CompuGroup Medical
Remuneration Report 2023

We create the future of e-health

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1. Remuneration report 2023

In the following remuneration report in accordance with section 162 German Stock Corporation Act (AktG), the general partner, CompuGroup Medical Management SE, and the Supervisory Board of the listed CompuGroup Medical SE & Co. KGaA (hereinafter also referred to as "CGM", "CompuGroup Medical" or the "Company") report on the structure and amount of the remuneration of CompuGroup Medical Management SE and the remuneration of the members of the Supervisory Board. In addition, disclosures on the structure and the amount of the remuneration of the Managing Directors (hereinafter "Managing Directors") and the members of the Administrative Board (hereinafter "Administrative Board") of the non-listed CompuGroup Medical Management SE are provided on a voluntary basis.

For ease of reading, the masculine form is used in this report when referring to persons. It is representative of persons of any gender.

Due to rounding, some figures in this report may not add up precisely to the totals provided and the percentages presented may not precisely reflect the absolute values to which they relate.

Remuneration report 2022

At the meeting on May 17, 2023, the Annual General Meeting approved the remuneration report for financial year 2022 in accordance with section 120a (4) German Stock Corporation Act (AktG).

Changes in the Company's governing bodies

There were a number of changes concerning the Company's Managing Directors in financial year 2023:

On May 17, 2023, the previous spokesman for the Managing Directors, **Michael Rauch**, was appointed as Chief Executive Officer. He will also remain responsible for CGM's finance division as Chief Financial Officer until January 31, 2024.

Effective as at May 31, 2023, **Angela Mazza Teufer** prematurely resigned from office as Managing Director of Ambulatory Information Systems DACH and Connectivity Germany which she had led since February 2022.

On September 28, 2023, **Dr. Eckart Pech** resigned from his office as Managing Director, effective as at March 15, 2024.

Dr. Ulrich Thomé has been responsible for the business unit Ambulatory Information Systems DACH and Connectivity Germany since August 1, 2023. He has been appointed Managing Director with effect from November 1, 2023.

With effect from February 1, 2024, **Daniela Hommel** has been appointed CFO of CompuGroup Medical SE & Co. KGaA.

2. Remuneration system for the management

2.1. Remuneration of CompuGroup Medical Management SE

The sole general partner of CompuGroup Medical SE & Co. KGaA is CompuGroup Medical Management SE (itself not listed). CompuGroup Medical Management SE has not made a special contribution and does not participate in the profit and loss or assets of CompuGroup Medical SE & Co. KGaA. CompuGroup Medical Management SE is the legal representative and also otherwise manages the business of CompuGroup Medical SE & Co. KGaA. Under article 8 (4) of the Articles of Association of CompuGroup Medical SE & Co. KGaA, it is agreed that the general partner receives an annual remuneration of 4 % of its share capital from the Company for assuming the management and liability.

Furthermore, article 8 (3) of the Articles of Association provides that the general partner shall also be reimbursed for all expenses incurred in connection with managing the business of the Company. This applies to the remuneration of the Managing Directors and the members of the Administrative Board of CompuGroup Medical Management SE described in detail below.

2.2. Remuneration of the Managing Directors

This remuneration system describes the principles for determining the remuneration of the Managing Directors of CompuGroup Medical Management SE, the general partner of CompuGroup Medical SE & Co. KGaA ("CompuGroup Medical" or the "Company"). Since the Company is organized as a partnership limited by shares (Kommanditgesellschaft auf Aktien, KGaA), its business is managed by its general partner and thus indirectly by the Managing Directors who have a similar position in this respect as the members of the management board of a stock corporation.

2.2.1 Process for determining, implementing and reviewing the remuneration system

The Administrative Board of CompuGroup Medical Management SE ("Administrative Board") is responsible for determining the remuneration system for the Managing Directors.

The general provisions under the German Stock Corporation Act (AktG) and the recommendations in the German Corporate Governance Code on dealing with conflicts of interest are consulted when determining and implementing the remuneration system. Whenever a conflict of interest arises, the Administrative Board members in question must disclose such to the Chair of the Administrative Board and may not participate in the corresponding votes within the Administrative Board. If a conflict of interest proves to be material and not only temporary, the member is removed from office. Michael Rauch did not participate in passing the resolution on this remuneration system or abstained from voting.

This remuneration system builds on the system approved by the Annual General Meeting of CompuGroup Medical on May 19, 2022. It was adopted at the meeting of the Administrative Board on February 6, 2023, and approved by the Annual General Meeting of CompuGroup Medical in accordance with section 120a (1) of the German Stock Corporation Act (AktG) on May 17, 2023. The amended remuneration system contains the following main changes:

- Adjustments to the relative shares of the remuneration components: The previous ranges were adjusted to a certain extent in order to allow for enlarging the share of the long-term incentive while maintaining the required flexibility. This is to further enhance the sustainability and long-term orientation of the remuneration structure.

- Alternative design of the long-term incentive as a cash bonus: In individual cases, the Administrative Board is to be given the possibility to offer Managing Directors a cash bonus with a multi-year performance period instead of share options as long-term incentive. First, this improves the Administrative Board's negotiation power when trying to attract exceptionally qualified and suitable Managing Directors. Additionally, the possibility to grant a cash bonus with long-term orientation and performance targets that are not linked to the company's share price enables the Administrative Board to better match the remuneration to the specific responsibilities and tasks of a Managing Director.

- Possibility to grant special bonus payments under certain circumstances: Furthermore, the Administrative Board is to be enabled to grant Managing Directors a special bonus when they take office or renew their contract, or for extraordinary performance. This measure will also enhance the Company's position in the competition for exceptional talent and is to enable the Administrative Board to offer the Directors incentives for long-lasting top performance.

This remuneration system applies to every employment contract concluded or renewed with Managing Directors from the day following the Annual General Meeting 2023. Managing Director employment contracts concluded or renewed since the Annual General Meeting 2022 already anticipate the changes set forth in this new remuneration system. The other employment contracts of the Managing Directors in office concluded before the remuneration system was created do not in all respects comply with this amended remuneration system and are protected by grandfathering provisions. The actual remuneration of the Managing Directors based on their current contracts is presented in Section 3 of this report.

2.2.2 Basic principles of the Managing Director remuneration system

CompuGroup Medical is a global market leader in the development of e-health solutions and sells efficiency and quality-enhancing software plus information technology services for the healthcare sector. This position as an internationally leading provider of IT solutions for the healthcare sector is to be further expanded by organic growth and additional acquisitions.

CompuGroup Medical is strongly focused on growth. This philosophy of growth is mainly based on the idea that growth brings advantages for the Company that go beyond purely economic benefits and is therefore highly important for all stakeholders of CompuGroup Medical. As a result, the corporate strategy focuses very strongly on further growth, while maintaining profitability and sustainability. Core elements of this corporate strategy are in particular further expanding the relevant customer base, selling new products and services to existing customers, and maintaining a stable leading position in the field of technology and innovation.

The remuneration system for the Managing Directors provides a crucial incentive for implementing the corporate strategy of CompuGroup Medical based on ambitious performance targets derived from it. The individual remuneration components promote the three key corner stones of the corporate strategy: growth, profitability, and sustainability.

At the same time, the remuneration of the Managing Directors has been devised to remunerate them adequately, reflecting their performance, and their office and responsibility, which extends indirectly to CompuGroup Medical. In addition, the success and future prospects of the Company in the relevant competitive environment are also key criteria for the remuneration of the Managing Directors.

In preparing the structure of the remuneration system, special attention is paid to the following guiding principles:

Promoting and implementing the corporate strategy:
By setting ambitious short-term and long-term performance targets that are in line with the goals for corporate development and make them measurable in a targeted manner, the remuneration system as a whole contributes to the promotion and implementation of CompuGroup Medical’s corporate strategy.

Harmonizing targets with shareholder and stakeholder interests:
The remuneration system makes a crucial contribution to aligning the interests of the Managing Directors with the interests of shareholders and other stakeholders, as the remuneration depends largely on the long-term and sustainable performance of CompuGroup Medical and the share price development of the CompuGroup Medical share.

Focusing on long-term and sustainable development:
The long-term and sustainable development of CompuGroup Medical is promoted by granting a long-term incentive (LTI) and the implementation of ESG criteria (Environmental, Social, Governance) is rewarded by means of the short-term incentive (STI).

Pay for performance:
The Managing Directors receive a performance-based remuneration component, as adequate and ambitious targets are defined for the variable remuneration component. If the targets are not met, the variable remuneration component can be reduced to zero; at the same time, if the targets are exceeded, it can be raised up to a certain maximum amount (cap).

Compliance:

The structure of the remuneration system for the Managing Directors takes into account the applicable regulatory requirements for executive remuneration.

2.2.3 Appropriateness of Managing Director remuneration

When making remuneration decisions, the Administrative Board shall ensure that the total remuneration is appropriate in relation to the corresponding Managing Director's tasks and performance as well as to the Company's overall position and performance, does not exceed the usual level of remuneration without specific reasons and is geared toward supporting the long-term and sustainable development of the Company.

In order to assess whether the remuneration amounts are appropriate, they are compared with an appropriate peer group (horizontal comparison). The Administrative Board uses the horizontal comparison with a sense of perspective, in order to prevent an automatic upward trend. The peer group usually consists of national and international listed companies with a comparable size and from a similar sector, e.g., SDAX, MDAX and TecDAX companies as well as global software and technology corporations. In addition, the Administrative Board considers internal remuneration relations by comparing the remuneration of the Managing Directors with the remuneration at the executive level below the Managing Directors and the workforce as a whole (vertical comparison). The vertical comparison also assesses how the remuneration of the aforementioned groups develops over time.

2.3. Components of the remuneration system

Remuneration components

Managing Director remuneration consists of fixed and variable remuneration components. The fixed remuneration consists of the fixed annual salary (fixed salary) and fringe benefits.

The variable remuneration consists of a short-term (short-term incentive) and a long-term (long-term incentive) component. The short-term incentive has a one-year performance period and is granted annually as a cash bonus depending on target achievement levels. The long-term incentive has a multi-year performance period and is generally granted in the form of share options, but may be fully or partially replaced by a long-term incentive that is designed as a cash bonus.

Furthermore, the Administrative Board may grant Managing Directors special bonus payments under certain circumstances that depend on the achievement of special additional targets.

The following table shows the normal remuneration components and other material provisions concerning the remuneration.

Remuneration components at a glance	
Fixed remuneration components	
Fixed salary	Fixed non-performance-related remuneration for the full year that is paid out in twelve monthly instalments
Fringe benefits	➢ Company car for business and private use ➢ Group accident insurance/D&O insurance ➢ Health and care insurance allowances ➢ Relocation costs and accommodation of newly appointed Managing Directors, if applicable
Variable remuneration components	
Short-term incentive	
Type of plan	Target bonus model

Performance targets	➢ Group targets (30 %-70 %)
	  ➢ 15 %-35 % revenues
	  ➢ 15 %-35 % adjusted EBITDA
	➢ Individual targets (30 %-70 %)
	  ➢ Targets for ESG, individual business units and, if applicable additional group targets

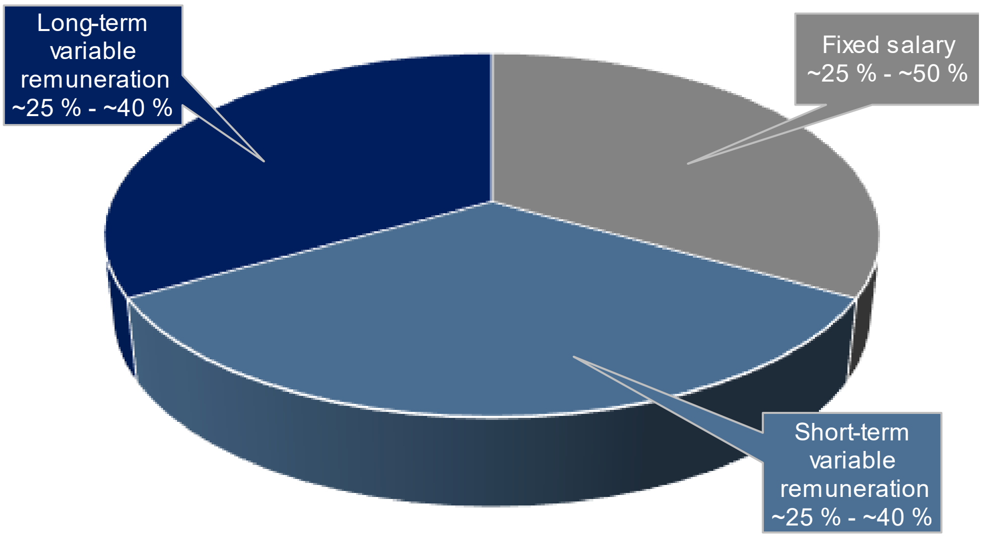
Performance period	One year
Cap	200 % of target amount
Payment	Cash after the end of the performance period
Long-term incentive	
Plan type 1	Share option program
Key parameters	➢ Performance period: three years ➢ Waiting period: four years ➢ Exercise period: six years
Vesting conditions	➢ Achievement of share price increase by at least 15 %
Exercise	➢ The exercise price corresponds to the volume-weighted average share price in a period beginning 45 days before and ending 45 days after the issue date ➢ Share options can be exercised fully or partially in tranches of at least 10,000 option rights
Plan type 2	Target bonus model
Key parameters	➢ Group and/or individual targets as performance targets ➢ Multi-year performance period ➢ To be paid in cash after the end of the performance period
Special bonus payments	
Signing bonus	➢ A signing bonus may be paid when joining the Company
Special bonuses	➢ Special bonuses may be paid for extraordinary performance (like implementing key projects)
Additional contractual provisions	
Malus and clawback regulations	Full or partial reduction of short-term variable remuneration granted and/or clawback of such remuneration already paid
Maximum remuneration p.a.	Maximum of EUR 15,000,000 p.a. per Managing Director
Payments upon premature removal from office/termination of employment contract	Any severance payments may at the most remunerate the remaining term of the employment contract until its ordinary termination, capped at two total annual remunerations
Change of control	Payments in case of change of control may at the most remunerate 150 % of the fixed and short-term variable remuneration components until the ordinary termination date of the employment contract, capped at a period of two years

Remuneration structure

When determining Managing Director remuneration, the Administrative Board ensures that the remuneration structure offers strong incentives to support CompuGroup Medical SE's long-term positive development while allowing for appropriate performance-related remuneration levels. The remuneration structure refers to the relative shares of the individual remuneration components.

The target total remuneration is the reference point for determining the remuneration structure. The target total remuneration is defined as the sum total of all the normal remuneration components (including fringe benefits) granted for one financial year. The target total remuneration further includes variable cash remuneration components, namely the respective amount that is paid for 100 % target achievement, as well as share options, namely the value of the options determined by the Administrative Board when the contract is concluded on the basis of customary measurement methods. However, neither special bonus payments nor changes in the value of share options and fringe benefits are taken into account for target total remuneration.

The remuneration structure for a financial year is as follows:



The Administrative Board ensures in each case that the variable remuneration clearly outweighs the fixed remuneration and that, within the variable remuneration, the share of the long-term incentive exceeds that of the short-term incentive to accommodate the "pay for performance" principle and the sustainability objective. Deviations from the relative shares in the target total remuneration set out above may arise (i) if no or only a limited number of new share options are granted upon contract renewal or (ii) resulting from the development of the share price and thus the value of the share options or due to the measured value of the granted fringe benefits.

2.3.1 Basic remuneration

Fixed salary

The fixed salary is a fixed remuneration for the full year that is paid out in twelve monthly instalments.

Fringe benefits

Additionally, the Managing Directors receive benefits in kind and other benefits (fringe benefits). This encompasses the provision of a company car appropriate with regard to their position for private and business use as well as the payment of insurance premiums, in particular group accident insurance and D&O insurance with appropriate coverage and a deductible in accordance with section 40 (8) of the SE Implementation Act (SEAG) in conjunction with section 93 (2) sentence 3 German Stock Corporation Act (AktG). In addition, the group may pay an allowance of up to 50 % of the documented amount of a private health insurance/care insurance, but no more than what the maximum employer contribution to statutory health/care insurance would cost.

The Administrative Board may also, at its reasonable discretion, temporarily reimburse expenses for extraordinary fringe benefits (e.g., security measures) where a substantial change in need has been identified. In addition, the group may pay relocation costs for newly appointed Managing Directors as well as additional accommodation costs and the travel expenses.

CompuGroup Medical does not grant a company pension.

2.3.2 Variable remuneration components

The variable, performance-based remuneration of the Managing Directors is linked to performance and based on the short and long-term development of the Company. It consists of a short-term component (short-term incentive), a long-term component (long-term incentive) as well as special bonus payments. The amount of the short-term and the long-term components depends on the achievement of financial and non-financial performance criteria. The performance criteria are derived from the strategic goals and operational management of the Company and also include the performance criterion of sustainability. Ultimately, all performance criteria measure the strategically targeted successful value creation in its various manifestations.

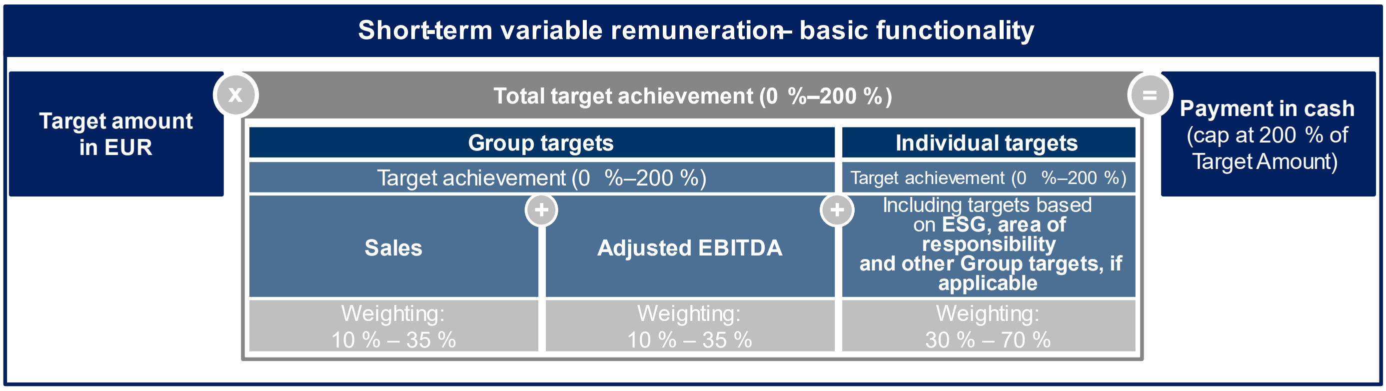
2.3.2.1 Short-term incentive

How does the short-term incentive work?

The short-term incentive is a target bonus system. An individual target amount is contractually agreed with every Managing Director for the short-term incentive bonus that is to be paid out every year. This target amount equals the payout amount if the target achievement level is 100 %. The actual amount of the bonus is based on the degree of target achievement, but is capped at 200 % of the target amount.

The performance targets can be split into two target categories: group targets focusing on group revenue and earnings growth and individual targets that are related to the Managing Director's specific area of responsibility and ESG factors (environmental, social, governance).

The following illustration shows the elements of the short-term incentive and the ranges for weighting the performance targets:



The Administrative Board determines the weighting of the performance targets, the specific individual targets and the target values of all the performance targets before the beginning of the relevant financial year. The ranges for weighting the performance targets appropriately take account of the respective Managing Director's area of responsibility. The Administrative Board can, for instance, set a larger share of group targets for Managing Directors with overall areas of responsibility, like CEO, the spokesperson for the Managing Directors, CFO or CTO, than for the other Managing Directors that are directly responsible for one certain business unit.

Short-term incentive performance targets – group targets

The group targets for the short-term incentive are based on CompuGroup Medical's corporate strategy and relate to revenues and adjusted EBITDA.

- Revenues are CompuGroup Medical's main key parameter and account for 10 % to 35 % of the total target achievement under the short-term incentive. Using revenues as a performance target underlines CompuGroup Medical's growth strategy and thus contributes substantially to successfully implementing the corporate strategy.
- Adjusted EBITDA, i.e., adjusted earnings before interest, taxes, depreciation and amortization (EBITDA), is also weighted with 10 % to 35 %. Adjusted EBITDA is a good indicator of CompuGroup Medical's ability to generate cash flow, net of expenses in connection with taxes, capital expenditure and financing. Complementing the revenue target, this target is thus based on profitability, and promotes profitable growth.

In addition to the target value (100 % target achievement level), the Administrative Board also determines a threshold and a maximum value.

Below such threshold, the achievement level of the corresponding performance target is deemed to be 0 %, leading to forfeiture of any proportional payment for that target. If the maximum value for an individual performance target is reached or exceeded, the target achievement level can be increased to a maximum of 200 % (cap). Another increase in the value of the corresponding performance target does not lead to an increase in the target achievement level and cannot be used to offset other performance targets with lower target achievement levels. Target achievement levels between the threshold and the target value as well as between target and maximum value are each interpolated on a straight-line basis.

Short-term incentive performance targets – individual targets

The individual targets are based on the respective Managing Director's specific responsibilities and, depending on the respective area of responsibility, have a weighting of 30 % to 70 % within the short-term incentive. They include both targets for the individual business units and ESG targets and, if appropriate, other group performance targets on the basis of several financial and non-financial performance criteria, i.e., key performance indicators (KPI). In addition to each individual target value (100 % target achievement level), the Administrative Board also determines a threshold, a maximum value as well as time frames for reaching certain milestones or other measurable parameters. The target achievement level of each individual target is determined on the basis of these parameters. Below such threshold, the achievement level of the corresponding performance target is deemed to be 0 %, leading to forfeiture of any proportional payment for that target. If the maximum value for an individual performance target is reached or exceeded, the target achievement level can be increased to a maximum of 200 %.

- The **targets for the individual business units** focus especially on the business unit headed by the respective Managing Director. By taking individual performance targets into account, the Administrative Board is able to create individual incentives for the Managing Directors. These targets for the individual business units are derived from the segment strategy. Financial parameters for the operating business, such as revenues or adjusted EBITDA of the respective segment or business unit, are used as financial KPIs. The Administrative Board may also determine other financial reporting parameters as financial or non-financial KPIs if such are better suited to reflect the long-term development of CompuGroup Medical. The targets for the individual business units may be based on the following categories or criteria: business performance, successfully completing key projects in the respective Managing Director’s area of responsibility (e.g., developing and rolling out strategic products or innovations or OneGroup tools, or customer platform growth), successfully implementing strategic restructuring or investments, product development and innovation, improving customer satisfaction in a certain business unit, gaining market share, enhancing efficiency, or successfully implementing the annual business priorities. The targets are selected by paying special attention to their relevance and measurability.

- In addition to business unit targets, the individual targets also include ESG targets that are based on the Company’s corporate and sustainability strategy. These targets may be based on the following categories or criteria: employee commitment index, corporate culture, sustainability and environmental protection, carbon footprint/zero carbon strategy, corporate social responsibility or promoting and improving data protection and information security, health and safety, equality and diversity, increasing the proportion of female managerial staff, or compliance. The Administrative Board may also determine other reporting parameters as KPI if such are better suited to reflect the long-term development of ESG objectives at group level.

- Whenever the individual targets include additional **group performance targets**, such targets are based on the respective Managing Director’s overall group responsibilities (thus providing an incentive to increase that Director’s performance at group level), such as successfully implementing the annual group priorities, the sustainable group strategy or transformation projects, efficiency enhancement, or liquidity planning at group level.

2.3.2.2 Long-term incentive

The long-term incentive is generally granted in the form of share options, but may be fully or partially replaced by a cash bonus with a multi-year performance period in individual cases. The interests of Managing Directors and shareholders are aligned by linking the long-term incentive to CompuGroup Medical's share price performance. At the same time, the length of the performance period, the waiting period and the exercise period create an incentive to ensure the Company's long-term and sustainable development. The possibility of replacing share options with a cash bonus reflects the different tasks and areas of responsibility (overall responsibility or responsibility for a certain area or business unit) of the Managing Directors, thus specifically promoting sustainable company development.

Share option program

Where the long-term incentive consists of participating in the share option program, the Managing Directors receive subscription rights for no-par value bearer shares of CompuGroup Medical (share options).

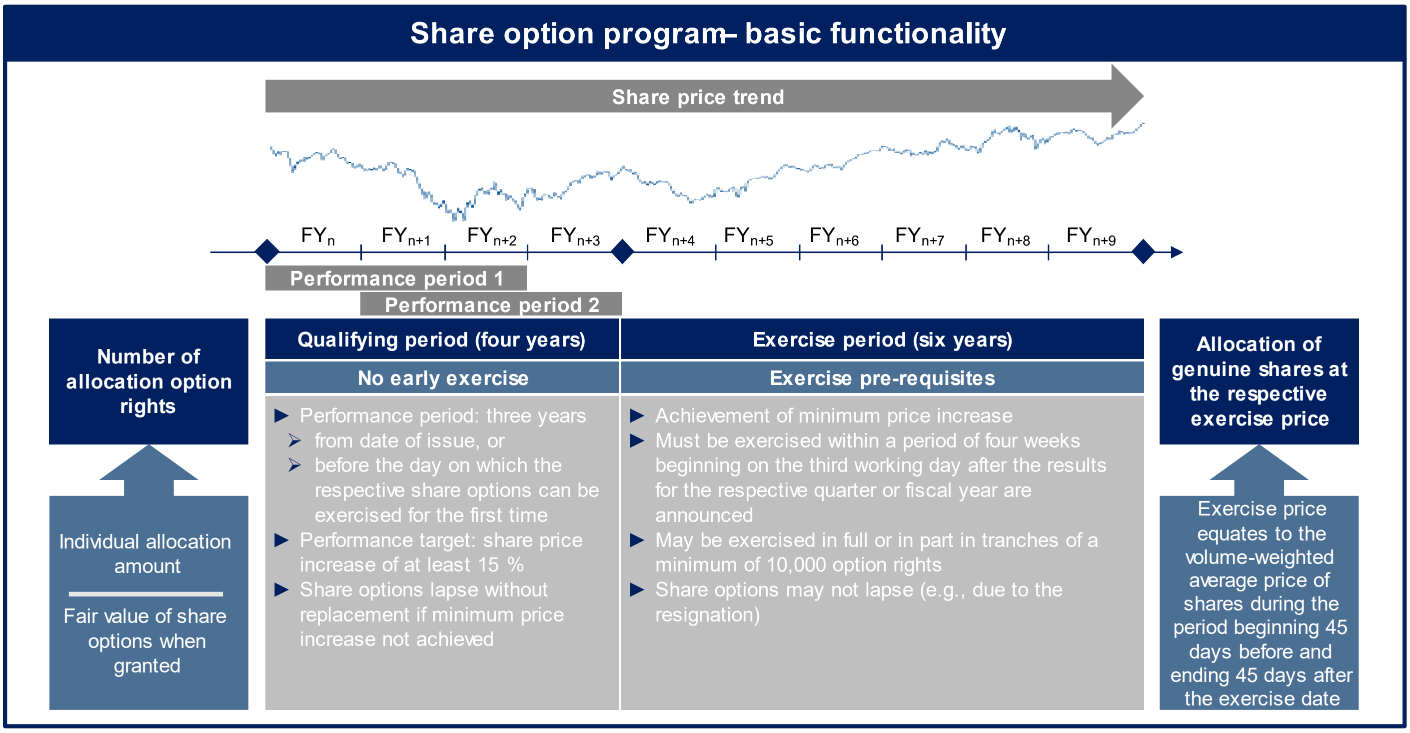
Share options are granted either annually in several equal tranches or once in one single tranche. Even if granted all at once, the share options are designed as a long-term incentive for several years or for the entire contractual term and are treated as if they had been granted annually in equal tranches over the respective time period with regard to waiting periods, vesting conditions, forfeiture rules and for determining the value for target total remuneration and maximum remuneration purposes.

The number of share options to be allocated is agreed in individual contracts by specifying a concrete number of shares or an allocation amount. Where there is an agreement regarding an allocation amount, the number of share options is determined by dividing the individual allocation by the fair value of the share options as determined by the Administrative Board on the basis of customary measurement methods.

Subject to the respective waiting periods and exercise periods (for more information, refer to (ii)) as well as fulfilment of the vesting conditions (for more information, refer to (iii)), the Managing Directors may exercise the share options at the respective exercise price (for more information, refer to (i)). The Administrative Board is free to decide if share options that have been exercised are to be satisfied by using conditional capital earmarked for this purpose, or by using the Company's treasury shares, or in cash.

The Administrative Board may make the granting of share options wholly or partially dependent on the Managing Director having achieved the performance targets of the short-term incentive to a minimum specific extent (e.g., 70 %) in the year prior to when the share options would normally be granted. Furthermore, the Administrative Board may, at its reasonable discretion, refrain from granting further share options in whole or in part for the period of a contract extension and instead provide for a comparable long-term remuneration component, which may also consist of the reallocation or extension of the waiting period of share options from previous periods of employment (extended lock-up).

The following chart illustrates how the long-term incentive works through the share option program:



(i) Exercise price

The price per share to be paid when exercising a share option (exercise price) corresponds to the volume-weighted average price of the Company's shares in XETRA on the Frankfurt Stock Exchange for a period beginning 45 calendar days before and ending 45 calendar days after the respective issue date, but at least the pro rata amount of the Company's share capital attributable to the share (section 9 (1) German Stock Corporation Act (AktG)). The issue date of a share option is the date the Managing Director is informed of the decision of the Administrative Board of CompuGroup Medical Management SE to issue such share option (receipt of the allocation letter).

(ii) Waiting period, term and exercise periods

Share options may first be exercised after a four-year waiting period. The waiting period commences on the respective issue date and ends four years after the issue date (end of day). After the waiting period, Managing Directors can exercise their share options within a period of six years (term). Within this period, share options can be exercised within four weeks, commencing on the third business day after publication of the results for a quarter of a financial year or the entire financial year (each, an exercise period). Any statutory restrictions that may exist under the general provisions remain unaffected thereby.

The Administrative Board may extend the term by a reasonable period if it is impossible to exercise the options at the end of the original term due to statutory provisions. The Administrative Board is also authorized to limit the term in general or in individual cases to a reasonable extent and, if so limited, to extend it in individual cases. Furthermore, the Administrative Board may conclude individual contracts to extend the waiting period for certain share options already granted, in particular share options that were granted in a previous employment period, by a period of up to four years (extended lock up) and may determine that the share options serve as long-term incentive for the financial years of the extended waiting period.

(iii) Vesting conditions

The prerequisite for exercising the share options is that the share price of the company must have risen by at least 15 % ("Minimum Share Price Increase") either (i) within three years of the issue date of the respective share options or (ii) within the three years prior to the day on which the respective share options can be exercised for the first time (each, a "Performance Period"). At present, a Minimum Share Price Increase of 20 % over a period of three years has been agreed with regard to all the share options granted.

The relevant reference price for performance period (i) is the exercise price and the reference for performance period (ii) is the volume-weighted average price of the Company's shares in the XETRA trading system on the Frankfurt Stock Exchange for a period beginning 45 calendar days before and ending 45 calendar days after the first day of the relevant three-year period. The relevant closing price for measuring the Minimum Share Price Increase is the volume-weighted average price of the Company's shares in the XETRA trading system on the Frankfurt Stock Exchange during a period of three months prior to the last day of the relevant three-year period (end of day).

If the Minimum Share Price Increase is not reached, the share options are forfeited without replacement.

Share options can be exercised fully or partially in tranches of at least 10,000 options. They can also be exercised after the Managing Director's employment has ended, provided that the allocated share options have not been forfeited due to them leaving the Company.

(iv) Adjustments

If the Company increases its share capital during the term of share options by issuing new shares or placing treasury shares, thereby granting their shareholders a direct or indirect subscription right, or issues bonds with warrants or conversion rights or profit participation certificates, thereby granting their shareholders a subscription right, the Administrative Board is authorized to grant Managing Directors full or partial compensation for the resulting dilution effect. This compensation may be granted by reducing the exercise price and/or by adjusting the number of share options. However, the eligible persons do not have a claim to such financial compensation.

Furthermore, the Administrative Board reserves the right the adjust the economic value of the share options at its reasonable discretion to account for extraordinary circumstances.

If the Annual General Meeting of CompuGroup Medical resolves to determine other or additional performance targets for granting share options, the vesting conditions for any share options to be newly granted to Managing Directors must be based on these resolutions by the Annual General Meeting and the performance targets and conditions defined by the Annual General Meeting are also deemed to be an integral part of this remuneration system.

(v) Forfeiture rules when leaving the Company

When the employment contract is terminated, all the share options that have not been allocated yet or that were granted for periods after having left the Company are forfeited after leaving the Company.

Share options already allocated remain in place subject to the original terms and conditions if the Managing Director's employment contract was in force for at least two years and if the share options were allocated at least twelve months before the employment contract was terminated. These share options may be exercised under the terms and conditions of the share option program, unless the Managing Director

- resigns without cause within the meaning of section 626 German Civil Code (BGB);
- refuses the first renewal of their contract with basically equal terms and conditions or if the Managing Director does not receive an offer to renew the contract due to grave cause within the meaning of section 84 (3) German Stock Corporation Act (AktG) on the part of the Managing Director;
- is removed due to grave cause within the meaning of section 84 (3) German Stock Corporation Act (AktG) on the part of the Managing Director;
- or the Managing Director's employment contract is terminated by the Company for cause within the meaning of section 626 (1) German Civil Code (BGB).

Share options already allocated may also be exercised in accordance with the terms and conditions of the share option program when the Managing Director retires or leaves the Company due to a permanent total incapacity for work, invalidity, or death.

Performance bonus (cash payment)

If a long-term cash bonus replaces the granting of share options, such cash bonus is also subject to a target bonus system like the short-term incentive and works basically like the short-term incentive. The performance targets, their weighting and the multi-year assessment period, however, are determined individually by the Administrative Board at its reasonable discretion before the

Performance Period commences and may relate to individual targets for a business unit depending on the respective Managing Director's area of responsibility.

2.3.2.3 Special bonus payments

Finally, the Administrative Board may grant Managing Directors a one-off special bonus when they take office or renew their contract, or for extraordinary performance (e.g., successful implementation of a key project as defined by the Administrative Board at its reasonable discretion) in promoting the corporate strategy in an exceptional manner.

2.3.3 Remuneration-related legal transactions

Terms of the employment contracts

The Managing Director employment contracts have a fixed term of a maximum of five years. If the appointment is revoked by the Administrative Board, the contract also automatically ends upon expiry of the statutory notice period as per section 622 (2) German Civil Code (BGB). The maximum contractual term for first appointments is three years.

The contract cannot be ended without cause; the right of either party to terminate the contract for cause as per section 626 (1) German Civil Code (BGB) remains unaffected.

Appointment or removal within the course of a year

If a Managing Director is appointed for the first time within the course of an ongoing financial year or leaves office at such time, the total remuneration, including the short-term and the long-term incentive or the allocation amount under the share option program is reduced pro rata temporis in accordance with the term of office in the financial year in question. Depending on the reason for leaving office, share options already granted, but not yet vested may be forfeited without replacement under certain circumstances.

Secondary employment, internal supervisory or administrative board mandates

Where Managing Directors take additional supervisory or administrative board mandates with the CompuGroup Medical Group, any remuneration received for such office must be passed on to the Company.

Any secondary employment outside CompuGroup Medical Group requires the prior consent of the Administrative Board. When granting consent to such secondary employment, the Administrative Board decides whether and to what extent any remuneration paid for such employment must be offset against the remuneration for the office as Managing Director.

Malus and clawback regulations

The employment contracts of the Managing Directors contain regulations on withholding short term incentives (malus) or reclaiming already paid out short term incentives (clawback) and it is in the Administrative Board's reasonable discretion whether to exercise such provisions or not.

A breach of duty, which gives the company the right of extraordinary termination of the employment relationship, or an intentional or grossly negligent breach of material duties of care within the meaning of section 40 (8) SE Implementation Act (SEAG) in conjunction with section 93 (2) sentence 1 German Stock Corporation Act (AktG), can lead to a reduction, withholding or reclaiming of all or part of the short-term incentive (compliance malus/compliance clawback).

Moreover, the Administrative Board may adjust the assessment of the short-term incentive, or reclaim, in whole or in part, short term incentives already paid out if and to the extent that it becomes apparent after the original assessment or after the payment, that the information on which the calculation of the payment amount had been based, in particular the underlying audited and approved consolidated financial statements, was not correct and that on the basis of the revised information, a lower amount or no payment of the short-term incentive would have been due (performance malus/performance clawback).

A reduction in the short-term incentive due to a breach of duty or compliance, or due to the adjustment of underlying information, can generally only be made for the financial year in which such breach has been identified or for which incorrect information was used to determine the amount of remuneration.

Irrespective of the reason for the clawback, short-term incentives already paid out can be reclaimed for up to four years after the end of the financial year in which the breach of duty or compliance occurred or for which the short-term incentive had been paid out on the basis of incorrect information.

Notwithstanding the above regulations, the obligation of the Managing Directors to compensate the company in accordance with section 40 (8) SE Implementation Act (SEAG) in conjunction with section 93 (2) sentence 2 German Stock Corporation Act (AktG) remains unaffected.

No malus or clawback provisions were made use of in the 2023 reporting year.

Maximum remuneration

The remuneration of each Managing Director is limited in individual contracts to a maximum remuneration per financial year, mEUR 15 at the most. The maximum remuneration is the maximum limit for the sum total of fixed salary, fringe benefits, short-term incentive, long-term incentive and special bonus payments resulting from the remuneration actually granted for a given financial year.

The amount of the individual maximum remuneration takes special account of the fact that the long-term incentive may be issued in the form of share options, which have a pronounced risk-reward profile. Granting of share options can lead to high profit takings, but at the same time it is also possible for the options to be forfeited and thus for the multi-year variable remuneration to be lost entirely.

The following maximum remuneration amounts are agreed in the individual contracts:

Michael Rauch	mEUR 10
Daniela Hommel	mEUR 5
Emanuele Mugnani	mEUR 5
Dr. Eckart Pech	mEUR 5
Hannes Reichl	mEUR 5
Dr. Ulrich Thomé	mEUR 5

The maximum remuneration regulation was not applied in the reporting year under review.

Payments upon premature removal from office/termination of employment contract

The Managing Director employment contracts generally include provisions according to which payments that are made on the Managing Director's premature removal from office or early termination of their employment without cause on the part of the Managing Director, are limited to the remuneration for the remaining term of employment until the ordinary expiry thereof, but to a maximum of two total annual remunerations (severance cap). The underlying total annual remuneration is based on the sum of fixed salary components, short-term incentive paid in the last full financial year and, if applicable, on the expected remuneration, consisting of fixed salary components and short-term incentive for the current financial year. Outstanding variable remuneration components referring to the period until the Managing Director leaves office, are paid in accordance with the originally agreed targets and comparison parameters and the contractually agreed payment dates or waiting periods.

A Managing Director has no claim to a severance payment if the premature removal from office or termination of the employment contract is based on cause on the part of the Managing Director. This also applies if the Managing Director resigns for reasons for which neither CompuGroup Medical nor CompuGroup Medical Management SE are responsible.

Change of control

The Managing Director employment contracts provide for an extraordinary right to terminate the contract in case of a change of control if (i) the entity gaining control significantly limits the powers of a Managing Director within a period of six months after the change of control event (ii) the remaining term of the Managing Director is less than two years and the Managing Director has not received a legally binding offer to extend the employment contract by at least another two years from the time of such offer at financial conditions that are comparable or better than the current terms and conditions. Change of control is defined as a situation where an acquirer (other than CompuGroup Medical) gains control of CompuGroup Medical Management SE, or CompuGroup Medical Management SE ceases to be the general partner of CompuGroup Medical.

When exercising this extraordinary right to termination, the Managing Directors can claim a severance payment that is capped. It is capped at 150 % of the fixed remuneration components and the short-term incentive until the normal termination date of the employment contract. For this purpose, the short-term incentive is based on an assumed target achievement level of 100 %, but at the longest for a period of two years.

If a Managing Director exercises their extraordinary right of termination upon change of control, any share options already granted remain valid and become vested. The same applies if the Managing Director is removed from office within a period of six months of change of control without cause on the part of the Managing Director.

Non-competition clause

Managing Directors are subject to an extensive non-competition clause for the duration of their work.

The employment contracts also provide for a post-contractual non-competition clause of twelve months. Compensation in the form of a waiting allowance is granted for the duration of the post-contractual non-competition clause. This amounts to 50 % of the last fixed annual salary received (without fringe benefits) and the last short-term incentive actually awarded.

Any severance payments are credited against the waiting allowance.

Termination by regular expiry of the term

No severance payments or special contributions to the pension scheme are made. There are no pension commitments or other retirement benefits in the event of regular termination of employment.

Permanent incapacity for work, death and retirement

If a Managing Director becomes temporarily incapacitated for work, they will receive continued payment of the fixed salary and short-term incentive pro rata temporis for a duration of four months but no longer than until the end of the employment contract.

If a Managing Director dies or becomes permanently incapacitated for work, they will receive continued payment of the fixed salary and the short-term incentive pro rata temporis for a period of three months after the end of the month in which the Managing Director left active service. If a Managing Director dies, payment is made to the descendants.

2.3.4 Temporary deviation from the remuneration system

The Administrative Board has the option of temporarily deviating from the remuneration system in special and exceptional circumstances if this is necessary in the interest of the Company's long-term well-being. Any such deviations may be necessary, for example, to ensure adequate incentives are offered in the event of a severe corporate or economic crisis. These exceptional circumstances underlying and requiring a deviation are to be determined by means of an Administrative Board resolution. In contrast, generally unfavorable market developments are not sufficient to justify a deviation from the remuneration system on the grounds of special and exceptional circumstances.

To the extent that it is permitted to deviate from the remuneration system, the components thereof that may be changed are the process, the rules pertaining to the remuneration structure and amount, the financial and non-financial performance criteria, the assessment bases and threshold, target, and maximum values of the individual remuneration components. The Administrative Board may in such cases also temporarily grant additional remuneration components or replace individual remuneration components with other remuneration components or deviate from the maximum remuneration to the extent necessary to restore an appropriate level of incentivisation to the remuneration of the Managing Directors. Notwithstanding any deviation from the remuneration system, the remuneration as such and its structure must continue to be geared towards the Company's long-term and sustainable development and suitably reflect the Company's success and the performance of the Managing Directors.

3. Total remuneration of Managing Directors and remuneration amounts

The disclosures on the granting and inflow of the remuneration of the Managing Directors are divided into fixed and variable remuneration components and supplemented by disclosures on pension expenses. The fixed remuneration components include the non-performance-related fixed remuneration and fringe benefits. The variable remuneration consists of a short-term (short-term incentive) and a long-term (long-term incentive) component as well as special bonus payments. The short-term incentive has a one-year performance period and is granted annually as a cash bonus depending on target achievement levels. The long-term incentive has a multi-year Performance Period and is generally granted in the form of share options, but may be fully or partially replaced by a long-term incentive that is designed as a cash bonus.

The annual bonus, the performance bonus deferral as well as the LTI are recognized as "granted benefits", each with the commitment value at the time of granting (corresponds to a target achievement of 100 %). In addition to the remuneration elements, disclosures on the individually achievable maximum and minimum remuneration are provided.

The "inflow" stated in the reporting year comprises the fixed remuneration components actually received plus the amounts of the immediate sums determined at the time of the preparation of the remuneration report that will be received in the following year. Inflows from multi-year variable remuneration, for which the planning period ended in the reporting year, are not paid out until the following year. In the inflow disclosures, the pension expenses correspond to the amounts granted, although they do not represent actual inflow in the narrower sense of the word. The Managing Directors have neither received nor been promised any compensation from third parties for this office in financial year 2023.

3.1. Short-term variable remuneration

The variable remuneration, which is linked to a previously agreed target, is agreed individually with each Managing Director, and includes targets measured over a multi-year period. For financial year 2023, the following targets were set for the variable remuneration of all Managing Directors:

- Revenues: 10 %
- Adjusted EBITDA: 25 %
- Individual targets: 65%

The revenue target refers to an increase in group revenues without acquisitions and currency translation effects in 2023. The adjusted EBITDA target refers to the increase in CGM's normalized earnings, which have also been adjusted for acquisitions and currency effects.

The individual targets vary depending on the specific challenges in each of the Managing Director's area of responsibility. These may include adjusted EBITDA, customer satisfaction or new customer business, project-related targets or specific targets in connection with software development. The targets are weighted differently for each Managing Director and depend on the specific situation in the respective area of responsibility. The sustainability targets (5 %) for 2023 include the results of an employee survey, an increase in employee satisfaction and a significant improvement in the employees' net promoter scores (NPS).

The following table shows the target amounts and target achievement levels relevant for the bonus in financial year 2022 (as far as relevant in terms of payment date) and 2023 and the resulting total target achievement level with the corresponding payment amounts in financial years 2023 and 2024.

	STI remuneration corridor				Actual remuneration	
in kEUR or in % of target amount	Period	Pro-rata	Target amount (= 100 %)	Max (<= 200 %)	Overall target achieve-ment	Payment/ Accrual amount
Michael Rauch						
CFO (until Jun 6,2022)	Jan 1 - Jun 30, 2022	50.0%	500	1,000	50%	126
Spokesman & CFO (Jul 1, 2022 - Jun 30, 2023)	Jul 1 - Dec 31, 2022	50.0%	900	1,800	50%	226
CEO & CFO (since May 17, 2023)	Jan 1 - Dec 31, 2023	100.0%	900	1,800	96%	860
Angela Mazza Teufer						
AIS DACH & Connectivity & CLICKDOC	Feb 15 - Dec 31, 2022	88.0%	400	800	55%	192
	Jan 1 - May 31, 2023	41.7%	400	800	57%	95
Emanuele Mugnani						
AIS Europe & PCS	Feb 15 - Dec 31, 2022	88.0%	400	800	52%	183
	Jan 1 - Dec 31, 2023	100.0%	400	800	69%	276
Dr. Eckart Pech						
CHS	Jan 1 - Oct 31, 2022	83.0%	400	600	60%	200
	Nov 1 - Dec 31, 2022	17.0%	400	800	60%	41
	Jan 1 - Dec 31, 2023	83.3%	400	800	67%	222
Hannes Reichl						
HIS	Jan 1 - Oct 31, 2022	83.0%	400	800	35%	117
	Nov 1 - Dec 31, 2022	17.0%	450	900	35%	27
	Jan 1 - Dec 31, 2023	100.0%	450	900	64%	289
Dr. Ulrich Thomé						
AIS DACH & Connectivity & CLICKDOC	Nov 1 - Dec 31, 2023	16.7%	400	800	100%	67

3.2. Share option program

The Managing Directors receive option rights as long-term variable remuneration in accordance with the conditions of the authorization to issue option rights for CompuGroup Medical SE & Co. KGaA decided upon under agenda item 6 at the Annual General Meeting on May 15, 2019. In order to be able to satisfy the share options, the Annual General Meeting on May 15, 2019 resolved to authorize contingent capital in agenda item 8, which – like the share option program – was adapted by resolution of the Annual General Meeting of CompuGroup Medical SE & Co. KGaA of May 19, 2021 (Contingent Capital 2019). The provisions set forth in the resolutions of the Annual General Meetings on May 15, 2019, May 13, 2020 and May 19, 2021 apply to issuing and settling the share options. The option conditions adopted by the Annual General Meeting in the version in force on August 2, 2021 apply equally to all Managing Directors. Any deviating conditions are described below.

Each share option entitles its holder to acquire a registered share of CompuGroup Medical with each individual share representing a pro rata amount of EUR 1.00 in share capital by paying the exercise price during the term within the exercise periods if all the conditions for exercising the option are met.

A share option may only be exercised if

(i) the waiting period has expired;

(ii) the performance target was reached; and

(iii) the share option has not been forfeited in accordance with the option conditions or the employment contract.

CompuGroup Medical can choose to either satisfy exercised share options by (i) issuing the corresponding amount of shares using Contingent Capital 2019 or any other contingent capital resolved for this purpose (new shares) or (ii) by issuing shares or a combination of both, or (iii) by paying a corresponding amount of money, in each case less the statutory tax and any other charges.

Waiting period

The waiting period for exercising share options commences on the date the respective options are issued and ends four years after the issue date (end of day). The issue date of a share option is the date the eligible person is informed of the decision of the Administrative Board of CompuGroup Medical Management SE to issue such share option (issue date).

After the end of the waiting period and if all other requirements for exercising the options have been fulfilled, the eligible person may exercise the share options either entirely or partially in tranches within a period of six years (“term”), whereby each of the eligible person’s tranches must comprise at least 10,000 share options.

Performance target

The prerequisite for exercising share options is that the performance target for the respective share options has been reached. The performance target has been reached if the company's share price has increased by at least 20 % either compared to the exercise price within a period of three years either (i) from the issue date of the respective share options or (ii) within a period of three years prior to the date on which the respective share options can be exercised for the first time (performance target). The relevant reference price for measuring the Minimum Share Price Increase is the volume-weighted average price of the Company's shares in the XETRA trading system on the Frankfurt Stock Exchange during a period of three months prior to the date on which option rights may be exercised for the first time.

If the Minimum Share Price Increase has not been met within the two possible Performance Periods, the respective share options are forfeited without replacement. It is not possible to repeat the calculation of the performance in later periods.

In addition, and thus in deviation from item 4 of the General Option Conditions as amended on August 2, 2021, it was agreed in the individual employment contracts of the Managing Directors as a further performance target that the share options granted for and allocated to a respective financial year will be forfeited without replacement if the short-term variable remuneration granted for the prior financial year does not amount to at least 70 % of the target amount.

If the short-term variable remuneration of the Managing Director in question is based on individual performance targets on the achievement of which the Managing Director has little or no influence, the Administrative Board may decide to neglect such performance targets in determining or agreeing on the relevant performance targets for calculating the 70 % threshold referred to in the preceding sentence. This means that for this purpose the amount of the short-term variable remuneration is then determined as if the neglected performance target had never been set or agreed.

Exercise price

The price per share to be paid when exercising a share option (exercise price) corresponds, in accordance with the general option conditions, to the volume-weighted average price of the Company's shares in XETRA (or a similarly functioning system that replaces XETRA) on the Frankfurt Stock Exchange for a period beginning 45 calendar days before and ending 45 calendar days after the respective issue date, but at least the pro rata amount of the Company's share capital attributable to the share (section 9 (1) German Stock Corporation Act (AktG)).

The option rights can only be exercised if the employment contract of the respective Managing Director is extended beyond the existing term of their respective first employment contract and if the employment contract is still valid at the time the option rights can be exercised for the first time.

The issued share options developed as follows as at **December 31, 2023**:

		Options granted in prior years	Reporting year: Options granted	Reporting year: Options for-feited	Reporting year: Options exercised	Reporting year: Exercise price	Earliest exercise date	total outstanding options
Michael Rauch	CEO & CFO	400,000	0	0	0	42,77 EUR	Jul 2, 2026	400,000
Angela Mazza Teufer (until May 31, 2023)	AIS DACH	250,000	0	250,000	0	n/a	n/a	0
Dr. Ulrich Thomé (from Nov 01, 2023)	AIS DACH	0	250,000	0	0	35,77 EUR	Nov 11, 2027	250,000
Emanuele Mugnani	AIS Europe	250000	0	0	0	42,77 EUR	Jul 2, 2026	250,000
Dr. Eckart Pech	CHS	250,000	120000	370,000	0	n/a	n/a	0
Hannes Reichl	HIS	250,000	80,000	250,000	0	46,18 EUR	Jul 2, 2027	80,000
Total		1,400,000	450,000	870,000	0			980,000

The performance target that must be achieved to be able to exercise all the share options newly granted from 2022 is that the share price of CompuGroup Medical SE & Co. KGaA must have risen by at least 20 % either (i) within three years of the issue date of the respective share options or (ii) within the three years prior to the day on which the respective share options can be exercised for the first time. All the share options outstanding as at December 31, 2023 are thus subject to this performance target.

As part of his appointment as spokesperson for the Managing Directors in addition to his position as Chief Financial Officer as of July 1, 2022, **Michael Rauch** was awarded 400,000 share options. 100,000 share options are allocated to each of the financial years 2022 to 2025 for the purposes of allocation to remuneration for a particular financial year (in particular for the purposes of determining the maximum remuneration or calculating the waiting period) and assessing potential forfeiture. The waiting period ends in accordance with the general option conditions exactly four years after the issue date (end of day). By way of deviation from the general option conditions, there is no need to renew the employment contract again beyond July 31, 2027 in order to exercise the option.

Angela Mazza Teufer (Managing Director of Ambulatory Information Systems DACH, Connectivity & CLICKDOC) was awarded 250,000 share options in February 2022 when she was appointed as Managing Director. The options were forfeited without replacement when she left active service as Managing Director in May 2023.

In February 2022, **Emanuele Mugnani** (Managing Director of Ambulatory Information Systems Europe and Pharmacy Information Systems Europe) was awarded 250,000 share options. The waiting period ends in accordance with the general option conditions exactly four years after the issue date (end of day). The amount applies both to the entire term of the employment contract (three years) to any potential renewal (further two years) thereof. Emanuele Mugnani is allocated 50,000 share options each over five years for the purposes of these being allocated to remuneration for a given financial year (in particular for the purposes of determining the maximum remuneration, assessing potential forfeiture, calculating the waiting period or calculating the number of share options that vest in the event of termination for change of control). In addition to the general terms and conditions of the share option program set out above, the share options will be forfeited without replacement if the short-term variable remuneration determined from 2023 until the end of the appointment has not reached at least 70 % of the target amount. This does not apply to the share options granted on a proportionate basis for financial year 2022.

In connection with his office, **Dr. Eckart Pech** (Managing Director Consumer and Health Management Information Systems) was awarded long-term variable remuneration (LTI) of 250,000 option rights in 2019. The waiting period ended in accordance with the general option conditions four years after the issue date on November 2, 2023 (end of day). As the performance targets have not been reached, the share options were forfeited without replacement.

When his employment contract was renewed on February 8, 2022, Dr. Eckart Pech was awarded 120,000 options for no-par value bearer shares of CGM for each financial year, but no more than four years, each as at July 1 or two weeks after the Annual General Meeting of CompuGroup Medical if this has not taken place before July 1 of the respective year. The 30,000 share options for each of the financial years will only be granted if the short-term variable remuneration determined for the respective prior financial year amounted to at least 70 % of the target amount. If the short-term variable remuneration of the respective prior year was based on individual performance targets on the achievement of which the Managing Director had little or no influence, the Administrative Board may decide to neglect such performance targets in determining or agreeing on the relevant performance targets for calculating the 70 % threshold.

In September 2023, Dr. Eckart Pech resigned from his office as Managing Director, effective as at March 15, 2024. The share options granted were thus forfeited upon termination of the employment contract.

Hannes Reichl (Managing Director Inpatient and Social Care) was awarded long-term variable remuneration (LTI) of 250,000 option rights each in 2019. The waiting period ended in accordance with the general option conditions four years after the issue date (end of day). As the performance targets have not been reached, the share options were forfeited without replacement when the waiting period ended in 2023.

It has also been determined for Hannes Reichl that a long-term bonus in the amount of the difference between the exercise price for the virtual option rights allocated on November 1, 2018 and the aforementioned XETRA average price for the option rights allocated on June 29, 2019, in each case multiplied by a factor of 250,000, will be paid out (cash settled). This entitlement exists if the performance targets specified for the option rights (which are derived from the general option conditions) are achieved, and is due and payable at the time the option rights are exercised. The background for this provision, which deviates from the general option conditions, is that the exercise price of EUR 65.5270 newly determined by the Supervisory Board in June 2019 was above the XETRA average price for the period from 45 calendar days before November 1, 2018 to 45 calendar days after November 1, 2018 (EUR 45.1191).

In the event that the performance targets set for option rights have not been met, but all other requirements for exercising the option rights have been fulfilled, Hannes Reichl remains – if the relevant average share price has increased by at least 15 % compared with the average November share price – entitled to a long-term cash bonus amounting to 50 % of the difference between the relevant average share price and the average November share price multiplied by a factor of 250,000, due and payable at the time the option rights could have been exercised for the first time. This performance target has not been reached either and the claim to a cash bonus has been forfeited.

When his new employment contract was concluded in 2022, Hannes Reichl was allocated 20,000 share options per year for each financial year, but at the most for up to four years, each as at July 1 of the respective year or two weeks after the Annual General Meeting of CompuGroup Medical SE & Co. KGaA if this has not taken place before July 1 of the respective year. The first allocation was made on July 1, 2023. The 20,000 share options for each of the financial years will only be granted if the short-term variable remuneration determined for the respective prior financial year amounted to at least 70 % of the target amount. If, from 2022 onward, the short-term variable remuneration is based on individual performance targets on the achievement of which the Managing Director has little or no influence, the Administrative Board may decide to neglect such performance targets in determining or agreeing on the relevant performance targets for calculating the 70 % threshold referred to in the preceding sentence.

In November 2023, **Dr. Ulrich Thomé** (Managing Director Ambulatory Information Systems DACH) was awarded 250,000 share options. The waiting period ends in accordance with the general option conditions exactly four years after the issue date (end of day). The amount applies both to the entire term of the employment contract (three years) to any potential renewal thereof (by another two years). Dr. Ulrich Thomé is allocated 50,000 share options each over five years for the purposes of these being allocated to remuneration for a given financial year (in particular for the purposes of determining the maximum remuneration, assessing potential forfeiture, calculating the waiting period or calculating the number of share options that vest in the event of termination for change of control). In addition to the general terms and conditions of the share option program set out above, the share options will be forfeited without replacement if the short-term variable remuneration for the respective prior financial year did not reach at least 70 % of the target amount. If the short-term variable remuneration of the respective prior year was based on individual performance targets on the achievement of which the Managing Director had little or no influence, the Administrative Board may decide to neglect such performance targets in determining or agreeing on the relevant performance targets for calculating the 70 % threshold.

Consolidated income statement

The equity-settled share option programs of the individual Managing Directors are recognized over the waiting period in profit or loss up to the fixed fair value on a straight-line basis by offsetting against the capital reserve.

For share-based remuneration components that are cash settled, on the other hand, the fair value is recalculated at each reporting date based on current market parameters and recognized in profit or loss as an expense. In financial year 2023, the corresponding provision for Hannes Reichl was reversed and mEUR 4.3 was recognized through profit or loss (prior year: expense of mEUR 1.2).

3.3. Remuneration for the Managing Directors

The remuneration granted and owed to the Managing Directors in office during the year under review is shown below:

			Fixed components			Variable components							
in kEUR	Entry date	Position / segment	Fixed salary	Fringe benefits	Total	Short-term bonus	LTI	Other	Total	Total remun-eration	Fixed remun-eration share	Variable remun-eration share	Inflow in 2023
Michael Rauch	Aug 1, 2019	CEO/CFO	800	8	808	681	500	0	1,181	1,989	41%	59%	3,160
Emanuele Mugnani	Feb 15, 2022	AIS Europe	500	0	500	190	0	0	190	690	72%	28%	683
Dr. Eckart Pech	Nov 1, 2019	CHS	500	22	522	100	0	1,592	1,692	2,214	24%	76%	762
Hannes Reichl	Nov 1, 2018	HIS	550	9	559	174	1,033	0	1,207	1,766	32%	68%	2,703
Dr. Ulrich Thomé	Nov 1, 2023	AIS DACH	83	3	86	67	2,249	0	2,316	2,402	4%	96%	86

The remuneration granted refers to the payment a Managing Director was promised for a given financial year. This payment must not necessarily be paid out in the same financial year. The remuneration owed, in contrast, refers to the payment the Managing Directors are actually owed. This may also relate to remuneration that was granted in the past and has become due.

All benefits were paid by CompuGroup Medical Management SE; no further remuneration is granted for any other mandates in the group.

Upon signing his new employment contract in 2022, **Michael Rauch** was promised a one-off payment ("signing bonus") of mEUR 2 in return for the additional duties he assumed as spokesman for the Managing Directors. It was paid out in July 2023. In addition, Michael Rauch will receive a one-time special bonus of mEUR 1 for exceptional performance, which must be paid out by July 1, 2024 at the latest and the achievement of which is determined at the due discretion of the Administrative Board. The special bonus is granted for the development and successful implementation of projects approved by the Administrative Board at its dutiful discretion.

Hannes Reichl was promised a one-off payment of mEUR 2 for signing his new employment contract in 2022 (signing bonus). The one-off payment was made in June 2023. In addition to the share options, Hannes Reichl has also been given another long-term variable remuneration component of mEUR 1.25 (in case of 100 % target achievement) for the entire term of his renewed employment contract until October 31, 2027.

In addition to the share options, long-term variable remuneration is granted for each financial year, which is conditional on the achievement of performance targets set by the Administrative Board. In the event of 100 % target achievement, the long-term variable remuneration amounts to mEUR 1.25 (incl. tax).

Dr. Eckart Pech receives a cash severance payment of mEUR 1.6 in connection with the termination of his contract as at March 31, 2024. This amount corresponds to (i) the sum total of fixed remuneration and – assuming 100 % target achievement level – short-term variable remuneration for a period of 24 months after leaving the company, i.e., from April 1, 2024 until October 31, 2025 (end of day).

3.4. Remuneration of former Managing Directors of CompuGroup Medical SE & Co. KGaA

The below table presents the benefits granted to former Managing Directors in the reporting year:

			Fixed components			Variable components							
in kEUR	Exit date	Last position	Fixed salary	Fringe benefits	Total	Shortterm bonus	LTI	Other	Total	Total remun-eration	Fixed remun-eration share	Variable remun-eration share	Inflow in 2023
Frank Gotthardt	Dec 31, 2020	CEO	0	0	0	0	-57	0	-57	-57	0%	100%	447
Dr. Dirk Wössner	Jun 30, 2022	CEO	0	0	0	-144	0	-	- 144	-144	0%	100%	121
Angela Mazza Teufer	May 31, 2023	AIS DACH	208	5	213	7	0	825	832	1,045	20%	80%	1,229

Under the agreement on the multi-year bonus, **Frank Gotthardt** received a pro rata payment for the 2020 financial year of mEUR 0.4 for the contractually agreed period from January 1, 2020 to December 31, 2022. Thus, the payments for financial year 2020 have been made and no further claims exist under the multi-year bonus.

Angela Mazza Teufer received a severance payment of mEUR 0.8 in connection with the premature termination of her employment contract as at May 31, 2023, thereby definitively settling any and all contractual claims.

4. Remuneration of the Supervisory Board and the Administrative Board in 2023

Remuneration amounts for the members of the Supervisory Board of CompuGroup Medical SE & Co. KGaA are provided for in article 15 of the Company's Articles of Association and are approved by the Annual General Meeting with the consent of the general partner pursuant to article 26 (4) of the Articles of Association of the Company. Pursuant to the resolution of the (virtual) Annual General Meeting of CompuGroup Medical SE & Co. KGaA on May 13, 2020, the members of the Supervisory Board have been receiving fixed remuneration of kEUR 40 and reimbursement of expenses since the conversion into an SE & Co. KGaA was registered. The Chair of the Supervisory Board receives kEUR 80, twice the fixed remuneration, while the Vice Chair receives kEUR 60, 1.5 times the fixed remuneration. For membership in a Supervisory Board committee, a member receives an additional fixed remuneration of kEUR 10, and the chair of a committee receives twice that amount, namely kEUR 20.

The total remuneration (excluding any VAT) of the Supervisory Board of CompuGroup Medical SE & Co. KGaA for the year 2023, including the charges passed on by CompuGroup Medical Management SE for the Administrative Board, amount to (in kEUR):

Remuneration 2023 for the Supervisory Board of CompuGroup Medical SE & Co. KGaA

kEUR	2023
von Ilberg, Philipp, Chair	100
Weinmann, Stefan, Vice Chair, employee representative	60
Handel, Ulrike, Dr.	48
Kohrmann, Martin, Prof.Dr.	40
Lyhs, Reinhard (from March 1, 2023)	34
Störmer, Matthias	60
Volkens, Bettina, Dr.	40
Basal, Ayfer, employee representative	50
Betz, Frank, employee representative	50
Hegemann, Adelheid, employee representative	40
Johnke, Lars, IG Metall	50
Mole, Julia, ver.di	40
Total	612

Review of the Supervisory Board remuneration system

On the occasion of the entry into force of the law for the implementation of the Second Shareholder Rights Directive (ARUG II), the Supervisory Board remuneration system is also to be submitted to the Annual General Meeting for approval pursuant to section 113 (3) German Stock Corporation Act (AktG). This took place at the Annual General Meeting on May 19, 2021.

Remuneration 2023 for the Administrative Board

The remuneration of the Administrative Board of the general partner, CompuGroup Medical Management SE, is provided for in article 13 of the Articles of Association and is approved by the Annual General Meeting of CompuGroup Management SE pursuant to article 21 (3) of the Articles of Association. The members of the Administrative Board of the general partner receive an annual fixed remuneration of kEUR 60 unrelated to performance as well as the reimbursement of expenses. The Chair of the Administrative Board receives twice the amount of the fixed remuneration, namely kEUR 120. Pursuant to article 8 (3) of the Articles of Association of CompuGroup Medical SE & Co. KGaA regarding the remuneration of the Administrative Board of CompuGroup Medical Management SE, the charges have been passed on to CompuGroup Medical SE & Co. KGaA. CEO Michael Rauch receives no remuneration for his work on the Administrative Board of CompuGroup Medical Management SE.

kEUR	2023
Gotthardt, Frank	120
Esser, Klaus, Dr.	60
Gotthardt, Daniel, Prof. Dr.	60
Peters, Stefanie	60
Rauch, Michael	0
Total	300

5. Comparison

The following table shows a comparison of the annual changes in executive remuneration, the group's earnings performance and the average remuneration for employees.

	Change 2019 vs. 2018	Change 2020 vs. 2019	Change 2021 vs. 2020	Change 2022 vs. 2021
Managing Directors as at Dec 31, 2023				
Rauch, Michael (Speaker, from July 1, 2022; CFO, from August 1, 2019)	222%	-28%	586%	-70%
Thomé, Dr. Ulrich (from August, 1, 2022)	n/a	n/a	n/a	n/a
Mugnani, Emanuele (from February, 15, 2022)	n/a	n/a	n/a	-75%
Reichl, Hannes	10%	3%	246%	-39%
Pech, Eckart, Dr.	452%	2%	-5%	195%
Former Managing Directors				
Gotthardt, Frank (until December 31, 2020)	40%	-150%	-72%	-93%
Wössner, Dirk, Dr. (until June 30, 2022)	n/a	n/a	-74%	-102%
Mazza Teufer, Angela (until May 31, 2023)	n/a	n/a	n/a	-63%
Supervisory Board as at December 31, 2023				
von Ilberg, Philipp, Chair	n/a	86%	0%	0%
Weinmann, Stefan, Vice Chair, employee representative	n/a	n/a	336%	0%
Handel, Ulrike, Dr.	-10%	-26%	0%	20%
Köhrmann, Martin, Prof. Dr.	n/a	77%	0%	0%
Lyhs, Reinhard (from March, 1, 2023)	n/a	n/a	n/a	n/a
Störmer, Matthias	n/a	86%	0%	0%
Volkens, Bettina, Dr.	n/a	85%	0%	0%
Basal, Ayfer, employee representative	n/a	n/a	318%	0%
Betz,Frank, employee representative	n/a	n/a	318%	0%
Hegemann, Adelheid, employee representative	n/a	n/a	292%	0%
Johnke, Lars, IG Metall	n/a	n/a	318%	0%
Mole, Julia, ver.di	n/a	n/a	4%	0%
Former members of the Supervisory Board				
Fuchs, Michael, Dr. (deceased December 25, 2022)	n/a	86%	-2%	-100%
Administrative Board as at December 31, 2023				
Gotthardt, Frank	n/a	n/a	0	0%
Esser, Klaus, Dr.	-11%	-25%	0%	0%
Gotthardt, Daniel, Prof. Dr.	8%	-8%	0%	0%
Rauch, Michael (from July 1, 2022)	n/a	n/a	n/a	n/a
Peters, Stefanie	n/a	n/a	0	0%

	Change 2019 vs. 2018	Change 2020 vs. 2019	Change 2021 vs. 2020	Change 2022 vs. 2021
Former members of the Administrative Board				
Wössner, Dirk, Dr. (from January 1, 2021 until June 30, 2022)	n/a	n/a	n/a	n/a
Key performance indicators				
Revenues of CGM group (IFRS)	12%	22%	10%	5%
Organic growth of CGM group	4%	6%	4%	4%
Adjusted EBITDA of CGM group	8%	4%	4%	13%
Free cashflow	41%	7%	-32%	64%
Net income of CGM SE & Co. KGaA (German Commercial Code)	-19%	19%	-9%	71%
Average remuneration of the workforce				
Total workforce in Germany	n/a	4%	12%	-3%

The changes in the comparative data for the Managing Directors are mainly due to people joining or leaving the company during the year, the allocation of share options or one-off payments.

The total workforce in Germany in the above comparative calculation includes all employees on an FTE basis of CompuGroup Medical companies that have their registered office in the Federal Republic of Germany.

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE EXAMINATION OF THE REMUNERATION REPORT PURSUANT TO SECTION 162 (3) AKTG

To CompuGroup Medical SE & Co. KGaA, Koblenz

Opinion

We have formally examined the remuneration report of CompuGroup Medical SE & Co. KGaA, Koblenz, for the financial year from January 1 to December 31, 2023, to determine whether the disclosures pursuant to Section 162 (1) and (2) AktG have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not examined the content of the remuneration report.

In our opinion, the accompanying remuneration report complies, in all material respects, with the disclosure requirements pursuant to Section 162 (1) and (2) AktG. Our opinion does not cover the content of the remuneration report.

Basis for the Opinion

We conducted our examination of the remuneration report in compliance with Section 162 (3) AktG taking into account the IDW assurance standard: Examination of the remuneration report pursuant to Section 162 (3) AktG (IDW AsS 870 (09.2023)). Our responsibilities under this regulation and this standard are further described in the "Auditor's Responsibilities" section of our assurance report. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)). We have com-plied with our professional duties pursuant to the German Public Accountants Act [WPO] and the Professional Charter for Auditors/Chartered Accountants [BS WP/vBP], including the independence requirements.

Responsibility of the General Partner and of the Supervisory Board

The General Partner and the Supervisory Board are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. In addition, they are responsible for such internal controls as they have determined necessary to enable the preparation of the remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e. fraudu-lent financial reporting and misappropriation of assets) or error.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the remuneration report complies, in all material respects, with the disclosure requirements pursuant to Section 162 (1) and (2) AktG, and to issue an assurance report that includes our opinion.

We planned and performed our examination to obtain evidence about the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have not examined whether the disclosures are correct or individual disclosures are complete or whether the remuneration report is fairly presented.

Frankfurt am Main, March 22, 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Bock	Jennes
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

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