



Thursday, 22 June 2023

Annex to agenda item 10 – remuneration system for members of the Administrative

1.

Remuneration components and contribution to the promotion of the business strategy and long-term development of GFT Technologies SE

Remuneration for members of the Administrative Board is structured as a purely fixed remuneration. No performance-related remuneration is granted.

The fixed remuneration for each financial year is €50,000.00 for members of the Administrative Board, €200,000.00 for the Chairman of the Administrative Board and €75,000.00 for the Deputy Chairman of the Administrative Board. Members of the Administrative Board who only served on the Administrative Board for part of the financial year, receive one-twelfth of fixed remuneration for each month of their membership they commenced. In addition, the company reimburses the members of the Administrative Board for any value added tax payable on their fixed remuneration and on the reimbursement of their out-of-pocket expenses.

In addition to their fixed remuneration as a member of the Administrative Board, the members of the Audit Committee receive an attendance fee. This amounts to €8,000.00 for the Chairman of the Audit Committee for each meeting he attends and €4,000.00 for each other member of the Audit Committee for each meeting he attends.

A higher amount of remuneration is granted to the Chairman of the Administrative Board and his deputy. This takes adequate consideration of the high time commitment, in particular, of the Chairman of the Administrative Board.

In the opinion of the Administrative Board, a purely fixed remuneration system for its members, supplemented by an attendance fee for members

of the Audit Committee, is considered the most appropriate way to reflect the Administrative Board's management, advisory and supervisory functions. A purely fixed remuneration system does not encourage inappropriate risk-taking and ensures that the Administrative Board bases its decisions solely on the long-term welfare of the company.

In view of the additional workload involved in meetings of the Audit Committee, an appropriate attendance fee is paid to its members. The Chairman of the Audit Committee receives a higher attendance fee in order to adequately reflect the additional time commitment.

The Managing Directors, who are responsible for the operational business of the company, receive remuneration in accordance with the remuneration system for Managing Directors. In addition to fixed remuneration, this system also provides for performance-related remuneration. With this in mind, those members of the Administrative Board who are appointed as Managing Directors do not receive any remuneration for their office as Administrative Board members. The Administrative Board is of the opinion that this arrangement is best suited to promoting the business strategy and long-term development of the company.

The company insures the members of the Administrative Board against civil and criminal claims, including in each case the costs of legal defence in connection with the performance of their mandates (D&O insurance), to the customary extent and at its own expense.



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2. Procedure

The Administrative Board reviews the remuneration system for the members of the Administrative Board and the specific remuneration as required and at least once every four years, whereby committees are not currently included. If it considers it to be useful, the Administrative Board will entrust a committee to prepare the review in the future. The Administrative Board shall make any necessary changes. It shall submit the remuneration system for the members of the Administrative Board and a resolution proposal regarding remuneration to the Annual General Meeting for approval whenever changes are made, but no later than every four years. A confirmatory resolution on the remuneration system for the members of the Administrative Board and the remuneration regulation is permissible. If the Annual General Meeting does not approve the remuneration system put to the vote, a revised remuneration system shall be submitted to the following Annual General Meeting at the latest.

When reviewing the remuneration system for members of the Administrative Board, the Administrative Board shall continue to take into

account that remuneration is commensurate with the tasks of the members of the Administrative Board and the situation of the company. It shall also review whether the remuneration is in line with market practice. This review is based on a horizontal remuneration comparison using the remuneration data of listed companies with a comparable market position (in particular industry, size, country) and complexity. As the activities of the Administrative Board are fundamentally different from the activities of the employees of the company and the Group and the remuneration of the Administrative Board is also of a corporate nature, a so-called vertical comparison with employee remuneration is not performed when reviewing and setting remuneration.

It is in the nature of the system that the Administrative Board is involved in the structuring of the remuneration system. This conflict of interest, which is inherent in the system, is countered by the fact that the decision on remuneration is by law taken by the Annual General Meeting.