initial reference price in EUR	Number of virtual shares
Thorsten Seehars ¹	229	19.10	11,990
Jurate Keblyte	370	19.10	19,372
Jens Öhlenschläger	370	19.10	19,372

¹ Pro rata temporis target amount due to termination of Executive Board mandate at the end of May 31, 2022.

In addition to the virtual share's performance target achievement is determined by the Return on Capital Employed (ROCE) and the relative total shareholder return (TSR).

ROCE is the ratio of earnings before interest and taxes (EBIT) reported for the applicable financial year to average operating assets in the same financial year, expressed as a percentage. ROCE provides an incentive for maximizing the long-term profitability and efficiency of GRAMMER AG's business activities. It is measured as an average over the performance period. For ROCE, the target for each LTI tranche is derived from the long-term forecast.

The relative total shareholder return (TSR) is based on GRAMMER AG's share performance as well as (notionally) reinvested dividends in comparison with the SDAX and thus places a particular focus on the development of the Company's enterprise value as

well as its capital market orientation. This particularly strengthens the alignment between the interest of the Executive Board and those of the shareholders.

For the performance share plan's 2022 tranche the following target achievements for ROCE and relative TSR have been agreed on:

LTI tranche 2022 targets

	Lower threshold	Target value	Upper threshold
	0%	100%	200%
ROCE	4.25%	9.25%	12.25%
Relative TSR	75%	95%	115%

The final number of virtual shares reached at the end of the performance period is multiplied by the arithmetic mean of the closing prices of the GRAMMER AG share during the last 60 trading days prior to the end of the performance period 2025 plus dividends paid per GRAMMER AG share during the performance period. The resulting payout amount is limited to 200% of the LTI target amount. Payout is in cash and will be described in the remuneration report in 2025.

In 2019 and 2020, the members of the Executive Board have been promised Long-Term Incentives in the form of a performance cash plan. The relative total shareholder return compared with the SDAX is also taken into account. Instead of ROCE GRAMMER Economic Value Added (EVA) is used. In March 2020, in view of the economic impacts of the COVID-19 pandemic on the company,

the members of the Executive Board waived the allocation of their 2020-2023 LTI tranche and the grants already allocated for the 2019-2022 LTI tranche. Hence, no remuneration awarded or due under the Long-Term Incentive is currently to be reported within the meaning of Section 162 AktG.

Malus und Clawback

The remuneration system includes malus and clawback provisions, which allow the Supervisory Board, in certain cases, to reduce variable remuneration components that have not yet been paid (malus) or reclaim variable remuneration components that have already been paid (clawback).

In the event of a significant breach of duty or a compliance violation on the part of a member of the Executive Board, the Supervisory Board may reduce the variable remuneration components (STI or LTI) in part or in full at its due discretion (malus). If variable remuneration components have already been paid, the Supervisory Board may also demand partial or full repayment of the variable remuneration amounts received in such cases (clawback).

If variable remuneration components are determined or paid on the basis of incorrect data, e.g. misstatements in the consolidated financial statements, the Supervisory Board may correct the determination or reclaim the remuneration components already paid.

This does not prejudice the Executive Board member's potential liability towards the Company for damages under Section 93 (2) AktG.

For fiscal year 2022, the Supervisory Board did not see any reason to make any reductions or claims for repayment against members of the Executive Board.

Termination of the service contract

In the event of the premature termination of the service contract with a member of the Executive Board other than for good cause, payments to members of the Executive Board may not exceed the value of two years' worth of total remuneration and may not exceed the total remuneration for the remaining term of the service contract. The total annual remuneration as defined above comprises the fixed remuneration, the STI, the LTI and the pension substitute payment. If the service contract is terminated for good cause for reasons for which the member of the Executive Board is responsible, no LTI payments are made to him or her.

In the event of incapacity due to illness or accident, the member of the Executive Board concerned receives fixed remuneration for a further nine months. If the member of the Executive Board is entitled to illness-related benefits from third parties (e.g. sick pay), the claims are reduced accordingly. In the event of protracted incapacity over more than six months, the target STI and LTI amounts are reduced on a time-prorated basis.

In the event of the death of a member of the Executive Board, the surviving dependents (spouse and dependent children) continue to receive fixed remuneration for the month of death (time-proportionate) as well as for a further period of six months starting at the end of the month of death as joint creditors.

In the event of premature termination of the service contract, any outstanding variable remuneration components attributable to the period up until the date of termination of the contract are paid on the basis of the originally agreed targets and performance criteria on the due dates specified above. There is no early payout, i.e. for Thorsten Seehars the variable remuneration for the fiscal years 2021 and 2022 will only be paid out after the end of the respective performance periods.

All entitlement accruing under outstanding LTI tranches lapse without any remuneration if the service contract is terminated by the Company before the end of the performance period for good cause for which the member of the Executive Board concerned is responsible, his or her appointment is revoked due to gross breach of duty, or he or she steps down other than for good cause and without the Company's consent. Notwithstanding this, all outstanding LTI tranches are settled immediately at the agreed targets (100% target achievement) and paid to the member of the Executive Board or his or her heirs if the service contract lapses due to disability or the death of the member of the Executive Board.

Due to the premature termination of the service contract at the end of May 31, 2022, Thorsten Seehars was paid a severance payment of €2,160,000 under the provisions described above. The service contract was originally concluded until August 31, 2026. The severance payment is therefore limited to the value of two years' total remuneration.

2.3 Individual disclosure of the Executive Board remuneration Target remuneration

When determining the specific target total remuneration of the members of the Executive Board, the Supervisory Board ensures that it is commensurate with the duties and performance of the member of the Executive Board in question and the Company's situation and thus conforms to the requirements of the German Stock Corporation Act and the recommendations of the GCGC. The target total remuneration is set at a level that ensures competitiveness in the market for highly qualified executives but does not exceed the customary remuneration in the absence of any special justification.

To ensure this, the Supervisory Board regularly reviews the target total remuneration of the members of the Executive Board of GRAMMER AG. External as well as internal comparisons are applied for this purpose: On the one hand, an external comparison is made with companies that are comparable in terms of size, coun-

try, and sector. Hence, the Supervisory Board performed a comparison with the companies listed on the SDAX.

In addition, an internal comparison is used to assess the remuneration structure within GRAMMER AG. For this purpose, the remuneration of the Executive Board is compared with the two highest pay scale groups and the non-pay scale employee remuneration, and the status quo of and changes in these ratios over time are analyzed.

The target remunerations were increased for the two members of the Executive Board, Jurate Keblyte and Jens Öhlenschläger, in the variable remuneration elements as of January 2022 in order to make the remuneration competitive in the long term. Thorsten Seehars' remuneration was also increased effective January 2022. The increases had already been contractually agreed when the remuneration system was revised in 2020/21 with the corresponding contractual adjustment and appointment in 2021.

The following table presents the target remuneration for the fiscal year 2022 and the relative share of every remuneration component for the fiscal year 2021:

Target remuneration

	Thorsten Seehars CEO Executive Board Member from August 1, 2019 - May 31, 2022			Jurate Keblyte Executive Board Member Executive Board Member since August 1, 2019			Jens Öhlenschläger Executive Board Member Spokesman of the Executive Board since June 1, 2022 Executive Board Member since January 1, 2019		
	2022¹		2021	2022		2021	2022		2021
	in EUR k	in %	in EUR k	in EUR k	in %	in EUR k	in EUR k	in %	in EUR k
Fixed remuneration	292	40	575	390	34	353	390	34	353
Benefits in kind	6	1	15	24	2	24	25	2	27
Pension substitute payment	67	9	160	125	11	125	125	11	125
Short-term variable remuneration	135	19	319	230	20	195	230	20	195
Short-term incentive 2021	–	–	319	–	–	195	–	–	195
Short-term incentive 2022	135	–	–	230	–	–	230	–	–
Long-term variable remuneration	229	31	404	370	32	247	370	32	247
Long-term incentive 2021–2024	–	–	404	–	–	247	–	–	247
Long-term incentive 2022–2025	229	–	–	370	–	–	370	–	–
Total remuneration	729	100	1,473	1,139	100	944	1,140	100	947

¹ Pro rata temporis target compensation due to termination of Executive Board mandate at the end of May 31, 2022.

Remuneration Awarded and Due

The following table shows the remuneration awarded and due individually for the fiscal year 2022 in accordance with Section 162 AktG (fixed remuneration, short-term incentive, long-term incentive, expenses for benefits) and their relative share. The term "remuneration awarded and due" describes remuneration

for which the underlying activity has been fully performed as of the end of fiscal year 2022.

In addition, the remuneration awarded and due in fiscal year 2021 is presented.

Remuneration awarded and due for the fiscal year

	Thorsten Seehars CEO Executive Board Member from August 1, 2019 - May 31, 2022			Jurate Keblyte Executive Board Member Executive Board Member since August 1, 2019			Jens Öhlenschläger Executive Board Member Spokesman of the Executive Board since June 1, 2022		
	2022		2021	2022		2021	2022		2021
	in EUR k	in %	in EUR k	in EUR k	in %	in EUR k	in EUR k	in %	in EUR k
Fixed remuneration	292	11	575	390	64	353	390	64	353
Benefits in kind	6	0	15	24	4	24	25	4	27
Pension substitute payment	67	3	160	125	20	125	125	20	125
Short-term variable remuneration	87	3	121	74	12	74	74	12	74
Short-term incentive 2021 ¹	-	-	121	-	-	74	-	-	74
Short-term incentive 2022	87	-	-	74	-	-	74	-	-
Long-term variable remuneration	0	0	0	0	0	0	0	0	0
Long-term incentive 2018 - 2021 ²	-	-	0	-	-	0	-	-	0
Long-term incentive 2019 - 2022 ³	0	-	-	0	-	-	0	-	-
Other ⁴	2,196	83	-	-	0	-	-	0	-
Remuneration awarded and due in accordance with Section 162 AktG	2,648	100	871	613	100	576	614	100	579

¹ It was agreed between the Supervisory Board and the members of the Executive Board in office on December 31, 2022 to pay out only half of the remuneration due under the STI 2022, which constitutes a waiver in the amount of 50%.

² Due to joining the Executive Board in 2019, the members of the Executive Board did not receive an allocation of the 2018 LTI tranche.

³ In March 2020, the members of the Executive Board waived the previously allocated 2019-2022 LTI tranche in view of the economic impact of the COVID-19 pandemic on the company.

⁴ Severance pay and legal fees.

Maximum remuneration

Appropriate remuneration for members of the Executive Board is ensured by two types of caps: Firstly, a maximum cap of 170% on the STI and 200% on the LTI relative to the respective target amount is set for the variable components.

Secondly, pursuant to Section 87a (1) sentence 2 No 1 AktG, the Supervisory Board has defined maximum remuneration which caps the total amount of remuneration paid out for a given financial year irrespective of the date payment. The maximum remuneration amounts to EUR 2,700,000 for the Chairman of the Executive Board and EUR 1,800,000 for the other members of the Executive Board.

Maximum remuneration for fiscal year 2022

EUR k

	Thorsten Seehars CEO (until May 31, 2022)	Jurate Keblyte Executive Board Member (since August 1, 2019)	Jens Öhlenschläger Executive Board Member Spokesman of the Executive Board (since June 1, 2019)
	in EUR k	in EUR k	in EUR k
Fixed remuneration 2022	292	390	390
Benefits in kind 2022	6	24	25
Retirement benefits 2022	67	125	125
Short-term incentive 2022	87	74	74
Payout limit for the Performance Share Plan (2022–2025)	458	740	740
Maximum Value of the remuneration for the fiscal year 2022	910	1,353	1,354
Maximum remuneration Section 87a (1) sentence 2 No 1 AktG	2,700	1,800	1,800

The total of all expenses resulting from commitments for the fiscal year 2022 can only be determined after the four-year performance period of the Performance Share Plan 2022 (LTI 2022 – 2025). However, it can already be ruled out that the maximum remuneration pursuant to Section 87 (1) sentence 2 No 1 AktG will be exceeded, as even if the Performance Share Plan were to pay out 200% of the target amount (cap), the total of all remuneration components would be below the maximum remuneration:

3. Remuneration System for the Supervisory Board

For each full year of membership, each member of the Supervisory Board receives fixed remuneration that is paid after the end of the year in question. In addition, the members of the committees, with the exception of the Nominating Committee and the Presiding Committee, receive fixed remuneration for each full fiscal year of their membership of the respective committee. The members of the Supervisory Board receive a fixed attendance fee for each Supervisory Board meeting and for each committee meeting they attend in person. The attendance fee is not paid for participation in meetings of the Nominating Committee. Members of the Supervisory Board or a committee for only part of the fiscal year receive fixed remuneration on a pro rata basis. Remuneration is differentiated by function and is based on the recommendations of the GCGC. In addition, the Company shall reimburse the members of the Supervisory Board for expenses incurred in the performance of their duties, including any value-added tax payable on the remuneration and the reimbursement of expenses.



The following table presents the remuneration awarded and due individually for members of the Supervisory Board for the fiscal years 2022 and 2021 as well as their relative share of total remuneration.

Supervisory Board remuneration

	2022					2021				
	Fixed remuneration ¹		Attendance fees		Total remuneration	Fixed remuneration		Attendance fees		Total remuneration
	in EUR k	in %	in EUR k	in %	in EUR k	in EUR k	in %	in EUR k	in %	in EUR k
Dr. Martin Kleinschmitt Chairman of the Supervisory Board (since May 18, 2022)	57	80	14	20	71	0	0	0	0	0
Horst Ott (Deputy Chairman of the Supervisory Board)	49	71	20	29	69	45	69	20	31	65
Klaus Bauer	32	76	10	24	42	30	81	7	19	37
Andrea Elsner	42	74	15	26	57	30	71	12	29	42
Dr. Ping He	32	76	10	24	42	30	81	7	19	37
Martin Heiss	42	69	19	31	61	30	65	16	35	46
Peter Kern	32	76	10	24	42	30	81	7	19	37
Jürgen Kostanjevec	32	76	10	24	42	30	81	7	19	37
Dagmar Rehm (since May 18, 2022)	32	82	7	18	39	0	0	0	0	0
Gabriele Sons	39	68	18	32	57	30	68	14	32	44
Prof. Dr. Birgit Vogel-Heuser	35	76	11	24	46	30	83	6	17	36
Antje Wagner	42	78	12	22	54	30	71	12	29	42
Former Supervisory Board Members										
Alfred Weber Chairman of the Supervisory Board (until May 18, 2022)	41	75	14	25	55	60	63	35	37	95
Dr. Peter Merten (until May 18, 2022)	23	74	8	26	31	30	63	18	38	48

¹ The members of the Supervisory Board in office as of December 31, 2022 have waived 10% of the fixed remuneration to which they are entitled in accordance with section 20 (1) of the Articles of Association of GRAMMER AG (only fixed remuneration for Supervisory Board activities, no waiver of fixed remuneration for committee activities).

All members of the Supervisory Board in office as of December 31, 2022 have waived 10% of their fixed compensation in fiscal year 2022 as a contribution to achieving the annual result. This does not include the additional fixed compensation for committee memberships.

4. Comparative presentation of remuneration and earnings development

The table below describes the development of the remuneration awarded and due of present and former members of the Executive Board and the Supervisory Board in accordance with Section 162 AktG, the development of the average employee remuneration, as well as the performance development of GRAMMER AG over the past two years.

The average personnel expenses (IFRS) on a full-time equivalent basis are used for employee remuneration. For this purpose, employees in Germany are taken into account.

Net income is used as the earnings indicator, as it is a key performance indicator and an indicator of the profitability of business activities. Net income also serves as a possible performance target in the STI.

Comparative presentation

	2022 in EUR k	2021 in EUR k	Change 2022 / 2021 in %	Change 2021 / 2020 in %
Executive Board members				
Thorsten Seehars (until May 31, 2022)	2,648	871	204	20
Jurate Keblyte	613	576	6	32
Jens Öhlenschläger	614	579	6	23
Supervisory Board members				
Dr. Martin Kleinschmitt (Chairman of the Supervisory Board / since May 18, 2022)	71	0	n/a	n/a
Horst Ott (Deputy Chairman of the Supervisory Board)	69	65	6	-4
Klaus Bauer	42	37	14	164
Andrea Elsner	57	42	36	-2
Dr. Ping He	42	37	14	90
Martin Heiss	61	46	33	0
Peter Kern	42	37	14	90
Jürgen Kostanjevec	42	37	14	90
Dagmar Rehm (since May 18, 2022)	39	0	n/a	n/a
Gabriele Sons	57	44	30	87
Prof. Dr. Birgit Vogel-Heuser	46	36	28	0
Antje Wagner	54	42	29	5
Alfred Weber (Chairman of the Super- visory Board / until May 18, 2022)	55	95	-42	87
Dr. Peter Merten (until May 18, 2022)	31	48	-35	14
Employees				
Average	70	71	-1	2
Earnings performance				
Net Income Group	-78,561	646	-12,261	n/a
Net Income GRAMMER AG	-56,316	-2,400	-2,247	97