

# Remuneration Policy of the Executive Corporate Officers for the 2025 Fiscal Year (ex ante)

Extract from the Universal Registration Document 2024

# I – Remuneration Policy of the Executive Corporate Officers for the 2025 Fiscal Year (*ex ante*)

In accordance with Article L. 22-10-8 of the French Commercial Code, the corporate officers' remuneration policy, as described herein, will also be subject to a resolution to be proposed to the approval of the Shareholders' Meeting to be held on March 25th, 2025.

## Remuneration Policy of the Chief Executive Officer

The following remuneration policy describes the remuneration policy for the Chief Executive Officer for the 2025 financial year, which was decided by the Board of Directors in its meeting held on February 5, 2025, upon proposal of the Remuneration and Nomination Committee, and which will be proposed to the approval of the shareholders' meeting to be held on March 25, 2025 (*ex ante* vote).

### A. Main Features of the Remuneration Policy and Contribution Toward Promoting the Corporate Strategy and Long-Term Development of the Company

The remuneration policy for the Chief Executive Officer aims to remunerate the Chief Executive Officer appropriately in line with his tasks and responsibilities and to directly consider his performance and the success of the Company. Accordingly, the remuneration policy includes fixed remuneration components as well as short- and long-term variable remuneration components.

The Company strategy seeks to achieve profitable growth and a sustained, long-term increase in the value of the Company. This strategy is the basis from which the structure of the remuneration policy is derived for the Chief Executive Officer of Sartorius Stedim Biotech S.A.: The short-term variable remuneration depends on annual corporate targets that are aligned with key performance indicators for profitable growth of the Company. In addition to these, this short-term remuneration can also consider significant non-financial targets. Long-term remuneration depends on a corporate goal that reflects the sustainable and long-term growth of the Company and the Sartorius Stedim Biotech group; in addition, part of the long-term remuneration can also be aligned with meeting non-financial targets of the Company that are derived from the corporate strategy and are of material significance for the long-term positive further development of the Company. As a result, the company's remuneration policy creates incentives to promote the long-term and positive sustainable development of the Company.

## B. Details of the 2025 Remuneration Policy

		Remuneration components	Structure of the remuneration components		Maximum bonus (in % of the target amount)	Maximum remuneration
Fixed	Cash	Fixed remuneration	Basic remuneration		100%	Maximum amount of all cash remuneration components for the respective fiscal year
		Short-term variable remuneration	Sales revenue   Order intake	40%	150%	
Underlying EBITDA	40%					
Ratio of net debt to underlying EBITDA	10%					
Employee engagement	10%					
Variable	Cash	Long-term variable remuneration	Consolidated net profit	50%	150%	
			Reduction of CO <sub>2</sub> equivalent emission intensity	50%		

### I. Remuneration Components

#### 1. Overview of the Individual Remuneration Components

Remuneration consists of fixed and variable components. The fixed component is the fixed annual salary. The variable performance-based components are comprised of short-term components with a one-year assessment basis and of long-term components with a multi-year assessment basis.

#### 2. Fixed Remuneration

Fixed annual remuneration is cash compensation related to a specific fiscal year and is based in particular on the area of duties and responsibilities of the respective executive corporate officer.

#### 3. Variable Performance-Based Remuneration Components

##### a) Short-Term Variable Remuneration with a One-Year Assessment Basis

In addition to receiving fixed remuneration components, the Chief Executive Officer is entitled to receive short-term variable remuneration with a one-year assessment basis.

#### Target Parameters

Short-term variable remuneration on a one-year assessment basis consists of four individual components each related to different target parameters. There are three individual components related to the subordinate financial targets of average of sales revenue | order intake, underlying EBITDA, ratio of net debt to underlying EBITDA and as a non-financial subordinated target the employee engagement.

The target parameter of sales revenue | order intake is a measure of the average calculated from sales revenue and order intake and is a key performance indicator of growth. Underlying EBITDA (earnings before interest, taxes, depreciation and amortization) as a target parameter is adjusted for extraordinary items. This is a key profitability indicator of Sartorius Stedim Biotech Group and is used to provide a picture of Sartorius Stedim Biotech Group's operating development that is also internationally better comparable. The target parameter of the ratio of net debt to underlying EBITDA is calculated as the quotient of net debt and underlying EBITDA

and is a key financial ratio regarding Sartorius Stedim Biotech Group's debt financing capacity. The target parameter employees engagement currently polled twice a year within the scope of global employees' surveys.

To determine these financial target parameters, the Company provides regular reports as part of its periodic financial reporting. These targets are key control elements for profitable growth as well as for a sustainable and long-term increase in the value of the Company and serve to implement the overarching strategic goals of Sartorius Stedim Biotech Group. The non-financial target parameter employees engagement is an indicator of sustained employee retention, which is of essential importance for the competitiveness of a company on the labor market and thus for the long-term successful further development of the Company. As a result, this non-financial target parameter also promotes the overarching strategic goals of the Company. As ENPS has proven to be a particularly sensitive parameter with only limited informative value since its introduction, Board has decided for an alternative parameter that should adequately reflect employee engagement.

The remuneration policy intentionally does not rigidly prescribe the target parameters, however. Rather, the Board can set further target parameters, including non-financial ones, and/or replace existing target parameters by others. In turn, the particular target parameters must be used that the Company reports at least once annually as part of its periodic financial reporting. If non-financial target parameters are additionally used, these must be aligned with the targets that are derived from the corporate strategy and are of material importance for the long-term positive development of the Company. In adjusting financial target parameters, the Board shall ensure that the particular target parameters in their entirety continue to reflect key control elements for profitable growth as well as a sustainable and long-term increase in the value of the company. In addition, further non-financial targets may also be defined in the future. At least one target parameter is to be based on key indicators that measure the development of business volume and/or earnings.

### **Measurement of Target Achievement and Bonus Payment**

For each target parameter, the Board determines a formula that is used to calculate the bonus to be paid for the respective individual component based on the degree of target achievement. In the process, the Board also defines (i) the minimum target achievement below which the bonus to be paid is zero, and (ii) the maximum target achievement above which the bonus to be paid does not increase further. As a result, the amount of a bonus to be paid is capped for each subordinate target at a maximum percentage of the individual target amount. This cap is currently 150% for all subordinate targets. However, the Board can elect to define a different cap in the future.

For every individual component of short-term variable remuneration on a one-year assessment basis, the Board shall set an individual target amount for each executive corporate officer before the beginning of a fiscal year. This target amount is used to determine the specific amount of a bonus to be paid based on the level of target achievement defined for the respective fiscal year. The targets are weighted for the individual Board members according to their area of responsibility.

In case of financial target parameters, the target at which the full target bonus amount is paid out (= 100% target achievement) is derived by the Board from the approved annual budget for the respective fiscal year and the level of target achievement is determined by comparison with the actual result, which is derived from the audited and approved consolidated financial statements for the respective fiscal year. If non-financial target parameters are aligned with values that are reported in the Sustainability Statement for the respective fiscal year, the degree of target achievement is determined by comparison of the target values with the actual results that are presented in the Sustainability Statement. In determining the level of target achievement, the Board can adjust the actual figure to allow for non-recurring, extraordinary circumstances and/or non-operating items for example resulting from acquisitions or divestments during the year.

Annual short-term variable remuneration is calculated for a fiscal year ended and paid in the following fiscal year. If an executive corporate officer joins or leaves the board without serving for a full year, his or her short-term variable remuneration will be calculated and determined on a pro-rated basis.

#### **b) Long-Term Variable Remuneration Components**

The long-term variable remuneration components for the Chief Executive Officer consist of the following two individual components: One component is related to the development of the consolidated net profit and one component to the reduction in CO<sub>2</sub> emission intensity as target parameters each in a four-year assessment period. As a result, the long-term variable remuneration components are also aligned with financial target parameters that measure profitable growth and a sustainable and long-term increase in the value of the Company and the achievement of the climate targets derived from the Company's sustainability strategy, and thus serve to implement the company's overarching strategic objectives.

The remuneration policy intentionally does not rigidly prescribe the target parameters currently used. Rather, the Board can set further financial and/or non-financial target parameters with at least a four-year assessment period, and/or replace existing target parameters by others. If the target parameters are financial targets, the Board must use those that the Company reports at least once annually as part of its periodic financial reporting. In adjusting financial target parameters, the Board shall ensure that the particular target parameters in their entirety continue to reflect key control elements for profitable growth as well as a sustainable and long-term increase in the value of the Company. If non-financial target parameters are additionally used, these must be aligned with the targets that are derived from the corporate strategy and are of material importance for the long-term positive development of the Company. Moreover, for each target parameter, the Board determines a formula used to calculate the bonus to be paid for the respective individual component based on the degree of target achievement. In the process, the Board also defines (i) the minimum target achievement below which the bonus to be paid is zero, and (ii) the maximum target achievement above which the bonus to be paid does not increase further. As a result, the amount of a bonus to be paid is capped for each subordinate target as a maximum percentage of the individual target amount.

The long-term variable remuneration components are each weighted at 50%. For each of the two individual components, the Board defines a separate individual target amount for every executive corporate officer before the beginning of a fiscal year. This target is used as the basis for calculating the specific bonus amount to be paid out based on the degree of achievement of the associated targets defined for the respective fiscal years.

#### **Consolidated Net Profit**

The individual component related to consolidated net profit has an assessment period of four consecutive fiscal years and begins with the fiscal year in which the tranche concerned is granted. A new tranche is granted on a rolling basis for each fiscal year that a member's appointment lasts. The amount paid out for a particular tranche depends on the total target achievement for the respective assessment period, which corresponds to the average target achievement for each of the four fiscal years of the relevant assessment period. For each fiscal year, the Board annually defines a target for consolidated net profit in euros, which is derived by the Board from the annual budget approved for the respective fiscal year.

To determine the level of target achievement for a fiscal year, the consolidated net profit, excluding amortization (reduction of the value of intangible assets from business combinations pursuant to IFRS 3) – as reported in the company's consolidated financial statements audited and approved – is compared to the particular target set by the Board. In individual cases, the Board may make further adjustments to the actual amount to allow for non-recurring, exceptional circumstances and/or non-operating items.

The amount to be paid out is determined based on the individual target amount and a formula defined by the Board. It provides for (i) a minimum target achievement which must be exceeded to receive a bonus and below

which the amount paid out is zero, and (ii) a maximum target achievement, above which the bonus amount to be paid out does not increase further. The bonus paid out is thus capped in each case at a maximum percentage of the individual target amount. This cap is currently set at 150% and is reached at a target achievement level of 125%. In the future, however, the Board may also define a different cap.

This remuneration component is paid out at the end of the fourth fiscal year of the assessment period for the respective tranche.

#### **Reduction of CO<sub>2</sub> Equivalent Emissions Intensity**

This individual component related to the reduction of the CO<sub>2</sub> Equivalent Emissions Intensity has an assessment period of four fiscal years and begins with the fiscal year in which the tranche concerned is granted. A new tranche is granted on a rolling basis for each fiscal year. The amount paid out for a particular tranche depends on the individual target amount and target achievement for the respective assessment period. For each tranche, the Board annually defines a target for average annual reduction of the CO<sub>2</sub> Equivalent Emissions Intensity during the assessment period. This target corresponds to the current target of the Company's sustainability strategy in each case (currently a 10% reduction per fiscal year). To determine the target achievement of this parameter, the final value used is the actual value of the CO<sub>2</sub> Equivalent Emissions Intensity reached in the last fiscal year of the respective four-year assessment period for the corresponding tranche. In individual cases, the Board may make further adjustments to the actual value to allow for base effects and recording inaccuracies.

The amount to be paid out is determined based on the individual target amount and a formula defined by the Board. It provides for (i) a minimum target achievement, below which the amount paid out is zero, and (ii) a maximum target achievement, above which the bonus amount to be paid out does not increase further. The bonus paid out is thus capped in each case at a maximum percentage of the individual target amount. This cap is consistently set at 150% and is reached at a target achievement level of 150%. In the future, however, the Board may also define a different cap.

This remuneration component is paid out upon expiration of the fourth fiscal year in the respective period of assessment for the tranche concerned.

#### **4. Commitments referred to in Article R. 22-10-14, II 6° of the French Commercial Code**

The following commitments were subscribed by Sartorius AG, the controlling shareholder of the Company.

##### **Earlier departure severance**

Pursuant to a service agreement entered into between the Chief Executive Officer and Sartorius AG, the Chief Executive Officer has committed to a severance pay cap of a maximum of two annual salaries as a maximum, but not more than the salary of the remaining term of such service agreement, to cover cases in which the term of office of the executive corporate officer is terminated prematurely.

The severance payment is governed by German law relating to public listed companies and the Corporate Governance Code. It is a payment equivalent to a maximum of two years' salary, for the total of all payments, and calculated in accordance with recommendation G13 of the German Corporate Governance Code. The calculation breakdown consists of variable remuneration (based on past performance) + fixed remuneration + an estimate of long-term remuneration + any other element of the severance package. In any event, the total amount granted may not exceed this maximum amount equivalent to two years, whatever the grounds for claiming such remuneration.

In case the term of office of the corporate executive officers is terminated for good cause, no severance is due. Neither Sartorius AG nor Sartorius Stedim Biotech SA is paying extra-severance in the event of retirement.

### **Non-competition clause**

The Chief Executive Officer has a post-contractual non-competition obligation in accordance with German law. This obligation will last for two years after an executive corporate officer has left the Sartorius Group. During this time, if the non-competition clause is not waived or terminated, this corporate executive officer member may claim half of his most recent annual remuneration received from Sartorius AG.

The rule for calculating the non-competition indemnity is "half the contractual benefits for each year of non-competition". This non-competition indemnity is not added automatically to the severance pay, but may form part of the amounts that make up a potential severance package.

The non-competition clause ceases to apply when the employee, retires from work, i.e. enters into an invalidity pension, an occupational invalidity pension or an early retirement pension. The retired person is not entitled to any non-competition indemnity for the period following his or her retirement. Furthermore, none of the members of the Board of Directors may be reappointed beyond the end of the calendar month in which a member of the Board of Directors reaches the age of 65 according to Sartorius AG.

### **Pension commitments**

The Chief Executive Officer and current Chairman at the date of the document receive performance-related benefit commitments under a defined benefit plan when reappointed for the first time. In addition to including a basic pension, these commitments provide for the executive corporate officer to make his own contribution from his variable earnings and for the company to match this contribution by a bonus amount. A corporate officer may choose to receive such defined benefits in the form of a monthly retirement pension for old age or as a one-time payment to cover the member's retirement pension for old age and invalidity as well as in the form of survivor's benefits for the surviving spouse and children of the decedent.

Beyond such commitments, the current Chairman of the Board is additionally entitled under a former company pension scheme to receive performance-based retirement benefits based on the salary of a German federal civil servant classified as grade 10 of salary class B for ministry officials according to the Federal Civil Service Remuneration Act (*Bundesbesoldungsgesetz*). Such benefits are paid in the form of a retirement pension for old age and invalidity as well as in the form of survivors' benefits for the surviving spouse and children of the decedent.

After an executive corporate officer has turned 65, this shall be considered the regular age limit at which this executive corporate officer shall automatically be entitled to receive all such benefits. This pension commitment will be paid by Sartorius AG.

## **II. Procedure for Establishing and Implementing as well as Reviewing the Remuneration Policy**

The Board of Directors shall establish and regularly review the remuneration policy for the Chief Executive Officer in accordance with legal requirements and propose changes to the Annual Shareholders' Meeting. The remuneration itself will be paid on behalf of Sartorius Stedim Biotech S.A. by the parent company Sartorius AG to the Chief Executive Officer. In turn Sartorius Stedim Biotech S.A. reimburses Sartorius AG at cost.

The Chief Executive Officer's fixed annual remuneration may change regularly, and more than at long intervals. Such remuneration changes are accompanied by a procedure in compliance with these policy principles and the ones described in Article 26.1.2 of the Code Afep-Medef. The decision is made via a discussion within the Remuneration & Nomination Committee, and is afterwards approved by the Board of Directors and proposed to the Shareholder meeting for approval.

In respect of the principles and criteria above mentioned, the Board of Directors, in its meeting held on February 5, 2025, decided that the remuneration policy of the Chief Executive Officer for the 2025 fiscal year will be as follows (variable remuneration under the assumption of 100% target achievement):

	Chief Executive Officer	
	in €	% of total remuneration
<b>Fixed remuneration</b>	<b>850,000</b>	<b>51.5%</b>
<b>Variable 1 year</b>	<b>550,000</b>	<b>33.3%</b>
Order Intake Sales	220,000	13.3%
Underlying EBITDA	220,000	13.3%
Net debt to underlying EBITDA ratio	55,000	3.3%
Employees satisfaction	55,000	3.3%
<b>Variable multi year</b>	<b>250,000</b>	<b>15.2%</b>
Net result	125,000	7.6%
CO <sub>2</sub> e intensity reduction	125,000	7.6%
<b>Total</b>	<b>1,650,000</b>	<b>100.0%</b>