

## **A. Remuneration report of the Executive Board for the financial year 2022**

The report describes the remuneration granted and owed in the 2022 financial year to each individual current or former member of the Executive Board and Supervisory Board by Enapter AG and by companies in the same group (section 290 of the German Commercial Code (HGB)) and explains in individualised form the structure and amount of the individual components of Executive Board and Supervisory Board remuneration.

The following describes the concrete application of the remuneration system for the members of the Executive Board of Enapter AG in the financial year 2022, which was adopted by the Annual General Meeting of Enapter AG on 28 July 2022.

The total remuneration, the components that make up the total remuneration, all fixed and variable remuneration components, their relative share in each case, an explanation of how the total remuneration complies with the remuneration system within the meaning of sections 87a, 113 para. 3 sentence 3 of the German Stock Corporation Act (AktG), an explanation of how the total remuneration promotes the long-term performance of the company as well as information on how the performance criteria were applied shall be presented.

### **I. Total remuneration**

The remuneration system, which was approved at the Annual General Meeting on 28 July 2022, contains limits for the maximum total remuneration of the Executive Board members in accordance with legal requirements. In the following, the actual total remuneration for the business year 2022 is stated. The total remuneration is calculated here, as in the remuneration system, as the remuneration granted for activities in the 2022 financial year, as opposed to the remuneration received by the Executive Board in the 2022 financial year. This difference is relevant for remuneration components that will only accrue to the Executive Board in subsequent years. The total remuneration calculated in this way was as follows in the 2022 business year

- for the Board member, Sebastian-Justus Schmidt (**SJS**), EUR 0,
- for the Executive Board member, Gerrit Kaufhold (**GK**), EUR 285,000.00.

In addition, Mr Schmidt was indirectly remunerated for his work on the basis of service contracts with third parties, see IX below.

### **II. Fixed and variable remuneration components and their relative share**

The following is a list of the remuneration components that accrued to the members of the Executive Board in the 2022 financial year, including the relative share of these remuneration components in the total remuneration resulting from this:

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* Board member	Total ver-remuneration	Fixed remuneration (basic salary, benefits in kind, fringe benefits)	Short-term variable remuneration (bonus)	Long-term variable remuneration (except share options)	Relative share of remuneration components of total remuneration in %***	
					Solid components	Variable components
SJS**	0	0	0	0	---	---
GK	285.000	240.000	45.000	0	84%	16%

\*All amounts in EUR unless otherwise stated

\*\* Added to this are the payments for SJS shown under X.

\*\*\* The value of the share options is only determined over the term. Therefore, a relative share of the fixed and variable components cannot be determined in terms of amount. The relative share of fixed remuneration in the cash remuneration is 84.2 %, and the relative share of variable components in the share-based remuneration is 100 %.

Board member	Number of share options offered in 2022	Decay in 2022	Exercise	31 December 2022 Maximum shares subscribable (i.e. exercisable)
SJS	50.000	100.000	0	0
GK	40.100	0	0	0

For informational purposes, the corresponding target remuneration for the 2022 financial year is given here, which would have resulted from 100% achievement of the variable targets in accordance with the contractual provisions:

Board member	Target ver-remuneration EUR	Target fixed remuneration EUR (basic salary) *	Target Short-Term Variable Remuneration EUR	Relative share of remuneration components in target remuneration in %.	
				Solid components	Variable components
SJS	0	0	0	--	--
GK	290.000	240.000	50.000	82%	18%

\*\* Added to this are the payments for SJS shown under X.

### III. Explanation of how the fixed and variable remuneration components correspond to the remuneration system

The relative shares of the fixed and variable remuneration components in the total remuneration correspond to the requirements of the remuneration system. With regard to this

consideration, it is not the inflows in the financial year 2022 that are relevant, but the remuneration components that were granted for the activity in 2022. The remuneration system of Enapter AG specifies a relative share of fixed remuneration components in total remuneration of approximately 18%. Accordingly, the remuneration system provides for a relative share of 82% of the total remuneration for the variable remuneration components.

The exercise of stock options is limited by a maximum exercise profit per option. The maximum amount that may accrue to a member of the Executive Board from the exercise of options is EUR 1,000,000.00 per calendar year, i.e. it is agreed that the Executive Board member will receive a maximum of this amount as profit upon exercise and sale, whereby the issue price paid and the costs are to be deducted from the sale price to calculate the profit. If, within the framework of this comparison, EUR 1,000,000.00 is assumed for the options, this results in a notional maximum remuneration for 2022 of EUR 1,000,000.00. The relative share of the variable remuneration components in the total remuneration for the 2022 financial year is therefore 100% for SJS in this calculation. This is above the requirements of the remuneration system, which assumes an 18:82 split. However, it is still unclear whether and to what extent the options will be exercisable. The option value is therefore still open.

The relative share of the fixed remuneration components in the total remuneration for the financial year 2022 is between 82% and 100% for GK, the relative share of the variable remuneration components in the total remuneration is accordingly between 0% and 18% for GK.

In the reporting year, 40,100 share options from the 2021 share option plan were issued to GK. SJS received 50,000 share options, but later waived these 50,000 share options as well as an additional 50,000 share options already granted in the 2021 financial year.

The relative shares of the variable remuneration components in the total remuneration calculated above thus correspond to the specifications of the remuneration system against the background that it is still open whether and to what extent the options will become exercisable.

#### **IV. Explanation of how the remuneration promotes the long-term development of the company**

The members of the Executive Board are granted long-term variable remuneration under a stock option programme 2021 ("**SOP 2021**"), which was approved by the Annual General Meeting on 6 May 2021. 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.

This SOP 2021, on which the long-term remuneration component is based, promotes the long-term development of Enapter AG. In the reporting year 2022, 50,000 stock options were issued to the Executive Board member Sebastian-Justus Schmidt (still expired in the reporting year 2022) and 40,100 stock options were issued to the Executive Board member Gerrit Kaufhold from the SOP 2021.

**V. Explanation of how the performance criteria were applied**

The variable remuneration has been calculated using the following financial and non-financial performance criteria:

**1. Short-term variable remuneration: Bonus**

According to the remuneration system, the targets 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 targets is also permissible. Proportionate target achievement may be provided for. The time period for target achievement should be between one and three business years.

Concrete performance assessment for the board members:

Short-term variable remuneration	Performance assessment/degree of target achievement	Actual remuneration
<b>SJS</b>	n/a	n/a
<b>GK</b>	n/a	n/a

**2. Long-term variable remuneration: Stock options 2021**

The share option programme 2021 has already been explained under A. II. and IV.

In the reporting year 2022, Sebastian-Justus Schmidt was offered 50,000 share options and accepted 50,000 share options. Sebastian-Justus Schmidt waived these 50,000 share options during the course of the 2022 financial year. In the reporting year 2022, Gerrit Kaufhold was offered 40,100 share options and accepted 40,100 share options. Any exercise of allocated share options is only permissible if the material input costs for electrolysers based on the anion exchange membrane technology (AEM) manufactured by the Enapter Group (Enapter AG and affiliated companies within the meaning of §§ 15 ff of the Austrian Stock Corporation Act) can be reduced by or in the course of the financial year 2023 to such an extent that a positive cover amount can be achieved with a sales price of EUR 2,500.00 per unit. Accordingly, with regard to the long-term variable remuneration component in the form of stock options, a concrete report on the allocation and exercise of stock options to the respective Executive Board members for the 2022 reporting year cannot yet be made.

**VI. Indication of the number of shares and share options granted or promised and the main conditions for exercising the rights, including exercise price, exercise date and any changes to these conditions ungen, § 162 para. 1, sentence 2 no. 3 AktG**

Pursuant to § 162 para. 1, sentence 2 no. 3 AktG, the number of shares and stock options granted or promised and the most important conditions for exercising the rights, a finally exercise price, exercise date and any changes to these conditions must be disclosed. In this regard, an explanation has already been provided under A. II. and IV.

**VII. Information on whether and how use was made of the possibility to reclaim variable remuneration components, section 162 (1) sentence 2 no. 4 AktG**

No rights to reclaim variable remuneration components (claw-back clause) have been agreed.

**VIII. Information on any deviations from the remuneration system of the executive board, § 162 para. 1, sentence 2 no. 5 AktG**

Pursuant to section 162, paragraph 1, sentence 2, no. 5 of the German Stock Corporation Act (AktG), it must be explained whether there has been a deviation from the remuneration system of the executive board, to what extent this deviation was necessary, and the specific remuneration components of the remuneration system from which the deviation was made must be stated.

It is pointed out that in the reporting year 2022 a lump sum of EUR 35,000.00 per month was paid to BluGreen Company Limited for its activities for Enapter AG. Mr Schmidt, as a long-standing director of BluGreen Company Limited, receives a monthly salary of around EUR 11,700.00 from BluGreen Company Limited for services rendered to Enapter AG. The basis for this is an agreement that existed prior to the adoption of the remuneration system at the

2021 Annual General Meeting. This is taken into account in the remuneration system adopted by the Annual General Meeting on 28 July 2022.

On the other hand, Enapter AG concluded a consultancy agreement with Enapter Co. Ltd. of Thailand on 30 October 2020 (Consultancy Agreement) with effect from 1 October 2020. . In the Consultancy Agreement, Enapter Co. Ltd. undertook to provide consultancy services against payment of EUR 30,000.00 per month. In the Consultancy Agreement, Enapter Co. Ltd. undertook to provide consultancy services against payment of EUR 30,000.00 per month. The consultancy services include, among others, software services, which are created and continuously maintained in the form of interactive dashboards for corporate control and as management information, as well as corporate design services. These monthly advance payments are adjusted annually. This is done on the basis of recalculations. These recalculations take into account the costs actually incurred by Enapter Co. Ltd. for the services provided, plus a mark-up of 5 %, minus the advances already paid.

The contract has been concluded for an indefinite period with a notice period of three months. Mr. Sebastian-Justus Schmidt holds 100 % of the shares in the company and as a director he receives approximately [EUR 3,250.0] **per** month (depending on the exchange rate, as the salary is paid in THB).

#### **IX. Explanation of how the fixed maximum remuneration of the members of the Executive Board was complied with**

Pursuant to section 162, paragraph 1, sentence 2, no. 7 of the German Stock Corporation Act (AktG), it must be explained how the maximum remuneration set for the members of the Executive Board was complied with.

The remuneration system provides for a maximum remuneration for each Executive Board member of EUR 400,000.00 plus any profits from the option programme. The exercise of stock options is limited by a maximum exercise profit per option. The maximum amount that may accrue to a member of the Executive Board from the exercise of options is EUR 1,000,000.00 per calendar year, i.e. it is agreed that a maximum of this amount will accrue to the Executive Board member as profit upon exercise and sale, whereby the issue price paid and the costs are to be deducted from the sale price in order to calculate the profit. If the exercise and sale of the options in a calendar year would result in proceeds of more than EUR 1,000,000.00, they may only be exercised in one of the following years. According to the remuneration system, the options can be exercised for a maximum of seven years, so that a maximum inflow of EUR 7,000,000.00 per Executive Board member occurs. Such a best-case scenario assumes a sustained positive development of the stock market price of the company's shares.

This disclosure refers to the remuneration according to the remuneration system and therefore to the remuneration granted for the financial year and not to the remuneration received in the financial year.

The total remuneration granted to Executive Board member Sebastian-Justus Schmidt in the 2022 financial year amounts to EUR 0. The total remuneration granted to Executive Board member Gerrit Kaufhold amounts to EUR 285,000.00. The maximum remuneration stipulated in the remuneration system was thus complied with.

Due to the approval of the last remuneration report by the Annual General Meeting of 28 July 2022 and the approval of the remuneration systems for the Executive Board and the Supervisory Board by the Annual General Meetings of 28 July 2022 and 6 May 2021 respectively, there was no reason to question the remuneration system, its implementation or the way it is reported.

#### **X. Disclosures pursuant to § 162 para. 2 AktG**

With regard to the remuneration of each individual member of the executive board, the remuneration report shall also contain, pursuant to § 162 para. 2 no. 1 AktG, information on benefits promised or granted by a third party to a member of the executive board with regard to his or her activities as a member of the executive board during the financial year. Not only benefits for, but also benefits with regard to the activity as a member of the executive board are to be disclosed. Thus, all benefits that have a factual connection to the board activity must be disclosed, beyond the actual remuneration for the board activity.

The following third-party benefits pursuant to § 162 (2) no. 1 AktG were granted to the members of the Executive Board of Enapter AG in the 2022 financial year:

Sebastian-Justus Schmidt:	EUR 14,950.00 per month
Gerrit Kaufhold:	EUR 0

The third-party remuneration for Mr Schmidt results on the one hand from a consultancy agreement that Enapter AG concluded with BluGreen on 30 October 2020 with effect from 1 October 2020. In this agreement, BluGreen undertook to provide management personnel as consultants, in particular the Executive Board member Sebastian-Justus Schmidt. For this, a monthly payment of EUR 35,000.00 is to be paid by the company to BluGreen. It is envisaged that Sebastian-Justus Schmidt will devote 90% of his time to the Company as consultancy services at . The monthly advance payments shall be adjusted annually. This is done on the basis of recalculations. These recalculations shall take into account the costs actually incurred by BluGreen for the services provided, plus a surcharge of 5 %, less the advances already paid. The contract is concluded for an indefinite period with a notice period of three months.

Mr. Sebastian-Justus Schmidt holds 100 % of the company and receives (depending on the exchange rate, as the salary is paid in HKD) approximately EUR 11,700.00 per month.

Secondly, on 30 October 2020, Enapter AG concluded a consultancy agreement (Consultancy Agreement) with Enapter Co. Ltd. of Thailand with effect from 1 October 2020. In this

agreement, Enapter Co. Ltd. undertook to provide consultancy services against payment of EUR 30,000.00 per month. In this agreement, Enapter Co. Ltd. undertook to provide consulting services in exchange for monthly payments of EUR 30,000.00. The consulting services include, among other things, software services that are created and continuously maintained in the form of interactive dashboards for company control and as management information, as well as corporate design services. These monthly advance payments are adjusted annually. This is done on the basis of recalculations. These recalculations take into account the costs actually incurred by Enapter Co. Ltd. for the services rendered, plus a surcharge of 5 %, less the advances already paid. The contract has been concluded for an indefinite period with a notice period of three months.

Mr. Sebastian-Justus Schmidt holds 100 % of the company and receives (depending on the exchange rate, as the salary is paid in THB) approximately EUR 3,250.00 per month.

## **B. Remuneration Report of the Supervisory Board for the Financial Year 2022**

The concrete application of the remuneration system for the members of the Supervisory Board of Enapter AG in the 2022 financial year is described below.

The total remuneration in the 2022 financial year was

- for the Chairman of the Supervisory Board, Armin Steiner, EUR 24,000.00,
- for the Deputy Chairman of the Supervisory Board, Oswald Werle, EUR 18,000.00,
- for the Supervisory Board member Ragnar Kruse, EUR 12,000.00
- for the Supervisory Board member Prof. Dr.-Ing. Christof Wetter, EUR 5,000.00

Prof. Dr.-Ing. Wetter was elected to the Supervisory Board by the Annual General Meeting on 28 July 2022 with effect from the date of entry in the Commercial Register of the amendment to the Articles of Association regarding the composition of the Supervisory Board proposed for resolution in accordance with agenda item 8. The amendment to the Articles of Association was then entered in the Commercial Register on 7 September 2022, so that the remuneration for the 2022 financial year was only paid on a pro rata basis, i.e. in the amount of EUR 5,000.00, in accordance with the Articles of Association.

There is no variable remuneration component.

## **C. Vertical comparison, section 162 (1) sentence 2 no. 2 AktG**

Pursuant to § 162 para. 1 sentence 2 no. 2 AktG, the annual change in the remuneration, the development of the company's earnings and the average remuneration of employees on a full-time equivalent basis over the last five business years must also be presented. The wording of section 162 (1) sentence 2 no. 2 AktG suggests that this five-year period of observation only applies to the annual change in the average employee remuneration and not to the annual change in the other two comparative figures. However, Art. 9b para. 1 subpara. 2 lit. b of the

Shareholders' Rights Directive states that for a period covering at least the last five financial years (i) the annual change in the remuneration of the members of the executive bodies, (ii) the annual change in the company's performance and (iii) the annual change in the average employee remuneration must be reported. For section 162 (1) sentence 2 no. 2 AktG, it follows firstly that it is not the "annual change in the performance of the company" that is to be reported, but the performance of the company in terms of the annual change in the performance of the company. Secondly, with regard to employee remuneration, no five-year average view is to be taken, but the annual change in the average remuneration is to be reported. Thirdly, both the information on board remuneration and that on the company's earnings and the average remuneration of the employees must be based on the last five financial years.

For the current (= second) reporting year, the financial year 2022, which is being reported on here, section 26j (2) sentence 2 of the Introductory Act to the German Stock Corporation Act (EgAktG) provides for a transitional relief in the sense that only a statement of the annual change (reporting year compared to the previous year) is required for the comparative figure of employee remuneration.

In view of the transitional provision of § 26j para. 2 sentence 2 of the Introductory Act to the German Stock Corporation Act (EgAktG) and in accordance with an interpretation of § 162 para. 1 sentence 2 no. 2 of the German Stock Corporation Act (AktG) in conformity with the Directive, the annual change in employee remuneration and a five-year comparison of the annual change in the remuneration of the members of the executive bodies and the annual change in the development of the company's earnings are presented below for the second reporting year. It should be clarified that the change in the remuneration of the executive bodies for the periods in which the regulation of § 162 AktG was not yet in force is not listed.

	Change 2018 to 2017 in	Change 2019 to 2018 in %	Change 2020 to 2019 in %	Change 2021 to 2020 in %	Change 2022 to 2021 in %
<b>Board members</b>					
Sebastian-Justus Schmidt	n/a	n/a	n/a	n/a	0
Gerrit Kaufhold	n/a	n/a	n/a	n/a	0
<b>Members of the Supervisory Board</b>					
Armin Steiner	n/a	n/a	n/a	n/a	0
Oswald Werle	n/a	n/a	n/a	n/a	0
Ragnar Kruse	n/a	n/a	n/a	n/a	0
Christof Weather	n/a	n/a	n/a	n/a	n/a
<b>Earnings situation</b>					
Net profit for the year TEUR	2017: n/a 2018: n/a	2018: n/a 2019: n/a	2019: n/a 2020: n/a	2020: -842 2021: -5.038	2021: -5.038 2022: -4.024

Consolidated net profit for the year TEUR	n/a	n/a	n/a	2020: -3.569 2021: -8.702	2021: -8.702 2022: -12.978
EBIT TEUR	n/a	n/a	n/a	2020: -3.565 2021: -8.709	2021: -8.709 2022: -12.858

Average employee remuneration in TEUR				
	2020	2021	2022	Change 2022 to 2021 in %
1. management level	120	125	128	2%
Domestic employees (without managers)	45	50	52	3%