

Adtran

Building a secure tomorrow

Remuneration report 2024

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Remuneration for management board and supervisory board

The present remuneration report prepared by the management board and the supervisory board reports on the compensation of the present members of the management and the supervisory board of Adtran Networks SE ("Adtran Networks") in the fiscal year 2024 pursuant to the requirements of Section 162 German Stock Corporation Act (Aktiengesetz, AktG). Granted and owed compensation as well as promised allowances are stated individually for the members of the corporate bodies.

Following the acquisition of a majority stake in the company by Adtran Holdings, Inc. ("Adtran") on July 15, 2022 and the conclusion of a domination and profit and loss transfer agreement that became effective upon entry in the commercial register on January 16, 2023, the Supervisory Board of Adtran Networks resolved at its meeting on March 15, 2023 to amend the remuneration system for the members of the Executive Board approved by the Annual General Meeting on May 19, 2021. At its meeting on March 15, 2023, the Supervisory Board of Adtran Networks resolved to adjust and further develop the system for the remuneration of Management Board members approved by the Annual General Meeting on May 19, 2021 in accordance with the requirements of the Act Implementing the Second Shareholders' Rights Directive (ARUG II) and the GCGC in the version dated April 28, 2022. This system was approved at the Annual General Meeting on May 24, 2023 with an approval rate of 91.30%.

On May 8, 2024, the Supervisory Board adopted a new remuneration system that essentially retains the previous regulations, taking into account minor adjustments. The adjusted remuneration system was approved at the Annual General Meeting on June 28, 2024 with an approval rate of 89.01 %.

The currently valid remuneration system applies to resolutions of the supervisory board on remuneration and remuneration agreements with the members of the management board that were resolved or concluded starting from June 29, 2024. In the absence of a deviating agreement, remuneration entitlements established before this date continue to be based on the underlying contractual provisions.

The currently applicable compensation system approved by the annual general meeting on June 28, 2024 is available on the website <https://www.adva.com/en/about-us/investors> as part of the corporate governance statement.

On June 28, 2024, the annual general meeting approved the Compensation Report on the individually granted and owed compensation for the members of the management board and the supervisory board of Adtran Networks in the fiscal year 2023 with a 89.02 % majority.

Due to the high level of approval for the two aforementioned resolutions, there was no reason to fundamentally question the remuneration system as such, its implementation or the manner of reporting.

Management board compensation in the fiscal year 2024

This report requires disclosures about the compensation granted and owed to the current and former members of the management board in the fiscal year 2024. In the fiscal year 2024, Thomas Richard Stanton, Dr. Christoph Glingener and Ulrich Dopfer were members of the management board of the company. Thomas Richard Stanton was appointed as a member and chairman of the management board effective as of July 1, 2023. Effective as of January 21, 2024, the former member of the management board Scott St. John resigned from his position. Brian Protiva, former chairman, had already left the company's management board on August 31, 2022.

The company's management board compensation system stipulates that the supervisory board can arrange for the board activities at the company to be completely or partially uncompensated if a senior manager of the Adtran group, in particular, a member of the board of Directors of Adtran, held a seat on the management board at Adtran Networks at the same time. The supervisory board used this power in the case of Mr. Stanton. Due to his compensation as CEO and chairman of the board of Adtran which was already promised to him prior to and independent of his appointment as a member of the board of our company, no compensation was paid at Adtran Networks. Nevertheless, this report discloses the compensation granted and owed to him by the group parent in the fiscal year 2024.

Furthermore, variable compensation was paid to the former member of the management board Scott St. John in the fiscal year 2024 for his former board activities.

Other than those mentioned above, no current or former members of the management board were granted or owed compensation in the fiscal year 2024.

Principles of the compensation system

The management board compensation considers not only the performance of the entire management board but also the economic position of the company and its size and complexity. The management board compensation system of Adtran Networks focuses on the sustainable and long-term development of the company. Strategic targeting, responsible action, and sustainable profitable growth including the interests of shareholders, customers, employees, and other stakeholders are

promoted as part of the variable compensation. The system is characterized by a pronounced variability dependent on the performance of the entire board and the success of the group.

Adequate performance criteria as part of the performance-related variable compensation of the management board ensure that performance and variable compensation appropriately drive management to achieve corporate and individual goals and that target achievement is directly tied to total company performance measures and the pay for performance principle. Therefore, variable compensation components directly depend on financial, operational, and strategic targets. Strategic corporate targets and key performance indicators are decisive performance parameters for variable compensation.

Procedure for reviewing compensation

The supervisory board as a whole determines and reviews the management board compensation. According to the rules of procedure of the supervisory board, its Nomination and Compensation Committee prepares these decisions. It is essential that both the compensation structure and its amount are customary in the market and competitive. Regular compensation comparisons with peer groups relevant to Adtran Networks ensure this. Furthermore, an appropriate relationship between the management board compensation and the compensation of senior managers as well as employees is guaranteed.

The supervisory board considers relevant peer groups for a horizontal comparison of the specific total target compensation and for reviewing its appropriateness. To this end, 16 enterprises from the company's industry are used as external reference in appropriateness tests which are listed in the management board compensation system published on the company's website. This horizontal comparison serves to ensure that the members of the management board receive compensation that is customary in the market and competitive.

In addition, a vertical comparison reviews the compensation of the members of the management board among each other, as well as compared to the senior management circle and to the total workforce of the company. The external as well as the internal appropriateness are reviewed at regular intervals.

Changes in the compensation system

Based on the proposal by the Nomination and Review Committee, on May 8, 2024, the supervisory board decided on the current system for the compensation of the members of the management board which was then approved by the annual general meeting on June 28, 2024.

The revision concerns only minor adjustments, which in particular align individual details of the variable remuneration components with the regulations and plans applicable throughout the Adtran group. In addition, the intended ratio of the individual remuneration components to each other was adjusted.

Complete overview of the components of the management board compensation

The following table shows the basic components of the compensation system and its structure. All components are explained individually below.

Compensation component	Calculation basis/parameters
Non-performance-related (fixed) compensation	
Base salary	The base salary is paid to the members of the management board as a monthly salary on a prorated basis.
Fringe benefits	Company car, employer's share of any statutory social security contributions, health insurance, and a standard employer retirement plan
Performance-related (variable) compensation	
Annual Target Incentive Cash Bonus	<ul style="list-style-type: none"> Performance criteria: Adjusted EBIT of the Adtran group / revenue of the Adtran group The target amount is set for one fiscal year and the targets are set and reviewed at the beginning of the respective assessment period (currently the entire financial year) Cap: 200% of the target value Disbursement at the end of the respective assessment period
Annual Restricted Stock Units (annual RSUs) (Restricted Stock Units are hereinafter also referred to as "RSUs")	<ul style="list-style-type: none"> For four years, 25% of the allocation will be converted into shares of Adtran on each respective anniversary of the allocation. Requirement: Existing employment relationship on the respective conversion date Cap: Conversion restriction in case of a value increase to 300% between allocation and conversion Conversion into Adtran shares after vesting
Annual Performance Stock Units (annual PSUs) (Performance Stock Units are hereinafter also referred to as "PSUs")	<ul style="list-style-type: none"> Performance criterion: Development of the Total Shareholder Return ("TSR") of Adtran compared to the NASDAQ Telecommunications Index Assessment period: 3 years Cap: Conversion restriction in case of achievement of the maximum 150% target and a share value increase to 200% between allocation and conversion Delivery of Adtran shares and disbursement of dividend credits in money
3-Year Plan Performance Stock Units (Three-Year Plan PSUs)	<ul style="list-style-type: none"> Performance criterion: Adjusted EBIT of the Adtran group Assessment period: 3 years Cap: Conversion restriction in case of a share value increase to 200% of the value at allocation between allocation and conversion Delivery of Adtran shares and disbursement of dividend credits in money
2-Year Integration One-Time Bonus (Integration bonus)	<ul style="list-style-type: none"> Performance criteria: Synergy savings, individual objectives Assessment period: Through the end of 2024 Cap: Regarding the monetary share of a maximum amount of 66% of the annual base salary and regarding the PSU share in the amount of 66 % of an annual base salary together with a conversion restriction of the maximum target and share value increase to 200% between allocation and conversion Disbursement: Payment in money and delivery of Adtran shares and disbursement of

Compensation structure

The management board compensation system approved by the annual general meeting on June 28, 2024, includes non-performance-related (fixed) and performance-related (variable) compensation components and consists of basic compensation, fringe benefits, the Annual Target Incentive Cash Bonus, and long-term variable compensation components (annual RSUs and PSUs, Three-Year Plan PSUs, integration bonus). The long-term variable compensation components have different periods under review, some of which last several years, and can be paid annually. The RSUs and PSUs are based on the development of Adtrans share price.

The base salary of the active board members is approximately between 15-29 % and the fringe benefits are around 1 % of the total target compensation. Additional elements of the compensation of the active board members are variable components, namely the Annual Target Incentive Cash Bonus at approximately 16-28 %, the annual RSUs at approximately 6-18 %, the annual PSUs at approximately 7-16 %, the Three-Year Plan PSUs at approximately 9-24 %, and the integration bonus at approximately 14-18 %.

Remuneration report

Following the discontinuation of the integration bonus, the following allocation is targeted from 2025:

Base salary	23-39%
Fringe benefits	2-4%
Annual Target Incentive Cash Bonus	12-19%
Annual Restricted Stock Units	9-16%
Annual Performance Stock Units	8-16%
3-Year Plan Performance Stock Units	16-31%

The remuneration system is based on USD values. The annual average exchange rate (EUR/USD 1.08202) was used for the conversion to EUR values in the following tables. Due to rounding, figures in tables may not add up exactly to the totals shown. The percentages shown may not exactly reflect the absolute figures to which they relate.

The management board compensation in the fiscal year 2024 based on 100% target achievement is shown in the following table. For the three-year plan PSUs and the integration bonus, the amounts achievable with 100 % target achievement are distributed over the individual years of the term.

	Thomas R. Stanton (from July 1, 2023) Chief executive officer		Christoph Glingener Chief technology officer		Ulrich Dopfer Chief financial officer	
(in thousands of EUR)	2024	in % of total remune- ration	2024	in % of total remune- ration	2024	in % of total remune- ration
Base salary	656	14 %	351	28 %	395	29 %
Fringe benefits	30	1 %	17	1 %	7	1 %
Total fixed compensation	686	15 %	368	29 %	402	29 %
Annual target incentive cash bonus 2024	1,294	28 %	203	16 %	227	17 %
Annual RSUs	835	18 %	78	6 %	86	6 %
Annual PSUs	747	16 %	92	7 %	102	7 %
3-year plan PSUs	388	9 %	308	24 %	308	22 %
2-year integration one-time bonus (PSU)	305	7 %	107	8 %	125	9 %
2-year integration one-time bonus (Cash)	305	7 %	107	8 %	125	9 %
Total variable compensation	3,874	85 %	894	71 %	973	71 %
100 % target compensation total	4,560	100 %	1,262	100 %	1,375	100 %

In 2024, the following members of the management board have voluntarily agreed to the following temporary reductions in base salary:

- 50% reduction in base salary for Thomas R. Stanton effective from October 30, 2023 through July 31, 2024
- 25% reduction in base salary for each of Ulrich Dopfer and Christoph Glingener effective from November 1, 2023 through July 31, 2024.

These temporary salary reductions were implemented in connection with the Business Efficiency Program that was developed during the second half of 2023 as a result of ongoing uncertainty around the current macroeconomic environment and its impact on customer spending levels.

Total compensation granted and owed to the members of the management board in the fiscal year 2024

For the former members of the management board and those active as of December 31, 2024, the following table shows the individual compensation granted and owed for the fiscal year 2024.

Compensation has been granted within the meaning of Section 162 para. 1 sentence 1 AktG if the performance criteria are achieved during the relevant financial year, the underlying one-year or multi-year activity has been performed and the remuneration elements have thus been earned. The compensation is owed if it has become due pursuant to the legal definition, but has not been paid, within the fiscal year.

For the remuneration system of Adtran Networks SE, this understanding of the term means that a difference between the year in which the management board member provides the service and the year in which the remuneration is reported as granted and

owed may apply. In the case of multi-year components, remuneration granted and owed may only be reported in later financial years.

Subsequently, the non-performance-related compensation components were both paid and accrued in the fiscal year 2024. For the Annual Target Incentive Cash Bonus and the integration bonus, in the fiscal year 2024 the following remuneration was earned, but not yet paid. The RSUs and PSUs are reported with a market value at the date of conversion (vesting). No compensation was owed or granted for the annual as well as 3-year plan PSUs and the integration bonus in the 2024 fiscal year.

For the fiscal year 2024, the total compensation of the members of the management board of Adtran Networks amounts to EUR 4,839 thousand.

The compensation for active members of the management board pursuant to Section 162 para. 1 sentence 2 no. 1 AktG consists of the following:

	Thomas R. Stanton (from July 1, 2023) Chief executive officer		Christoph Glingener Chief technology officer		Ulrich Dopfer Chief financial officer	
		in % of total remune- ration		in % of total remune- ration		in % of total remune- ration
(in thousands of EUR)	2024		2024		2024	
Base salary	656		351		395	
Fringe benefits	30		17		7	
Total fixed compensation	686	20 %	368	53 %	402	53 %
Annual target incentive cash bonus 2024	407		64		72	
Annual RSUs	1,391		9		11	
Annual PSUs	—		—		—	
3-year plan PSUs	—		—		—	
2-year integration one-time bonus (PSU)	302		106		124	
2-year integration one-time bonus (Cash)	610		145		143	
Total variable compensation	2,710	80 %	324	47 %	350	47 %
Total compensation	3,396		692		752	

No remuneration was owed or granted to members of the management board other than those listed in the above table in the fiscal year 2024.

Maximum annual compensation

The maximum compensation established by the supervisory board pursuant to Section 87a para. 1 sentence 2 no. 1 AktG for the fiscal year 2024 is EUR 2.9 million for the chairman of the management board and EUR 2.8 million for an ordinary member of the management board.

The maximum compensation is comprised of the basic compensation and the fringe benefits, the variable (i.e., performance-related) compensation components for maximum target achievement and considers applicable caps. If members of the board of Directors or other senior managers of Adtran also hold a seat on the management board at the company at the same time, any amounts that are not paid by the company or its dependent companies and that are not paid specifically for the service on the management board at the company will not be considered (see Clause 2 of the management board compensation systems of May 8, 2024). For this reason, the compensation received by Mr. Thomas Richard Stanton as CEO and chairman of the board of the parent company is not being considered when reviewing compliance with the maximum compensation.

In the fiscal year 2024, both the total maximum compensation and the limits for the individual variable compensation components were observed.

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Below, the relevant total compensation for 2024 based on the received compensation is compared with the defined maximum compensation:

	Thomas R. Stanton (from July 1, 2023)	Christoph Glingener	Ulrich Dopfer	Scott St. John (until Jan. 21, 2023)
	Chief executive officer	Chief technology officer	Chief financial officer	Chief marketing and sales officer
(in thousands of EUR)				
Base salary	656	351	395	—
Fringe benefits	30	17	7	—
Annual RSUs	1,391	9	11	—
2-year integration one-time bonus (PSU)	302	106	124	—
STI 2023	—	—	—	180
Stock options	—	—	—	31
Total compensation	2,379	483	537	211
Maximum compensation	n/a	2,800	2,800	2,800

Effective as of the end of January 21, 2023, Scott St. John has resigned from his position as a member of the management board of Adtran Networks. The outstanding amount of the STI 2023 was paid out to him in 2024.

Non-performance-related compensation components and fringe benefits

The members of the management board receive an agreed non-performance-related basic compensation each year, which is in general paid out in equal installments. In an individual agreement from November/December 2023, the members of the management board Christoph Glingener and Ulrich Dopfer waived 25% of their basic compensation for the period from November 1, 2023 to July 31, 2024. It was originally planned that this waiver would be compensated for by granting Adtran options, as was the case for the other Adtran group managers affected. As the latter was not possible for legal reasons, the salary waiver was reversed in 2024, meaning that the basic salary was paid out in full in the 2024 financial year. Ulrich Dopfer also received a one-off payment of USD 17,083 and Christoph Glingener received a one-off payment of EUR 13,625, corresponding to the portion of the salary waiver attributable to the 2023 financial year. The CEO Thomas R. Stanton waived 50% of his fixed salary granted by the parent company which was effective from October 30, 2023 until July 31, 2024.

Compensation in kind and other additional compensation

In addition to cash compensation, the members of the management board employed by the company are granted various fringe benefits, some of which are event-related. They received the usual employer's share of any statutory social security contributions, health insurance, and a standard employer retirement plan. In the fiscal year 2024, a company car for business and private use was available to one member of the management board.

Furthermore, the members of the management board are included in the coverage provided by a financial loss liability insurance policy (directors & officers insurance), subject to a deductible, taken out by the company. This insurance provides for a statutory deductible for the management board required according to Section 93 para. 2 sentence 3 German Stock Corporation Act (AktG).

Company pension plan

The compensation system does not include any company pension plan for the former and active members of the management board.

Annual Target Incentive Cash Bonus

The Annual Target Incentive Cash Bonus is established by the Variable Incentive Compensation Plan or Variable Incentive Cash Compensation ("VICC plan") of Adtran group. The Annual Target Incentive Cash Bonus rewards the success of the operative development in the respective fiscal year and was granted to the members of the Management Board under the current remuneration system. This ensures that targets are based on demanding financial, operative, and strategic success parameters, and the amount of the actual disbursement depends on their achievement.

At the beginning of a respective fiscal year, the supervisory board establishes an individual target compensation for 100% of the total target achievement for each member of the management board. This amount is calculated by multiplying the fixed annual salary of the members of the management board with the individually set incentive target in percent. Furthermore, performance criteria are established according to the VICC plan at the beginning of each fiscal year. According to previous and current

practice, the Adjusted EBIT¹ of the Adtran group and the revenue of the Adtran group² are used as relevant criteria. However, according to the VICC plan, other key figures can also be used as performance criteria.

The assessment period is a maximum of one year and is based on the applicable requirements of the Adtran group. At the beginning of the assessment period, minimum, target and maximum amounts are set for each performance criterion for the respective assessment period. In order to receive the corresponding bonus for the respective assessment period, the minimum target must be achieved for the respective performance criteria. If the target amount for both targets is achieved, the member of the management board receives 100% of the annual target bonus. If the maximum targets are achieved in each case, the member of the management board receives 200% of the annual target bonus. Values between the thresholds are calculated using non-linear interpolation. The payment of a bonus does not require the minimum target to be achieved for both performance criteria. Once target achievement has been determined at the end of the respective assessment period, the bonus payments owed for the previous assessment period become due.

In the event of a change of control at Adtran, the VICC plan provides for a payment to be made within 30 days of the change of control in the amount of the portion of the annual bonus attributable to the period up to the change of control that is expected for the entire financial year at that time.

If a member of the management board leaves the company during the year, the entitlement to the Annual Target Incentive Cash bonus depends on the existence of the employment relationship at the time the payment is due.

The annual bonus is paid out by the company with which the management board service agreement exists.

The targets established for the members of the management board were achieved as follows in the fiscal year 2024:

Goal (in millions of USD)	Goal period	Minimum goal	Target goal (20%)	Target goal (50%)	Maximum goal	Actual value	Goal achievement (in %) ^{*)}
Revenue of Adtran group	2024	900.0	915.0	1,045.0	1,175.0	922.7	21.78 %
Adjusted EBIT of Adtran group	2024	1.0	5.6	77.8	117.5	3.2	9.68 %

*) Within the goal buckets the achievement is scaled linearly

When determining the overall target achievement, the two targets presented above are weighted equally. The overall target achievement in 2024 is 31.46 %.

Long-term variable compensation components

Based on the current compensation system and within the scope of the incentive plans of the Adtran group, Adtran grants the members of the management board time-related RSUs, market-related PSUs, and company-related PSUs as part of a three-year plan. The long-term variable compensation instruments serve to drive management to achieve longer-term plans, outperform our market segment, and drives ownership, and encourages retention. Adtran bears the costs for the allocations and their management.

Annual Restricted Stock Units

The members of the management board receive a certain sum for the allocation of RSUs each year. The allocation takes place regularly during the first quarter of the fiscal year. The number of RSUs to be allocated is calculated by dividing this sum by the value of the Adtran shares according to the NASDAQ closing price on the day when the decision regarding the allocation is made.

As a general rule, the allocations will be converted into Adtran shares over the course of four years in equal installments (25% per year) after the time has lapsed (on the respective anniversary of the allocation). Within the four-year vesting period, the members of the management board earn a quarter of the originally allocated RSUs for each full year they have been on the management board of the company since the allocation of the RSUs. In order for the member of the management board to receive the shares on each exchange date, the member must have entered into a current service agreement with the company or any other group company of the Adtran group. The RSUs motivate the members of the management board to maintain the service relationship with the company and to promote the growth of the group. The RSUs converted in 2024 are reported as remuneration granted and owed.

Aside from general restrictions, such as insider trading rules and “blackout periods” existing pursuant to the guidelines of the Adtran group, there are, in principle, no further disposal restrictions after the acquisition of the shares.

¹ Adjusted EBIT is defined as the Adtran group earnings before interest and tax, determined based on the audited financial results, and adjusted to remove any restructuring expenses; acquisition-related expenses and amortization of intangibles; stock-based compensation expense; the non-cash change in fair value of equity investments held in the deferred compensation plan; and any other non-GAAP exclusions approved by the compensation committee of Adtran Holdings, Inc..

² Revenue of the the Adtran group: Revenues reported in the audited US GAAP consolidated financial statements of Adtran.

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According to the compensation system, the ceiling of a possible conversion of the RSUs in the event of an increase in the value of the shares is defined as 300% between allocation and conversion, considering all RSUs within a tranche (i.e., 100 % of the RSUs allocated for a total of four years). Until this upper limit is reached, the management board member can receive Adtran shares for the RSUs. Should the ceiling be reached, any RSUs exceeding the ceiling have to be returned.

The following table shows the development of the portfolio of RSUs held by members of the management board in the fiscal year 2024:

	RSUs outstanding on Jan. 1, 2024	Granted RSUs	Converted (vested) RSUs	Market value at conversion (vesting) date	Forfeited/ expired RSUs	RSUs outstanding on Dec. 31, 2024
	Number	Number	Number	in thousands of USD	Number	Number
Thomas R. Stanton	349,379	129,958	(238,151)	1,505	—	241,186
Christoph Glingener	7,625	12,044	(1,906)	10	—	17,763
Ulrich Dopfer	8,932	13,321	(2,233)	12	—	20,020
Total	365,936	155,323	(242,290)	1,526	—	278,969

The share price of the RSUs converted in 2024 was USD 7.03 for 21,786 RSUs, USD 5.78 for 153,218 RSUs, USD 5.91 for 12,768 RSUs and USD 7.75 for 50,379 RSUs of Thomas R Stanton. The share price for the 4,139 converted RSUs of Christoph Glingener and Ulrich Dopfer amounted to USD 5.27.

The outstanding RSUs of the members of the management board at Adtran on the reporting date are divided between the different issue tranches as follows:

	Grant date	Number of outstanding RSUs	Market value December 31, 2024 (in thousands of USD)
Thomas R. Stanton	November 16, 2020	—	—
	November 17, 2021	7,564	62
	July 13, 2022	38,304	315
	January 20, 2023	65,360	538
	January 26, 2024	129,958	1,069
Christoph Glingener	May 24, 2023	5,719	47
	January 26, 2024	12,044	99
Ulrich Dopfer	May 24, 2023	6,699	55
	January 26, 2024	13,321	110
Total		278,969	2,295

The RSUs issued in 2024 correspond to the current remuneration system. Issues in previous periods were made under the remuneration system in force in the respective period.

Annual Performance Stock Units (“Annual PSUs”)

A certain sum is established each year for the allocation of market-related PSUs for the members of the management board. The allocation takes place regularly during the first quarter of the fiscal year. The number of market-related PSUs to be allocated is calculated by dividing this sum by the value of the Adtran shares according to the NASDAQ closing price on the day when the decision regarding the allocation is made.

The term of the market-related PSUs is three years. The earnings of the PSUs are determined based on a comparison of the development of the TSR of Adtran compared to the development of the TSR (Total Shareholder Return) of the NASDAQ Telecommunications Index. The details are based on the applicable “Market Based Performance Stock Unit Agreement” of Adtran. The following applied in the 2024 financial year.

The respective member of the management board earns 0% of the target number of the market-related PSUs if the relative TSR performance of Adtran does not correspond to at least the 30th percentile of the benchmark index, and up to 150 % of the target number of PSUs if the relative TSR performance of Adtran corresponds to, or exceeds, the 80th percentile of the benchmark index. If the TSR Performance of Adtran corresponds to a value in between, the earned market-related PSUs are established

based on the table shown in the company's management board remuneration system. A payout cap of 100% applies if Adtran's TSR outperforms the NASDAQ Telecommunications Index but is negative.

The member of the management board receives a corresponding number of Adtran shares based on the PSUs earned at the end of the three-year period in each case. The member of the management board receives credits in each case for dividends paid on the shares that correspond to the market-related PSUs during the term of the PSUs. The credits are earned and become due together with the PSUs and are paid out in money. The PSUs granted in 2023 and 2024 will therefore be reported in the 2026 and 2027 remuneration reports as remuneration granted and owed, provided that the relevant performance criteria are met.

In the event of a change of control at Adtran, the "Market Based Performance Stock Unit Agreement" provides for early conversion into Adtran shares. Accordingly, in the event of a change of control and involuntary termination of employment, a portion of the PSUs granted will be deemed earned in the amount of 25 % of the target number of PSUs granted multiplied by a fraction, the numerator of which corresponds to the number of days elapsed from the date of grant to the date of the change of control and the denominator of which corresponds to the days of the original term. For each PSU earned, one Adtran share will be issued to the participant as soon as administratively practicable after the change of control.

Aside from general restrictions, such as insider trading rules and "blackout periods" existing pursuant to the guidelines of the Adtran group, there are, in principle, no further disposal restrictions after the acquisition of the shares.

The market-related PSUs reward, in particular, drives management to outperform total shareholder return for Adtran as compared to the peer benchmark index and promote long-term development during their multi-year assessment period.

There are restrictions on the conversion of PSUs under the remuneration system. Conversion is only possible up to a maximum amount that is achieved if the maximum 150 % TSR target is reached and the value of the shares increases to 200 % between allocation and conversion, taking into account all PSUs allocated within a tranche. In the event that the upper limit is reached, any PSUs in excess of this limit must be returned.

The following table shows the development of the portfolio of Annual PSUs held by members of the management board in the fiscal year 2024:

	Annual PSUs outstanding on Jan. 1, 2024	Granted Annual PSUs	Converted (vested) Annual PSUs	Market value at conversion (vesting) date	Forfeited/ expired Annual PSUs	Annual PSUs outstanding on Dec. 31, 2024
	Number	Number	Number	in thousands of USD	Number	Number
Thomas R. Stanton	163,350	97,469	—	—	(97,991)	162,828
Christoph Glingener	7,625	12,044	—	—	—	19,669
Ulrich Dopfer	8,932	13,321	—	—	—	22,253
Total	179,907	122,834	—	—	(97,991)	204,750

The annual PSUs granted to Thomas R. Stanton on November 16, 2022 had an assessment period of two years. As the underlying performance criteria were not met in 2024, these PSUs have expired. As compared to the peer group of 80 companies in the Nasdaq telecommunication index list, the Company's total shareholder return percentile rank was 17.7% for this award based on the performance period of November 16, 2022 through December 31, 2024, which was below the minimum payout percentage of 20%.

The outstanding Annual PSUs of the members of the management board at Adtran on the reporting date are divided between the different issue tranches as follows:

	Grant date	Number of outstanding annual PSUs	Market value December 31, 2024 (in thousands of USD)
Thomas R. Stanton	January 20, 2023	65,359	538
	January 26, 2024	97,469	802
Christoph Glingener	May 24, 2023	7,625	63
	January 26, 2024	12,044	99
Ulrich Dopfer	May 24, 2023	8,932	73
	January 26, 2024	13,321	110
Total		204,750	1,684

The PSUs issued in 2024 correspond to the current remuneration system. Issues in previous periods were made under the remuneration system in force in the respective period.

3-Year Plan Performance Stock Units ("3-year PSUs")

As part of a three-year plan, the members of the management board receive a certain sum for the allocation of company-related PSUs. PSUs allocated in the first year will be converted after three years; PSUs allocated in the second year can be converted after two years, and PSUs allocated in the third year can be converted after one year. In principle, the value of the PSUs allocated in the respective fiscal year corresponds to a certain percentage of the fixed annual salary. The number of PSUs to be allocated is calculated by dividing this amount by the value of the Adtran shares according to the NASDAQ closing price on the day when the decision regarding the allocation is made.

The earning of the PSUs depends on the target achievement for the Adjusted EBIT (as defined above) through the end of the three-year term.

- If the Adjusted EBIT equals more than 51 % and less than 100 % of the target amount, the entitled individuals receive 50% of the target number of PSUs.
- If the Adjusted EBIT reaches or exceeds 100 % of the target amount, but stays below 110 % of the target amount, the entitled individuals receive 100 % of the target number of PSUs.
- If the Adjusted EBIT reaches or exceeds 110 % of the target amount, but remains below 120 % of the target amount, the entitled individuals receive 121.4 % of the target number of PSUs.
- If the Adjusted EBIT reaches or exceeds 120 % of the target amount, the entitled individuals receive 142.9 % of the target number of PSUs.

The member of the management board receives a corresponding number of Adtran shares based on the PSUs earned at the end of the three-year period in each case.

According to the compensation system, the conversion of the PSUs is restricted and only possible until a maximum amount is reached, i.e., when the shares increase in value to 200 % between allocation and conversion, considering all PSUs allocated within a tranche. Should the ceiling be reached, any PSUs exceeding the ceiling have to be returned.

The following table shows the development of the portfolio of 3-year PSUs held by members of the management board in the fiscal year 2024:

	3-year plan PSUs outstanding on Jan. 1, 2024	Granted 3-year plan PSUs	Converted (vested) 3-year plan PSUs	Market value at conversion (vesting) date	Forfeited/ expired 3-year plan PSUs	3-year plan PSUs outstanding on Dec. 31, 2024
	Number	Number	Number	in thousands of USD	Number	Number
Thomas R. Stanton	72,246	72,246	—	—	—	144,492
Christoph Glingener	60,205	—	—	—	—	60,205
Ulrich Dopfer	60,205	—	—	—	—	60,205
Total	192,656	72,246	—	—	—	264,902

The outstanding 3-year PSUs of the members of the management board at Adtran on the reporting date are divided between the different issue tranches as follows:

	Grant date	Number of outstanding 3-year plan PSUs	Market value December 31, 2023 (in thousands of USD)
Thomas R. Stanton	March 1, 2023	72,246	594
	March 1, 2024	72,246	594
Christoph Glingener	May 24, 2023	60,205	495
Ulrich Dopfer	May 24, 2023	60,205	495
Total		264,902	2,179

The PSUs issued in 2024 correspond to the current remuneration system. Issues in previous periods were made under the remuneration system in force in the respective period.

2-Year Integration One-Time Bonus

For the period from beginning of 2023 through the end of the fiscal year 2024, in order to promote successful integration and synergy cost savings, the members of the management board once receive a so-called 2-Year Integration One-Time Bonus for an integration of Adtran Networks into the Adtran group. It is required that the targets defined in more detail below have been achieved by the end of the fiscal year 2024. The 2-Year Integration One-Time Bonus has a PSU-based component and a monetary component.

The members of the management board receive a certain sum for the allocation of company-related PSUs; their value corresponds to a certain percentage of the fixed annual salary of the member of the management board. The number of PSUs to be allocated is calculated by dividing this sum by the value of the Adtran shares according to the NASDAQ closing price on the day when the decision regarding the allocation is made. The PSUs are earned if specific synergies are achieved by the end of the fiscal year 2024. A target value and a threshold value were established for this purpose.

- No PSUs are earned if the achieved synergies are below the threshold value, which means that conversion into shares is not possible.
- If the synergies reach or exceed the threshold value, but remain below the target amount, any PSUs that correspond to 33 % of the fixed annual salary at the time of allocation are earned and can be converted into shares.
- If the synergies reach or exceed the target value, any PSUs that correspond to 66% of the fixed annual salary at the time of allocation are earned and can be converted into shares.

According to the management board compensation system, the conversion of the PSUs is restricted and only possible until a maximum amount is reached, i.e., if the maximum target is simultaneously achieved and the shares additionally increase in value to 200% between allocation and conversion, considering all PSUs allocated. Aside from general restrictions, such as insider trading rules and “blackout periods” existing pursuant to the guidelines of the Adtran group, there are, in principle, no further disposal restrictions after the acquisition of the shares.

Secondly, the members of the management board receive a payment in cash that is due if both the defined threshold for synergy savings is reached by the end of the 2024 financial year and the individual targets set with the respective member of the board are also achieved.

This component to be paid in cash amounts to a maximum of 66 % of the fixed annual salary owed by the Company if all individual targets are achieved. The individual targets are assigned percentage amounts in each case that are used to calculate the amount to be disbursed when the synergy savings threshold value is reached and some, but not all, individual targets are achieved.

For the CTO, the individual targets come from the areas of IT integration, employee satisfaction, integrated product offerings and integration of certain teams. The individual targets for the CFO relate to the implementation of group-wide integration measures, IT integration, employee satisfaction and the achievement of certain financial synergy targets.

For the CEO, the bonus is solely based on the synergies achieved.

In the financial year 2024, all members of the Management Board have earned remuneration under the integration bonus due to the target value for synergy savings being reached. The amounts earned in each case can be found in the table above on the compensation granted and owed in the financial year 2024.

The CEO earned the monetary component as well as the PSU-based component of the integration bonus in full, solely because the target value for synergies was achieved (100 % of the maximum possible 100 %). Because the target value for synergies was achieved, the CTO and the CFO also earned the PSU-based component in full (100 % of the maximum possible 100 %). As the monetary component for the CTO and CFO is based on the achievement of individual targets, the level of target achievement differs for each of them.

The CTO has achieved two of the three specific targets set for him, each of which was weighted at around a third, as follows: The target of a fully integrated IT landscape and way-of-working in the CTO team was fully achieved (34% target achievement). The target of keeping the technology team engaged and motivated, was not achieved (0% of a maximum possible 33% target achievement). The target of consolidating engineering sites and related spend was fully achieved (33% target achievement). Overall, the CTO achieved a target achievement rate of 67% (of a maximum possible 100%) of the maximum possible 66% of the annual fixed salary for the monetary component of the integration bonus amounting to USD 231 thousand.

The CFO has achieved two of the three specific targets set for him, each of which was weighted at around a third, as follows: The target of implementing a Human Capital Management (HCM) system was fully achieved (34% target achievement). The target of implementing certain SAP software as a central tool for external financial reporting was not achieved (0% of a maximum possible 33% target achievement). The target of improving the Net Promoter Score (NPS) for employee satisfaction was partially achieved (23.1% of a maximum possible 33% target achievement). Overall, the CFO achieved a target achievement rate of 57.1% (of a maximum possible 100%) of the maximum possible 66% of the annual fixed salary for the monetary component of the integration bonus amounting to USD 271 thousand.

At the end of the 2024 financial year, the option of an integration bonus will no longer apply. This bonus corresponds to the current remuneration system.

The development of the number of integration bonus PSUs held by members of the management board in the 2024 financial year is shown in the following table:

	Integration bonus PSUs outstanding on Jan. 1, 2024	Granted integration bonus PSUs	Converted (vested) integration bonus PSUs	Market value at conversion (vesting) date	Forfeited/ expired integration bonus PSUs	Integration bonus PSUs outstanding on Dec. 31, 2024
	Number	Number	Number	in thousands of USD	Number	Number
Thomas R. Stanton	39,735	—	39,735	327	—	—
Christoph Glingener	13,907	—	13,907	114	—	—
Ulrich Dopfer	16,291	—	16,291	134	—	—
Total	69,933	—	69,933	575	—	—

The share price of the PSUs converted in 2024 amounted to USD 8.23.

Share options from older programs

Adtran Networks had granted its management board members share options in previous periods. As part of the business combination with Adtran, the members of the management board and employees of Adtran Networks SE were given the opportunity to exchange their share options for Adtran share options at an exchange ratio of 0.8244 in the 2022. All members of the management board exchanged their outstanding share options in full. As a result, there were no outstanding Adtran Networks share options for the members of the management board as of December 31, 2024. In remuneration reports in previous years, share options were reported as remuneration granted in the year of allocation.

Due to the aforementioned exchange, former and current members of the company's management board held options on Adtran shares in 2024. The management board member Thomas R. Stanton also held corresponding options on Adtran share, which were granted to him in previous financial years. Options create an incentive for the for the members of the management board to increase the long-term development of the company's value.

The options grant the right to acquire Adtran shares at a fixed subscription price. Each subscription right from share options entitles the members of the management board to subscribe to one Adtran share in accordance with the respective option conditions. The option conditions stipulate the term, the relevant exercise price (subscription price) and waiting periods.

The option conditions do not provide for any special exercise phases. The options can be exercised at any time after expiry of the waiting period until the end of the term.

As part of the exchange of options on shares in Adtran Networks for options on Adtran shares it was agreed that the waiting periods of the old options issued by Adtran Networks would also apply to the Adtran options replacing them. Accordingly, the option rights can be exercised at the earliest four years after the issue of the options (vesting period). The term of the subscription rights is seven years. Option rights not exercised by the end of the term of seven years from issue expire with immediate effect. The exercise prices are shown in the table below. The option rights of Thomas R. Stanton have a vesting period of between one to four years and a term of ten years. The vesting period for all of Thomas R. Stanton's option rights has already expired.

The exercise of the options is dependent on continued employment. There are no other conditions for exercising the options.

Based on the program described here, no further options were issued to current and former members of the management board in 2024.

Remuneration report

The following table shows the development of the portfolio of options from the Adtran share option program (ESP 15 management board) held by current and former members of the management board in the fiscal year 2024:

	Options outstanding on Jan. 1, 2024	Granted options 2024	Fair value at the grant date	Exercised options 2024	Forfeited/ expired options 2024	Options outstanding on Dec. 31, 2024
	Number	Number	in thousands of Euro	Number	Number	Number
Thomas R. Stanton	188,414	—	—	—	(94,207)	94,207
Christoph Glingener	233,775	—	—	—	—	233,775
Ulrich Dopfer	186,471	—	—	—	—	186,471
Scott St. John (until January 21, 2023)	163,434	—	—	(35,994)	(127,440)	—
Total	772,094	—	—	(35,994)	(221,647)	514,453

The outstanding options of the active and former members of the management board at Adtran on the reporting date are divided between the different issue tranches as follows:

	Strike price	Thomas R. Stanton	Christoph Glingener	Ulrich Dopfer
	in USD	Number of outstanding options	Number of outstanding options	Number of outstanding options
Tranche				
November 14, 2015	15.33	94,207	—	—
November 15, 2017	0.00	—	—	—
May 15, 2018	7.04	—	—	—
May 15, 2020	7.01	—	41,220	—
May 15, 2021	12.17	—	107,172	61,830
May 15, 2022	19.08	—	85,383	124,641
Total		94,207	233,775	186,471

Other compensation

Apart from the reversal of the temporary salary waiver for the CFO and CTO, the members of the management board were not granted any special remuneration in the 2024 financial year. Moreover, apart from the above-described compensation by options, RSUs and PSUs on shares in Adtran and the compensation of Thomas Richard Stanton by Adtran, no third parties promised or paid any compensation for management board activities in the fiscal year.

Withholding and recovery clause (malus and clawback clause)

The variable compensation components include withholding and recovery clauses. In case of serious duty or compliance violations or serious unethical conduct, the supervisory board can review both the amount of the disbursement of the variable compensation and, depending on the extent of the violation, possibly even reduce it to nil or abolish it without compensation at its due discretion. In the event of a grossly negligent or intentional breach of the duty of care of a prudent and conscientious manager by a member of the management board, the company is entitled to reclaim from the board member all or part of the variable remuneration components paid out for the respective assessment period in which the breach of duty occurred. Furthermore, the applicability of the Adtran guideline on the reimbursement of erroneously paid compensation was agreed with the members of the management board in November 2023. According to this guideline, as far as they were disbursed in excess due to incorrect financial accounting documents, variable compensation components must be repaid if significant corrections to financial accounting documents are required.

In the fiscal year 2024, the supervisory board did not use the above-described withholding and recovery clauses, and there was also no reason to use the corresponding provisions.

Benefits upon termination of the management board mandate

Regular termination

In case of an ordinary termination of the service relationship, in accordance with the contract term agreed in the management board contract, the variable compensation components owed to the member of the management board on the basis of temporally completed assessment periods are paid out to the member of the management board on the regular due date. In case of temporally not completed assessment periods, a pro-rata disbursement for the lapsed portion of the assessment period is made on the regular due date, assuming complete target achievement (100%).

Early termination

If the company terminates the service relationship prior to expiration of the agreed contract term, and such termination is not due to a violation that allows to apply the withholding and recovery clause, the variable compensation components owed on the basis of temporally completed assessment periods are paid out to the member of the management board on the regular due date. In case of temporally not completed assessment periods, a pro-rata disbursement for the lapsed portion of the assessment period is made on the regular due date, assuming complete target achievement (100%). In addition, the member of the management board receives the basic compensation through the end of the agreed contract term.

Apart from the basic compensation, which is no longer paid, this also applies if a member of the management board terminates the service relationship prematurely prior to the expiration of the agreed contract term.

In all aforementioned cases, the expiry of RSUs and PSUs is subject to the conditions of the respectively applicable plans.

All aforementioned severance payments as well as any severance payment agreed in case of mutually agreed resignation are limited to the extent that they neither exceed the value of two annual basic compensations nor the compensation for the remaining term of the employment contract in any case, taking into consideration the basic compensation including fringe benefits yet to be disbursed and any other non-cash benefits (Severance Caps).

Calculation of the Severance Caps is based on the total compensation of the previous fiscal year and, if applicable, also on the expected total compensation of the current fiscal year.

Change of control

The company's management board service contracts do not include any commitments for benefits in the event of premature termination of the employment contract by the member of the board due to a change of control. Reference is made to the change of control provisions in the VICC plan and the market-related PSUs described above.

Total salaries of the former members of the management board

In the fiscal year 2024, the former member of the management board, Scott St. John, was paid the variable compensation components which are based on his former activities as a member of the management board, but only became due in the fiscal year 2024 (STI and LTVP).

In the fiscal year 2024, no amounts were paid to further former members of the management board or their heirs. In addition, further pension obligations or obligations arising from these do not exist.

Comparative presentation

The following table illustrates the annual change in management board and supervisory board compensation, the earnings performance of Adtran Networks, measured in terms of net profit for the year, sales, pro forma EBIT, and net liquidity at group level, and the average employee compensation and the compensation of senior management on a full-time equivalent basis:

Change in %	2021 vs. 2020	2022 vs. 2021	2023 vs. 2022	2024 vs 2023
Total compensation of current members of the management board				
Thomas R. Stanton (from July 1, 2023)	n/a	n/a	n/a	162 %
Christoph Glingener	75 %	1 %	(68)%	113 %
Ulrich Dopfer	61 %	47 %	(71)%	120 %
Total compensation of current members of the supervisory board				
Eduard Scheiterer (from October 5, 2022) Chairmen (from July 10, 2023)	n/a	n/a	545 %	41 %
Frank Fischer Vice Chairman (from September 14, 2022)	n/a	n/a	233 %	— %
Heike Kratzenstein (since July 10, 2023)	n/a	n/a	n/a	226 %
Earnings development of the company				
Net income/loss of Adtran Networks SE according to HGB prior to transfer of profit/loss	5 %	(58)%	(200)%	(299)%
Development of the group's key figures *				
Consolidated revenues	7 %	18 %	(14)%	(29)%
Pro forma EBIT of the group ³	62 %	(8)%	(21)%	(126)%
Net cash/(debt) of the group ⁴	2,607 %	(97)%	(1,861)%	30 %
Average annual compensation of employees *				
Average annual compensation of senior management	0 %	7 %	18 %	6 %
Average annual compensation of the total workforce **	3 %	5 %	(3)%	1 %

* The key figures and employee remuneration relate to the Adtran Networks group.

** The total workforce includes all permanent employees of Adtran Networks SE and its subsidiaries, excluding trainees, interns and student assistants.

The comparison of the relative development of the management board compensation is shown based on the total compensation granted and owed pursuant to Section 162 AktG. The compensation components of employees include the total annual compensation which comprises the fixed salary as well as bonuses and similar variable remuneration.

³ Pro forma EBIT is calculated prior to non-cash charges related to the stock compensation programs and amortization and impairment of goodwill and acquisition-related intangible assets. Additionally, non-recurring expenses related to M&A, integration and restructuring measures are not included.

⁴ Net cash is calculated by subtracting total financial liabilities from cash and cash equivalents. Total financial liabilities comprise current and non-current financial liabilities to banks, including factoring agreements, as well as current and non-current financial receivables and liabilities to Adtran Holdings Inc. and Adtran, Inc., including receivables and liabilities from the domination and profit and loss transfer agreement and current and non-current lease liabilities in accordance with IFRS 16 Leases. A negative calculation result is referred to as net debt.

Compensation of the members of the supervisory board in the fiscal year 2024

According to Section 12 of the Articles of Association, the members of the supervisory board shall receive compensation established by a resolution of the annual general meeting in addition to the reimbursement of the expenses incurred while performing their official activities. On June 28, 2024, the annual general meeting decided on the determination of the compensation and approved the current system for the compensation of members of the supervisory board.

The compensation system for members of the supervisory board provides for yearly fixed compensation without variable components and without share-based compensation. The management board and supervisory board take the view that a purely fixed compensation of the members of the supervisory board is the most suitable way of strengthening the independence of the supervisory board and consider the advisory and monitoring function of the supervisory board, which is to be fulfilled independently of the company's success. A purely fixed compensation is also provided for in recommendation G. 18 sentence 1 of the German Corporate Governance Code. Accordingly, in the fiscal year 2024, the members of the supervisory board received neither shares nor share options.

The fixed compensation of the Chairperson of the supervisory board for the fiscal year 2024 amounts to EUR 100 thousand. The Chairperson of the audit committee receives EUR 90 thousand per year for his/her activities. This appropriately considers the greater time commitment involved in chairing the Supervisory Board and the Audit Committee. The annual fixed remuneration of the other members of the supervisory board amounts to EUR 75 thousand. The supervisory board remuneration is generally paid in four tranches at the end of each quarter, and exclusively by Adtran Networks. In the event of changes to the Supervisory Board and its committees, remuneration is paid pro rata temporis. For further details, please refer to the presentation of the remuneration system for Supervisory Board members in the invitation to the company's Annual General Meeting on June 28, 2024, which is published in the Federal Gazette and on the company's website.

The following table shows the compensation components granted (earned) and owed to the current and former members of the supervisory board in the fiscal year 2024 including the respective relative share, pursuant to Section 162 AktG.

in thousands of EUR	Total compensation
Eduard Scheiterer Chairman (since July 10, 2023)	100
Frank Fischer Vice chairman	90
Heike Kratzenstein (since July 10, 2023)	75

The members of the supervisory board are included in a financial loss liability insurance policy, the company pays the premiums for this insurance policy.

In the fiscal year 2024, the active members of the supervisory board did not receive any loans from Adtran Networks. Moreover, pension commitments for active supervisory board members do not exist.

Former members of the supervisory board did not receive any payments in 2024.

Meiningen, April 28, 2025

The management board:

Thomas R. Stanton

Christoph Glingener

Ulrich Dopfer

On behalf of the supervisory board:

Dr. Eduard Scheiterer
Chairman of the supervisory board

Independent Auditor's Assurance Report on Examination of the Remuneration Report pursuant to Section 162 (3) AktG

To Adtran Networks SE, Meiningen

Opinion

We have formally examined the remuneration report of Adtran Networks SE, Meiningen for the financial year from January 1 to December 31, 2024 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 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 "Our Responsibilities" section of our assurance report. Our audit firm has applied the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1). We have complied 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.

Responsibilities of the Management Board and the Supervisory Board

The management and the Supervisory Board of Adtran Networks SE are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

Our 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.

Handling Potential Misleading Presentations

In connection with our examination our responsibility is to read the remuneration report by taking into account the findings of the audit of the annual financial statements and, in doing so, remain alert for indications of misleading presentations in the remuneration report to determine whether the disclosures are correct or individual disclosures are complete or whether the remuneration report is fairly presented.

If, based on the work we have performed, we conclude that there is such misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Leipzig, April 28, 2025

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Lauer	Marschner
<i>Wirtschaftsprüfer</i>	<i>Wirtschaftsprüferin</i>
<i>(German Public Auditor)</i>	<i>(German Public Auditor)</i>