

## ANNUAL GENERAL MEETING OF BIOTEST AG ON 2 JULY 2025

### **EXPLANATIONS REGARDING AGENDA ITEM 9 - Remuneration system for the members of the Management Board**

In accordance with Section 120a AktG, the Annual General Meeting of a listed company must pass a resolution on the remuneration system for the members of the Management Board whenever a material change is made, but at least every four years. The previous remuneration system for the Management Board of Biotest AG was last approved by the Annual General Meeting on 11 May 2021 with 99.97% of the valid votes cast.

The Supervisory Board reviewed the remuneration system for the Management Board with regard to its suitability in relation to the tasks of the Management Board members and the situation of the company, as well as its market conformity. Based on the results of the review, the Supervisory Board revised individual components of the remuneration system. In particular, the variable remuneration was aligned even more closely with the company's strategic objectives in order to promote the long-term and sustainable development of the company in the best possible way. It is also ensured that the remuneration system is in line with current market practice and complies with regulatory requirements.

The revised remuneration system will enter into force on 1 January 2025, subject to approval by the Annual General Meeting.

#### **1. The remuneration system at a glance**

##### **1.1 Changes to the revised remuneration system**

The changes to the revised remuneration system compared to the previous remuneration system can be summarized and explained as follows:

<b>Component</b>	<b>Amendment</b>	<b>Reason</b>
Variable remuneration (Short-Term and Long-Term Incentive - STI and LTI)	<p>Flexibility in the selection of performance criteria</p> <p>The revised remuneration system provides for different categories of performance criteria for the variable remuneration (STI and LTI) as well as ranges for the weighting of the categories. The STI includes financial, strategic and individual targets. The LTI takes into account financial targets, sustainability targets and strategic targets. At the beginning of a financial year, the Supervisory Board sets strategy-relevant targets and their weighting for the STI and LTI. In doing so, the Supervisory Board ensures that the targets in the STI and LTI are different.</p>	<p>The categories for the performance criteria offer the Supervisory Board flexibility to link the remuneration of the Management Board to differentiated, management-relevant objectives, thereby promoting the long-term and sustainable development of the company.</p> <p>In addition, a balance is ensured between financial, strategic and individual performance as well as sustainability targets, which lays the foundation for a balanced incentive structure.</p>

Pension commitment	<p>Introduction of a pension allowance as an alternative to the company pension scheme</p> <p>The members of the Management Board can choose individually between a company pension scheme, structured as a defined contribution plan, and a pension allowance in cash for personal provision.</p>	<p>The introduction of a pension allowance as an alternative to the company pension scheme follows the current market trend, increases flexibility and minimizes the risk for the company, as no accruals for pension benefits need to be formed.</p>
Malus and clawback	<p>Introduction of malus and clawback regulations</p> <p>The revised remuneration system provides for the possibility of withholding and reclaiming variable remuneration components in the event of significant breaches of duty as well as the possibility of reclaiming variable remuneration components in the event of incorrect consolidated financial statements.</p>	<p>The introduction of malus and clawback rules is in line with common market practice and the expectations of investors and proxy advisors.</p>
Provisions in the event of premature termination of the employment contract	<p>Adjustment of the provisions on the settlement of variable remuneration in the event of premature termination of the employment contract</p> <p>The settlement of outstanding variable remuneration components in the event of premature termination of the employment contract is carried out pro rata temporis on the basis of the agreed targets and on the due dates specified in the employment contract</p>	<p>The provisions on the settlement of variable remuneration in the event of premature termination of the employment contract are in line with recommendation G.12 of the German Corporate Governance Code (GCGC) and correspond to standard market practice and the expectations of investors and proxy advisors.</p> <p>As the originally defined performance criteria and targets are retained, the long-term nature of the performance assessment is ensured even if a member of the Management Board leaves the company.</p>

## 1.2 Principles of the remuneration system

When designing the remuneration system and determining the structure and amount of remuneration for the individual members of the Management Board, the Supervisory Board in particular takes the following principles into account:

- The structure of the remuneration of the members of the Management Board makes a significant contribution to promoting the business strategy by linking the variable remuneration to management-relevant key performance indicators and targets.
- The pay for performance context is promoted through ambitious, quantifiable targets. This ensures that the respective performance is appropriately rewarded and that any failure to meet targets leads to a noticeable reduction in remuneration.

- The remuneration system provides incentives for a sustainable and long-term increase in the value of the company while avoiding disproportionate risks.
- The remuneration system makes a key contribution to linking the interests of the Management Board with the interests of shareholders and other stakeholders by linking variable remuneration to the performance of the company and the implementation of strategically important short and long-term targets.
- The remuneration of the members of the Management Board is transparent and comprehensible and is in line with the market in terms of amount and structure. It takes into account the size and economic situation of the company.
- The remuneration of the members of the Management Board also takes into account the remuneration structure that generally applies within the company. To this end, the remuneration of the Management Board is compared with the remuneration of managers and employees and proportionality within the company is ensured.

### 1.3 Overview of the remuneration components

The remuneration of the members of the Management Board of Biotest AG consists of non-performance-related (fixed) and performance-related (variable) remuneration components.

The fixed remuneration components comprise the basic remuneration including fringe benefits and the contribution to the company pension scheme or pension allowance in cash for personal provision. The variable remuneration consists of short-term variable remuneration (short-term incentive, STI) and long-term variable remuneration (long-term incentive, LTI).

The following diagram provides an overview of the main components of the remuneration system and their individual structure:

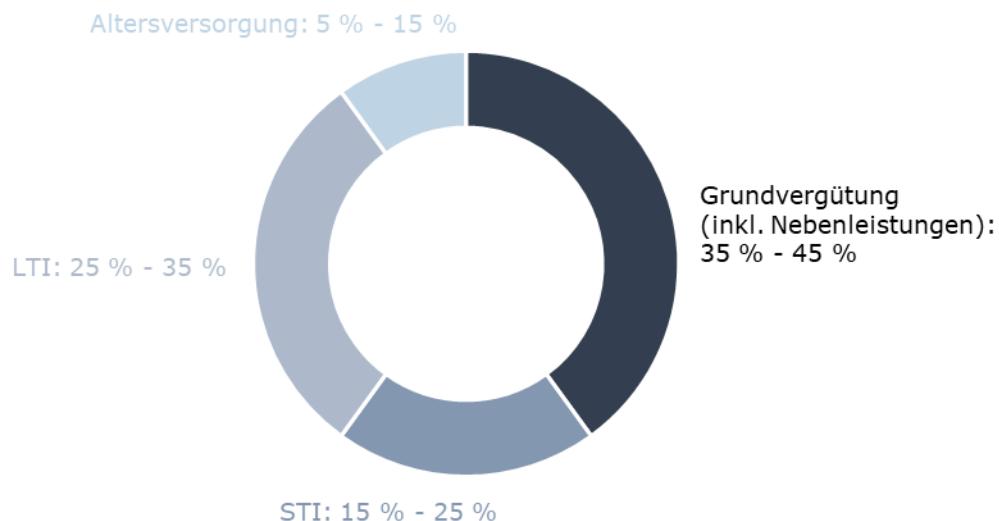
<b>Non-performance-related remuneration components</b>	
Basic remuneration (incl. fringe benefits)	<ul style="list-style-type: none"> <li>- Individual fixed salary</li> <li>- Customary fringe benefits (e.g. company car, insurance)</li> </ul>
Pension commitment	<ul style="list-style-type: none"> <li>- Defined contribution pension commitment, whose annual pension contribution is calculated as an individually agreed percentage of the sum of basic remuneration and STI</li> <li>- Pension allowance in cash for personal provision as an alternative</li> </ul>
<b>Performance-related remuneration components</b>	
STI	<ul style="list-style-type: none"> <li>- Plan type: Target bonus</li> <li>- Performance criteria: <ul style="list-style-type: none"> <li>Financial targets (30 - 60 %)</li> <li>Strategic targets (30 - 60 %)</li> <li>Individual targets (10 - 20 %)</li> </ul> </li> <li>- Target achievement: 0 - 150 %</li> <li>- Payment: In cash</li> <li>- Payout cap: 150 %</li> </ul>
LTI	<ul style="list-style-type: none"> <li>- Plan type: Performance Cash Plan</li> <li>- Performance period: Three years</li> <li>- Performance criteria <ul style="list-style-type: none"> <li>Financial targets (50 - 70 %)</li> <li>Sustainability targets and strategic targets (30 - 50 %)</li> </ul> </li> <li>- Target achievement: 0 - 200</li> <li>- Payment: In cash</li> <li>- Payout cap: 200%</li> </ul>

## Other remuneration components

Malus & Clawback	<ul style="list-style-type: none"> <li>Possibility of withholding or reclaiming variable remuneration components in the event of material breaches of duty</li> <li>Possibility of reclaiming variable remuneration components if paid out on the basis of incorrect consolidated financial statements</li> </ul>
Maximum remuneration	<ul style="list-style-type: none"> <li>Chairman of the Executive Board: EUR 2,800 thousand</li> <li>Ordinary members of the Executive Board: EUR 2,000 thousand</li> </ul>

## 1.4 Remuneration structure

The target remuneration structure (i.e. the structure of the total target remuneration assuming 100% target achievement) is made up of the non-performance-related and performance-related remuneration components and is defined in the form of bandwidths. The relative proportions of the individual remuneration components are as follows:



The variable target remuneration corresponds to around 50% of the total target remuneration of a member of the Management Board. In accordance with recommendation G.6 DCGK, the relationship between the variable remuneration components is designed in such a way that the proportion of long-term variable remuneration exceeds the proportion of short-term variable remuneration. The remuneration structure is therefore geared towards the long-term development of the company in accordance with Section 87 para. 1 sentence 2 AktG.

## 2. The remuneration system in detail

### 2.1 Non-performance-related remuneration components

#### 2.1.1 Basic remuneration (incl. fringe benefits)

The basic remuneration of the members of the Management Board includes a fixed salary, the amount of which is based on the experience and area of activity and responsibility of the member of the Management Board as well as the economic situation and future prospects of Biotest AG and the level of remuneration in the competitive environment. The annual fixed salary is determined for the entire term of the respective service contract and is paid in twelve equal monthly instalments.

In addition to the fixed salary, the members of the Management Board receive customary fringe benefits, including in particular a company car for private use and a social security allowance.

### 2.1.2 Pension commitment

There are defined contribution pension commitments for the members of the Management Board, the benefit of which is calculated from the sum of the annual pension contribution saved at retirement age. The annual pension contribution is calculated as an individually agreed percentage of the sum of basic remuneration and STI for the respective calendar year.

The pension scheme for members of the Management Board also provides for lifelong disability and widow's pensions as well as orphan's pensions for specific periods. For all benefit entitlements, there is a lump-sum option to pay out the pension benefit in up to 10 installments. No waiting periods have been agreed for the current members of the Management Board. The pension can be drawn upon reaching age of 65 or, with deductions, at the earliest upon reaching the age of 63. The vesting of entitlements corresponds to the statutory provisions.

As an alternative to the defined contribution pension commitment, the members of the Management Board can be promised a pension allowance in cash for personal provision.

## 2.2 Performance-related remuneration components

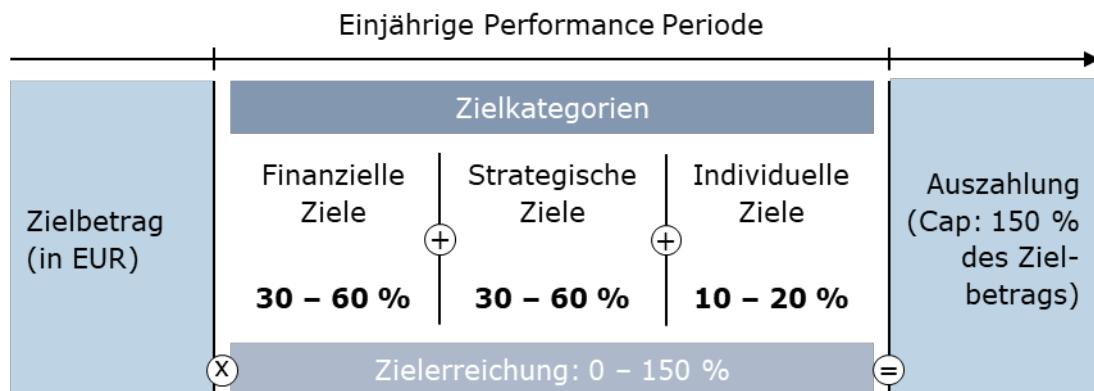
### 2.2.1 Short-Term Incentive (STI)

The STI is structured as a target bonus with a one-year performance period. The amount of the STI payment is based on the achievement of financial, strategic and individual targets, which are determined by the Supervisory Board before the start of a financial year together with the weighting of the targets among each other. The targets are selected in accordance with the key figures reported in the audited consolidated financial statements and sustainability report of Biotest AG.

At the end of the performance period, the overall target achievement is determined by adding together the weighted target achievements of the financial, strategic and individual targets. The target achievement of the individual targets and the overall target achievement can be between 0% and 150%.

The final payout amount of the STI is calculated by multiplying the total target achievement by the respective target amount. Payment is made in cash and is limited to 150% of the target amount.

The basic functionality of the STI can be summarized as follows:



### Financial targets

As part of the financial targets, relevant financial performance indicators of Biotest AG are used with a weighting of 30 - 60 % and the remuneration is thus closely linked to the financial success of the company. As a rule, a profitability indicator (e.g. EBIT, defined as the operating result before interest and taxes), a liquidity indicator (e.g. operational cash flow, defined as the cash flow from operating activities including the change in working capital excluding interest and taxes) and a growth indicator (e.g. sales or growth-related applications and indicators).

### Strategic goals

The second target category is strategic targets, which are also taken into account with a weighting of 30-60%. These can include other strategy-relevant targets, other strategic initiatives or ESG targets derived from the sustainability strategy. This allows the Supervisory Board to set differentiated incentives that have a holistic effect on the implementation of the business and sustainability strategy.

### Individual goals

Individual targets are established as a third target category to take into account the individual performance of the members of the Management Board. These are included with a weighting of 10-20% and are determined in accordance with the areas of responsibility of the Management Board members.

The combination of financial, strategic and individual targets creates a balanced incentive structure. The specific performance criteria, weightings and target and threshold values of the individual targets are determined by the Supervisory Board before or at the beginning of the financial year on the basis of budget planning and strategic planning.

A target achievement corridor of 0% to 150% is used to determine the target and threshold values, with the target value indicating target achievement of 100% and the lower and upper threshold values indicating target achievement of 0% and 150% respectively. A precise achievement of the target value therefore corresponds to a target achievement of 100%. If the lower threshold value is reached or undershot, the target achievement is 0%. If the upper threshold value is reached or exceeded, the maximum target achievement is 150%. Values that lie between the lower threshold value and the target value or between the target value and the upper threshold value are determined by linear interpolation.

The specific performance criteria and their weightings, target and threshold values as well as the actual target achievements are disclosed ex-post in the remuneration report.

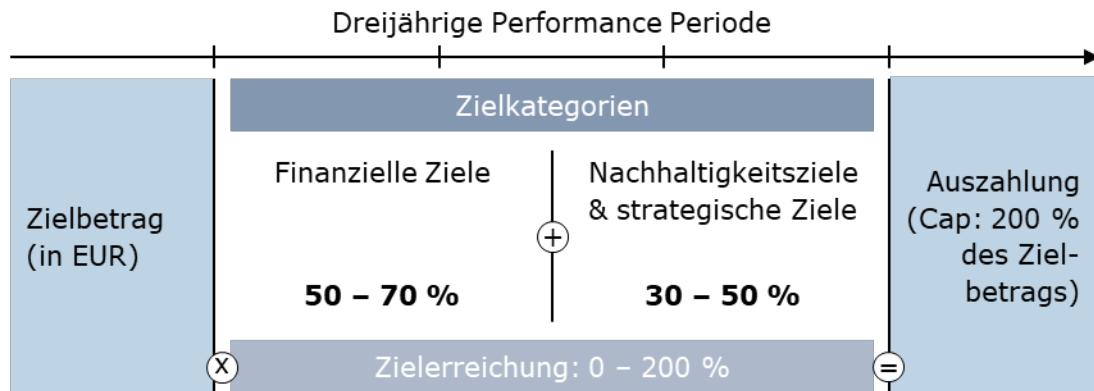
## 2.2.2 LTI

The LTI is structured as a performance cash plan with a three-year performance period. The LTI is issued in annual tranches on a rolling basis. The amount of the LTI payout is based on the achievement of financial and strategic targets and sustainability targets, which are set by the Supervisory Board before the start of a tranche. The targets are selected in accordance with the key figures reported in the audited consolidated financial statements and sustainability report of Biotest AG. The Supervisory Board also ensures that the performance criteria in the STI and LTI differ and provide differentiated incentives for the members of the Management Board.

At the end of the performance period, the overall target achievement is determined by adding together the weighted target achievements of the financial, strategic and individual targets. The target achievement of the individual targets and the overall target achievement can be between 0% and 200%.

The final payout amount of the LTI is calculated by multiplying the total target achievement by the respective target amount. Payment is made in cash and is limited to 200% of the target amount.

The basic functionality of the LTI can be summarized as follows:



#### Financial targets

As part of the financial targets of the LTI, relevant financial performance indicators of Biotest AG are taken into account with a weighting of 50 - 70 % and thus also linked to the financial success of the company in the long term. As a rule, a profitability indicator (e.g. EBITDA margin, defined as earnings before interest, taxes, depreciation and amortization in relation to sales) and a return on capital employed indicator (e.g. ROCE, defined as EBIT in relation to average capital employed) are used.

#### Sustainability goals and strategic objectives

Sustainability targets and strategic targets are anchored in the LTI with a total weighting of 30-50%. The sustainability targets include long-term ESG targets derived from Biotest AG's sustainability strategy. Strategy-relevant targets or other strategic initiatives can be used as strategic targets. This creates long-term incentives to implement the business and sustainability strategy.

The specific performance criteria, their weighting and target and threshold values are determined by the Supervisory Board at the beginning of the financial year on the basis of strategic planning.

A target achievement corridor of 0% to 200% is used to determine the target and threshold values, with the target value indicating target achievement of 100% and the lower and upper threshold values indicating target achievement of 0% and 200% respectively. A precise achievement of the target value therefore corresponds to a target achievement of 100%. If the lower threshold value is reached or undershot, the target achievement is 0%. If the upper threshold value is reached or exceeded, the maximum target achievement is 200%. Values that lie between the lower threshold value and the target value or between the target value and the upper threshold value are determined by linear interpolation.

The specific performance criteria and their weightings, target and threshold values as well as the actual target achievements are disclosed ex-post in the remuneration report.

### 2.3 Other remuneration components

#### 2.3.1 Malus and Clawback

Malus and clawback provisions are implemented in the service contracts of the members of the Management Board. Under certain conditions, the Supervisory Board has the option to withhold (malus) or reclaim (clawback) variable remuneration components that have not yet been paid in full or in part.

In the event of significant breaches of the duty of care within the meaning of Section 93 of the German Stock Corporation Act (AktG), contractual obligations or material principles of action, the Supervisory Board may reduce the variable remuneration or set it to zero at its reasonable discretion.

The same applies if the variable remuneration has already been paid out at the time of the breach. In this case, the Supervisory Board may reclaim the variable remuneration at its reasonable discretion.

If the variable remuneration was calculated and paid out on the basis of incorrect consolidated financial statements, the Supervisory Board can correct or reclaim the difference to the corresponding variable remuneration calculated on the basis of corrected consolidated financial statements.

Any claims for damages by the company against the member of the Management Board, in particular under Section 93 para. 2 AktG, remain unaffected by the agreement of a malus or clawback provision.

### **2.3.2 Maximum remuneration**

In addition to the limits on the individual variable remuneration components, the Supervisory Board has set a maximum remuneration in euros for the members of the Management Board in accordance with Section 87a AktG. The maximum remuneration is the maximum value that a member of the Management Board may receive for all remuneration components promised for a financial year (basic remuneration including fringe benefits, pension contribution or pension allowance in cash, STI and LTI), regardless of when the individual remuneration components are actually paid out.

The maximum remuneration is EUR 2,800 thousand for the Chairman of the Management Board and EUR 2,000 thousand for the ordinary members of the Management Board.

## **3. Remuneration-related legal transactions**

### **3.1 Service contracts**

The basic regulations on Management Board remuneration are agreed with the members of the Management Board in their service contracts. These are concluded for the duration of the appointment and are extended for the duration of any reappointment. In accordance with the provisions of Section 84 AktG and the recommendations of the GCGC, the term of appointment of a Management Board member is generally three years. In the case of reappointments or extensions of the term of office, the maximum term of the service contract is five years. Any reappointment may take place at the earliest 12 months before the end of the appointment period.

### **3.2 Termination and other premature termination of service contracts**

The service contracts also include customary severance arrangements in the event of a change of control and in the event of premature termination of a service relationship at the instigation of Biotest AG. Both types of severance payment are limited to twice the annual remuneration, with an additional cap in the event of premature termination of a service relationship due to expected remuneration up to the regular end of the employment period plus company car compensation.

Severance payment claims in connection with a change of control are excluded in the event of termination of a service contract for good cause, illness or incapacity to work or if the member of the Management Board receives benefits or benefits of value from a third party. There are also no severance payment claims if the premature termination of a service contract is at the instigation of the respective member of the Management Board.

If the service relationship ends for good cause for which the member of the Management Board is responsible, the entitlement to the variable remuneration not yet paid out lapses without replacement or compensation. If the service relationship ends for other reasons, the STI and LTI are paid out pro rata temporis in accordance with the contractually agreed due dates and conditions. Variable remuneration components are not settled or paid out early.

### **3.3 Other contractual provisions**

The assumption of Supervisory Board or comparable mandates as well as other activities/sideline activities by members of the Management Board within or outside Biotest AG requires the approval of the Supervisory Board.

Non-compete clauses have been agreed for the duration of the service relationship; there are no post-contractual non-compete clauses. There are also no provisions for compensation for waiting periods.

#### **4. Procedures for establishing, implementing and reviewing the remuneration system**

The remuneration system for the members of the Management Board is determined by the Supervisory Board in accordance with Section 87 para. 1 AktG. The Supervisory Board is supported in this by the Personnel and Remuneration Committee. The Personnel and Remuneration Committee develops corresponding recommendations on the structure of the remuneration system and the amount of remuneration for the Management Board on the basis of the guidelines set out in section 1. The Supervisory Board discusses and resolves on this. If necessary, the Supervisory Board may consult external advisors. The Personnel and Remuneration Committee reviews the amount and structure of the remuneration of the members of the Management Board on an ad hoc basis and recommends to the Supervisory Board that appropriate changes be made if necessary.

SDAX companies were most recently used as an external reference (horizontal comparison) based on the criteria of country, size and sector. In addition, companies of a comparable size listed in the SDAX/MDAX/TecDAX from the health sciences segment as well as manufacturing, internationally active technology companies from the aforementioned stock market segments can also be used.

The remuneration of the members of senior management and the employees of Biotest AG serve as an internal reference (vertical comparison). External and internal practice is reviewed at regular intervals by independent external consultants. When engaging external remuneration experts, care is taken to ensure their independence.

The applicable provisions of the AktG and the GCGC on the treatment of conflicts of interest are complied with.

In the event of significant changes, the remuneration system adopted by the Supervisory Board is resubmitted to the Annual General Meeting for approval. If the Annual General Meeting does not approve the remuneration system presented, a revised remuneration system will be presented for resolution at the following Annual General Meeting at the latest.

This system for the remuneration of Management Board members applies to all current Management Board service contracts, their extension and new contracts to be concluded.

#### **5. Temporary deviation from the remuneration system**

The Supervisory Board may temporarily deviate from the remuneration system (procedures and provisions on the remuneration structure) and its individual components as well as with regard to individual remuneration components of the remuneration system or introduce new remuneration components if this is necessary in the interests of the long-term well-being of the company. The Supervisory Board reserves the right to make such deviations in exceptional circumstances, such as an economic or corporate crisis. However, generally unfavourable market developments are explicitly not to be regarded as exceptional circumstances that justify a deviation.

The option to deviate from the remuneration system includes the procedure, the provisions on the remuneration structure and amount as well as the individual remuneration components and the underlying targets. The Supervisory Board may deviate from the respective relative share of the individual remuneration components and their respective requirements, and may also temporarily set the basic remuneration differently in individual cases if this is in the interests of the long-term well-being of the company. Furthermore, the Supervisory Board may temporarily grant additional remuneration components or replace individual remuneration components with other remuneration

components if this is necessary to restore the appropriateness of the Management Board remuneration in the specific situation. Such deviations may temporarily lead to a deviation from the maximum remuneration for the Chairman of the Management Board or other ordinary members of the Management Board.