

## Remuneration Report 2023

# AGENDA

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# REMUNERATION REPORT 2023

The following remuneration report explains the principles of the remuneration system for the members of the Management Board and Supervisory Board of IONOS Group SE ("IONOS") and describes the amount and structure of the remuneration of the members of the executive bodies for the 2023 financial year. The report is based on the requirements of Section 162 of the German Stock Corporation Act (AktG). Following the IPO, IONOS Group SE is obliged to prepare a separate remuneration report for the first time.

The remuneration system for the Supervisory Board was approved by the company's Extraordinary General Meeting on 26 January 2023. The remuneration system for the Management Board was approved by the company's Annual General Meeting on 15 May 2023.

This report comprises two parts:

- The first part contains the 2023 remuneration report for the Management Board and Supervisory Board and fulfills the disclosures required by Section 162 of the German Stock Corporation Act (AktG) as well as the independent auditor's report.
- For the sake of completeness, the current remuneration system for the Management Board and Supervisory Board is included - as an appendix - in a second part.

For reasons of better readability, the masculine form is used in this report for gender-specific designations. IONOS Group SE would like to point out that the use of the masculine form is explicitly to be understood as a gender-neutral form.

For computational reasons, rounding differences to the mathematically exact values (monetary units, percentages, etc.) may occur in tables and references.

# 1. Remuneration of the members of the Management Board in the financial year 2023

The Management Board of IONOS Group SE consisted of the following members in the 2023 fiscal year.

## Members of the Management Board as at 31 December 2023

- Achim Weiß, Chairman of the Management Board (CEO)
- Britta Schmidt, Chief Financial Officer (CFO)
- Dr. Jens-Christian Reich, Chief Commercial Officer (CCO), since 1 July 2023

The remuneration system for the Management Board of IONOS Group SE, approved by the Annual General Meeting on 15 May 2023 forms the basis for the conclusion of new Management Board service contracts. The service contracts already in place at that time with the members of the Management Board, Achim Weiß and Britta Schmidt, already met the requirements of the remuneration system.

As stipulated in the remuneration system of IONOS Group SE, members of the company's Management Board generally receive total remuneration consisting of a fixed, non-performance-related basic or fixed remuneration, fringe benefits and a variable, performance-related component. The variable component in turn consists of a short-term variable (STI) and a long-term variable (LTI) component.

The remuneration of the members of the company's Management Board promotes its business strategy in a number of ways:

- As part of the short-term variable remuneration, the Supervisory Board determines targets that, on the one hand, ensure economic success by achieving certain key performance indicators. Secondly, the Supervisory Board sets individual targets, which may also include specific strategic objectives. The inclusion of ESG targets is also intended to honor social success.
- Long-term variable remuneration is based on the share price and has a term of several years to incentivize sustainable economic success. In addition, the interests of the company and its shareholders are linked to those of the Management Board in the long term. Each member of the Management Board thus participates in the sustainable success of the company, but must also shoulder negative economic developments together with the company. This bonus/malus system allows the members of the Management Board to act in an entrepreneurial manner with a long-term perspective in the interests of the company. An ESG penalty of up to 10% for failure to achieve certain ESG targets is also intended to sharpen the focus of the Management Board on these aspects.

## 1.1 Rollover of long-term remuneration already earned („IPO Awards Agreement“)

A long-term incentive plan (LTIP hosting) was launched in the 2017 financial year, under which Management Incentive Plan (MIP) units (stock appreciation rights) were allocated to Management Board members and managers in subsequent years. The aim of the program is to align the interests of the members of the company management (Management Board and executives) and other key employees of the IONOS Group with the interests of the company in the long term in order to increase the equity value of the company.

Vesting takes place on a straight-line basis over a period of four years (starting from the date of issue) and on the condition that the employee in question has not resigned by the time an event defined in the LTIP agreement (trigger event) occurs. This relates to the complete sale of all shares in IONOS Group SE, held by Warburg Pincus. The partial sale of the shares by Warburg Pincus in 2021 did not constitute a complete trigger event. However, 25% of the claims from the LTIP hosting were already fixed at the fair value as of 30 April 2021. In the event of a trigger event, the MIP units represent a value claim in the amount of the difference between the individually determined exercise price and the fair value of IONOS Group SE. The exercise price is increased or reduced by equity contributions or repayments. Claims under the LTIP program can be settled in shares or cash.

The IPO did not involve a complete exit by Warburg Pincus, but only a partial sale. The initial listing of IONOS Group SE on 8 February 2023 therefore did not constitute a triggering event within the meaning of the LTIP hosting agreement. Accordingly, the IPO did not result in the claims of the individual participants falling due.

Against this background, all active employees of the LTIP program were offered an IPO rollover agreement (hereinafter "rollover"). As part of the rollover, active employees were able to convert their MIP units into subscription rights for shares in IONOS Group SE. The determination of the IPO award followed a two-step process based on the assumption of a complete divestment by Warburg Pincus. In the first step, the increase in value per participant was derived based on the terms of the LTIP hosting. An increase in value was determined for around 25% of the MIP units due to a share buyback in 2021 and a fair value of EUR 4.8 billion. For the remaining approx. 75% of the MIP units, the increase in value at the time of the IPO was considered relevant, whereby the IPO issue price of €18.50 per share was used to determine the increase in value. The total increase in value per participant was determined from these calculations.

In the second step, the increase in value achieved per participant was divided by the IPO issue price to determine the number of virtual shares in IONOS Group SE. Participants who did not realize an increase in value by the IPO did not receive any virtual shares. The number of IPO awards determined was then fixed and distributed across three tranches.

The IPO Awards are generally allocated in three equal tranches over a period of up to 24 months after the IPO:

- Tranche 1: on the day of the initial listing (8 February 2023)
- Tranche 2: 18 months after the initial listing (August 2024) and
- Tranche 3: 24 months after the initial listing (February 2025)

The IPO Awards Agreement contains provisions for the event of an early exit, in particular the pro rata allocation of LTIP shares from tranches 2 and 3, depending on the timing and circumstances of the exit. To this end, the IPO Awards Agreement defines three different cases of resignation: Termination of the employment contract by the company without good cause or for reasons for which the Management Board member is not responsible (e.g., end of the contract term, termination of the employment

relationship by mutual agreement or reaching the age limit or retirement age) is considered an "Intermediate Leaver". In this case, the unpaid LTIP shares are settled on a pro rata basis in accordance with the regular plan conditions. The calculation of the pro rata payment is based on the remaining period between the departure and the due date of the next installment, whereby the Supervisory Board can take into account the lower of the share price at the time of departure and the share price at the due date for the calculation.

In the event of termination of the employment contract by the company for good cause or termination of the employment contract by the Management Board member without good cause, the Management Board member in question is deemed to be a "bad leaver". In this case, all unpaid LTIP shares are forfeited without compensation.

In the event of permanent disability or death, the respective Management Board member is considered a "good leaver". In this case, the unpaid LTIP shares will be paid out immediately.

The IPO Awards Agreement with Achim Weiß also contains a change-of-control provision, meaning that all outstanding LTIP shares are deemed to have been earned if the associated special right of termination is exercised. These IPO Awards Agreements are not part of the remuneration system and payments made to a Management Board member on the basis of the IPO Awards Agreements are therefore not taken into account when calculating the maximum remuneration.

in €k	Number of virtual shares at IPO (8 February 2023)	Remuneration from IPO Awards Agreement in the financial year 2023 (tranche 1)	Outstanding virtual shares as at 31 December 2023
Achim Weiß	741,057	4,570	494,038
Britta Schmidt <sup>1</sup>	-	-	-

(1) For Mrs Britta Schmidt, the exercise price was higher than the value of the company at the IPO, so that no allocation was made under the IPO Awards Agreement

## 1.2 Remuneration components

### 1.2.1 Fixed remuneration components

#### 1.2.1.1 Fixed annual salary

Achim Weiß receives a fixed salary, which is paid monthly in twelve equal installments. Mr. Weiß's fixed salary was adjusted as part of the IPO and amounts €600k per year (previously €350k per year).

Britta Schmidt receives a fixed salary, which is paid monthly in twelve equal installments. Mrs. Schmidt's fixed salary was adjusted as part of the IPO and amounts to €500k per year (previously €300k per year). In the previous year, she received €50k pro rata for the period from 1 November 2022 to 31 December 2022.

Dr. Jens-Christian Reich has received a fixed salary since 1 July 2023, which is paid monthly in twelve equal installments. Mr. Reich's fixed salary amounts to €600k per year. In the 2023 financial year, he received €300k pro rata for the period from 1 July 2023 to 31 December 2023. Nebenleistungen

The fringe benefits generally consist of a company car appropriate to the position, the non-cash benefit of which is taxable. The standard IONOS insurance policies for D&O and criminal defense insurance are not part of the remuneration granted and owed and are therefore not reported.

The performance-related variable remuneration components serve to promote the short- and long-term development of the company.

### 1.2.1.2 Fringe benefits

The fringe benefits generally consist of a company car appropriate to the position, the non-cash benefit of which is taxable. The standard IONOS insurance policies for D&O and criminal legal protection insurance are not part of the remuneration granted and owed and are therefore not recognized.

The performance-related variable remuneration components serve the purpose of promoting the short and long-term development of the company.

## 1.2.2 Variable remuneration

### 1.2.2.1 Short-term Incentive (STI)

As part of the short-term variable remuneration, the Supervisory Board sets targets which, on the one hand, ensure economic success by achieving certain key figures. On the other hand, the remuneration system provides for the setting of personal performance targets. The inclusion of target criteria with environmental and social aspects is also intended to honor social success.

The amount of short-term variable remuneration depends on the achievement of certain targets set at the beginning of the financial year. A target figure (target amount) is set for the short-term variable remuneration, which is achieved if the agreed targets are fully met on average (= 100%). The targets and their weighting are determined by the Supervisory Board at the beginning of each financial year. The degree of target achievement can be between 90% and 150%. Below 90%, a target achievement level of zero applies. The Supervisory Board has not set any personal targets for the members of the Management Board for the 2023 financial year.

The following STI targets were set for the Management Board for the 2023 financial year and achieved as follows:

Share in STI	STI targets	Target achievement	Level of target achievement
40 %	Revenue 2023: Target € 1,427.1 million	€ 1,442.0 million <sup>1</sup>	101.0 %
40 %	Adjusted EBITDA 2023: Target € 382.3 million	€ 395.4 million <sup>1</sup>	103.4 %
10 %	Net Promoter Score (NPS) 2023: Target 37.0	34.6 <sup>2</sup>	93.5 %
10 %	Power Usage Efficiency (PUE) 2023: Target 1.43	1.43	100.0 %
<b>100 %</b>	<b>Total target achievement 2023</b>		<b>101.1 %</b>

(1) Adjusted for differences between budgeted and actual exchange rates and currency-related effects from the translation of foreign currencies into Euros as at the reporting date

(2) incl. strategic adjustment, as described in the text

The target achievement for the net promoter score for the financial year 2023 includes a strategic adjustment that was resolved by the Supervisory Board in accordance with the remuneration system, meaning that the value shown in the target achievement for the 2023 financial year differs from the value shown in the 2023 financial reporting.

Taking the weightings into account, the target achievement (STI) for the 2023 financial year is 101.1%.

in €k	Target amount	Total target achievement STI 2023	STI payout amount for financial year 2023
Achim Weiß (CEO)	400	101.1%	404
Dr. Jens Christian Reich (from July 2023)	200	101.1%	202
Britta Schmidt (CFO)	250	101.1%	253

The total amount paid out under the STI for the financial year therefore totaled €859k.

### 1.2.2.2 Long-term incentive (LTI)

A stock appreciation rights ("SAR") program based on virtual share options was introduced within IONOS as a remuneration component with a long-term incentive effect. This was introduced as a consequence of the IPO. A SAR corresponds to a virtual subscription right to a share in the company, i.e., it does not represent a (genuine) option to acquire shares in the company. However, the company reserves the right to fulfill its obligation to pay out SARs in cash at its own discretion by transferring shares in IONOS Group SE to the participant.

The exercise hurdle for the program is generally at least 10% above the issue price. Increasing exercise hurdles of 10% after three years, 15% after four years and 20% after five years have been agreed for the members of the Management Board (in each case as an increase in value on the issue price).

The payment of the increase in value is limited to 150% of the calculated market price when the virtual options are granted (cap).

The LTI program contains a malus rule in relation to certain ESG targets, which can reduce the SAR entitlement by up to 10% in the event of non-fulfillment. These are determined jointly by the Supervisory Board and CEO each year for the three subsequent years and are standardized for the Management Board. As the SARs can be exercised for the first time after three years, the malus rule must be taken into account for the first time at this time.

The SARs can be exercised to a certain extent at specified times during the six-year term. Vesting takes place in three steps:

1. 1/3 of the SARs can be exercised for the first time after three years,
2. 1/3 of the SARs can be exercised for the first time after four years,
3. 1/3 of the SARs can be exercised for the first time after five years.

The exercise period for SARs ends after six years at the latest. At the end of the exercise period, all unexercised SARs expire without compensation.

The number of SARs awarded to each Management Board member (on average per year of the program term) is based on the total remuneration intended for the Management Board member, assuming that the internal forecasts for the development of the shares are achieved. Taking into account the requirements of the remuneration system, in particular the maximum remuneration, it is also possible to conclude a further SAR agreement during the term of the SAR agreement.

Mr. Achim Weiß received a total of 2,800,000 SARs in the 2023 financial year. The exercise price was €18.50 per option.



Mrs. Britta Schmidt received a total of 270,270 SARs in the 2023 financial year. The exercise price was €18.50 per option.

Dr. Jens-Christian Reich received a total of 762,000 SARs in the 2023 financial year. The exercise price was €13.13 per option.

No SARs were exercisable in the 2023 fiscal year.

SAR Management Board	Number of SAR as of 01.01.2023	Issued in the financial year 2023	Exercise price	Exercised in the financial year 2023	Expired in the financial year 2023	Number of SAR as of 31.12.2023
Achim Weiß (CEO)	-	2,800,000	18.50 €	-	-	2,800,000
Dr. Jens-Christian Reich (CCO) since July 2023	-	762,000	13.13 €	-	-	762,000
Britta Schmidt (CFO)	-	270,270	18.50 €	-	-	270,270

### 1.3 Relative share of individual remuneration components

The remuneration system provides a framework for the ratio of the individual remuneration components fixed remuneration, STI and LTI of the members of the Management Board shown under 1.3 to the individual target total remuneration.

The following framework applies to the ratio of the individual remuneration components fixed remuneration, STI and LTI to the individual target total remuneration in accordance with the remuneration system:

#### Relative share of remuneration components of the individual total remuneration

Fixed salary:	25 % to 45 %
STI (target amount):	10 % to 30 %
LTI (target amount p.a.):	35 % to 65 %

The remuneration system therefore provides for the share of performance-related remuneration to exceed the share of non-performance-related remuneration. To calculate the respective shares, the remuneration components are annualized and set in relation to the individual target total remuneration.

For remuneration elements that are based on an LTI program, the period of full vesting (for clarification: in the current program for the Management Board, this is 5 years) must be taken into account when calculating the relative share of the program. Accordingly, the target amounts from the LTI program are distributed evenly over this period in the annual assessment of the relative share of the target amounts of the remuneration components. The target amount was determined by the Supervisory Board when the SARs were issued and results from the economic target value of the LTIP over the period of full vesting, assuming 100% target achievement, i.e., an increase in the share price of 100% in relation to the exercise price and without reducing the SAR entitlement due to the ESG penalty.

Mr. Reich's fixed annual salary (annualized) is slightly below the target corridor for the proportion of fixed remuneration specified by the remuneration system for the Management Board. Accordingly, the share of long-term variable remuneration is slightly above the target corridor.

The proportion of Mr. Weiß's short-term variable remuneration is slightly below the target corridor. The share of long-term variable remuneration is slightly above the target corridor.

Despite the above-mentioned deviations, the company currently sees no need for action, as Mr. Reich's remuneration is thus even more closely linked to the company's performance and Mr. Weiß's deviation from the target corridor within the variable remuneration is only marginal.

in €k	Fixed salary (annualised)	STI (100% target achievement)	LTI (term attributable to the reporting period)	Share fix/var
Achim Weiß (CEO)	600	400	10,360	5% / 95%
Dr. Jens-Christian Reich (CCO)	600	400	2,001	20% / 80%
Britta Schmidt (CFO)	500	250	1,000	29% / 71%

Relative share of individual remuneration elements in total individual remuneration	Fixed salary (annualised)	STI (100% target achievement)	LTI (term attributable to the reporting period)	Share fix/var
<b>Relative share of individual remuneration elements in total individual remuneration (calculated p.a.) in accordance with the remuneration system</b>	<b>25% to 45%</b>	<b>10% to 30%</b>	<b>35% to 65%</b>	
Dr. Jens-Christian Reich (CCO)	20%	13%	67%	20% / 80%
Britta Schmidt (CFO)	29%	14%	57%	29% / 71%
<b>Relative share of individual remuneration elements in the individual total remuneration in accordance with the special regulations for Achim Weiß</b>	<b>5% to 10%</b>	<b>5% to 10%</b>	<b>80% to 90%</b>	
Achim Weiß (CEO)	5%	4%	91%	5% / 95%

## 1.4 Miscellaneous

Supervisory Board mandates at subsidiaries are not remunerated to the members of the Management Board.

Nor were any members of the Management Board promised or granted benefits by a third party with regards to their activities as a member of the Management Board in the financial year. No advances or loans were granted to members of the Management Board.

## 1.5 Share Ownership Guidelines

The remuneration system for the Management Board includes guidelines for the share ownership of Management Board members ("Share Ownership Guidelines"). The Chief Executive Officer is obliged to invest a total of 200% of his fixed annual salary in shares in the company over a period of four years. Each other member of the Management Board is obliged to invest a total of 100% of their respective fixed annual salary in shares of the company over the same period ("investment amount"). The four-year period is calculated either according to the date of the initial appointment or, in the case of a new version of the service contract, according to its date ("reference date").

The decisive factor for calculating fulfillment of the holding obligation is either (i) the total acquisition cost of all shares held by the Management Board member in the securities account on the reporting date or, (ii) if this value is higher on the reporting date, the average weighted XETRA price of the share multiplied by the shares held within the last three weeks prior to the reporting date and the investment amount at that time.

The Management Board member is only obliged to build up the shares from funds that have accrued to him either (i) in fulfillment of the IPO Award Agreement concluded between him and the company (if any) and/or (ii) from the SAR program on a net basis.

The following table shows the respective fulfillment as at 31 December 2023. The degree of fulfillment was determined in each case on the basis of the invested volume (calculated from the shareholding multiplied by the XETRA price of the share, in each case as at 31 December 2023), as the invested volume exceeds the acquisition costs in each case.

In accordance with the Share Ownership Guidelines, these must be fulfilled for the first time on the fulfillment dates in the 2027 financial year, and only to the extent that funds from IPO awards and/or the SAR program have been received on a net basis.

	Shareholdings 31 Dec. 2023	Acquisition costs in T€	Share price 31 Dec. 2023 in €	Invested volume in €k	Investment amount in €k in accordance with Share Ownership Guidelines	Mandatory fulfilment on	Fulfilment as of 31 Dec. 2023
Achim Weiß (CEO)	89,742	1,217	17.46 €	1,567	1,200	07.02.2027	131%
Dr. Jens-Christian Reich (CCO)	0	-	17.46 €	0	600	30.06.2027	0%
Britta Schmidt (CFO)	3,500	54	17.46 €	61	500	07.02.2027	12%

## 1.6 Clawback-clauses

The remuneration system provides for clawback provisions under which both the short-term variable remuneration granted to a member of the Management Board and the long-term variable remuneration granted to a member of the Management Board can be reclaimed in full or in part if it transpires that the conditions for their fulfillment were not met in full or in part. The possibility of reclaiming the remuneration also exists after the termination of the appointment or employment relationship. The Management Board member may not raise an objection to the discharge of claims.

To the knowledge of the Management Board and Supervisory Board, there was no reason to reclaim or reduce remuneration in the 2023 financial year.

## 1.7 Remuneration-related legal transactions and compensation arrangements

The remuneration system stipulates that the term of the employment contracts of Management Board members is linked to their term of office. If the appointment as a member is revoked, the service contract also ends. If the revocation of the appointment is not based on good cause within the meaning of Section 626 of the German Civil Code (BGB), the service contract only ends at the end of a period of 12 months to the end of the month or - if this date occurs earlier - at the end of the day until which the Management Board member was appointed to the company's Management Board.

If the service contract of a member of the Management Board is terminated prematurely, an agreed payment to the Management Board member (including fringe benefits) may not exceed both the value of their remuneration entitlements for the remaining term of the service contract and the sum of two times their annual remuneration (severance payment cap). Any severance payments are also offset against any compensation for non-competition that may be payable.

Further details on the treatment of short-term and long-term remuneration in the event of premature termination of the service contract can be found in sections 5.2.1 and 5.2.2 of the remuneration system for the Management Board in the Notes.

There are no company-funded pension commitments to members of the Management Board or other remuneration components.

The agreements with the members of the Management Board do not provide for any deviating regulations.

### **1.7.1 Non-competition clause**

The members of the Management Board are subject to a non-competition clause during the term of their employment contract and for up to 12 months after the end of the employment contract. During the period of the post-contractual non-competition clause, the company will pay the Management Board member monthly compensation amounting to 100% of the monthly installment of the annual fixed salary. Severance payments are to be offset against the compensation for non-competition.

The company may waive the post-contractual non-competition clause at any time, with the result that it is released from the obligation to pay compensation six months after the waiver is declared.

### **1.7.2 Change-of-Control regulations**

In the event of a merger, spin-off, IPO of the issuing Group company or similar events, or in the event of a transfer of operations or sale of the company, the company may offer the early exercise of SARs.

A change-of-control arrangement has been agreed with Mr. Achim Weiß, which provides for a special right of termination in this case and, under certain circumstances, early vesting (in the event of a change of control, all unearned SARs are deemed to have been earned. Further details can be found in the Management Board remuneration system in the appendix under point 11 (Special arrangements for Achim Weiß)).

## **1.8 Maximum remuneration**

The remuneration system provides for maximum remuneration totaling €7,000k gross for the Chief Executive Officer and €3,500k gross per financial year for each other member of the Management Board. The maximum remuneration limits the total remuneration, which consists of a fixed annual salary, fringe benefits, short-term variable remuneration and long-term variable remuneration.

The maximum remuneration is not a target total remuneration for the members of the Management Board that the Supervisory Board considers appropriate, but merely an absolute upper limit that may not be exceeded under any circumstances. If the maximum remuneration is exceeded as a result of the payment of long-term variable remuneration, the entitlement from the long-term variable remuneration for the year in question that exceeds the amount of the maximum remuneration is forfeited. For payments made on the basis of the long-term variable remuneration, the term must be taken into account when calculating the maximum remuneration. Payments from the program are therefore to be distributed evenly over the term when assessing whether the maximum annual remuneration is met.

In the 2023 financial year, the maximum remuneration was not exceeded for any of the Management Board members, particularly as the long-term variable remuneration (LTI) is only recognized as granted and owed in the financial year in which the conversion rights for stock appreciation rights (SARs) are exercised. Based on the current LTI program, this is only possible after three years. As explained above, the long-term variable remuneration is to be spread over the term of the program, meaning that a final review of the maximum remuneration may only be possible after six years.

The maximum annual remuneration for Mr. Achim Weiß is € 28,000 k, subject to the early vesting described in the remuneration system (after the expiry of his three-year service contract or earlier termination in the event of a change of control, all unearned SARs are deemed to have been earned). Further details can be found in the remuneration system for the Management Board in the notes under point 11 (Special arrangements for Achim Weiß).

## 1.9 Individual remuneration granted and owed to members of the Management Board

The following table shows the remuneration granted and owed individually to the members of the Management Board. The various remuneration components are recognized in accordance with the following principles:

- Basic remuneration and fringe benefits are recognized as granted and owed in the financial year in which the activity / service on which the remuneration is based was performed in full - regardless of the date of receipt or payment.
- The same applies to short-term variable remuneration (STI). The STI is also recognized as granted and owed in the financial year in which the activity/performance on which the remuneration is based was performed in full - regardless of the allocation or payment date.
- The long term variable remuneration (LTI) is recognized as granted and owed in the financial year in which the stock appreciation rights (SARs) are exercised.

### Remuneration in the respective reporting year

in €k	Year	Fixed remuneration (fix)		Variable Remuneration (var)			Total	Share (fix/var)
		Annual fixed salary	Fringe benefits <sup>1</sup>	STI	LTI	Rollover/ IPO Awards		
Achim Weiß (CEO)	2023	600	11	404	0	4,570	5,585	11% / 89%
	2022	350	11	287	-	-	647	56% / 44%
Dr. Jens-Christian Reich (CCO) since July 2023	2023	300	5	202	0	-	508	60% / 40%
	2022	-	-	-	-	-	-	-
Britta Schmidt (CFO) since November 2022	2023	478	9	253	0	-	739	66% / 34%
	2022	50	1	29	-	-	80	64% / 36%

(1) Company car with private use option or car allowance

## 2. Remuneration of the Supervisory Board members in the financial year 2023

The Supervisory Board of IONOS Group SE consisted of the following six members until 26 January 2023:

- Max Fowinkel (Chairman of the Supervisory Board)
- Issam Abedin (Deputy Chairman)
- Markus Langer
- Markus Kadelke
- Lutz Laffers
- Lysander Ammann

The Supervisory Board was reappointed in the run-up to the IPO. Since 26 January 2023, it has consisted of the following six members in the past financial year:

- Ralph Dommermuth (Chairman of the Supervisory Board)
- René Obermann (Deputy Chairman)
- Dr Claudia Borgas-Herold (member of the Audit and Risk Committee since 26 January 2023)
- Kurt Dobitsch (Chair of the Audit and Risk Committee since 26 January 2023)
- Martin Mildner (member of the Audit and Risk Committee since 26 January 2023)
- Vanessa Stütze

The Supervisory Board of IONOS Group SE presented a new remuneration system for the members of the Supervisory Board at the Extraordinary General Meeting on 26 January 2023 and submitted it for approval. The Extraordinary General Meeting approved the proposed remuneration system for the Supervisory Board accordingly. The new remuneration system will apply from the 2023 financial year (from 1 January 2023).

The remuneration system for Supervisory Board members provides for fixed remuneration plus an attendance fee without variable or share-based remuneration. The granting of fixed remuneration is in line with common practice in other listed companies. For the company, too, fixed remuneration for Supervisory Board members is best suited to strengthening the independence of the Supervisory Board and taking into account the advisory and monitoring function of the Supervisory Board, which is to be fulfilled independently of the company's success. Fixed remuneration for Supervisory Board members is also provided for in suggestion G.18 sentence 1 of the GCGC.

The members of the Supervisory Board receive a fixed annual remuneration of €45k. In accordance with recommendation G.17 GCGC, the remuneration for the Chairman of the Supervisory Board and the Deputy Chairman of the Supervisory Board is increased due to the increased time commitment. The remuneration for the Chairman of the Supervisory Board amounts to €55k and €50k for the Deputy Chairman.

Supervisory Board members who only belonged to the Supervisory Board for part of the financial year or who were Chairman or Deputy Chairman of the Supervisory Board receive the fixed remuneration pro rata temporis, rounded up to full months.

In addition, members receive an attendance fee of €1k for each physical meeting of the Supervisory Board they attend. If meetings of the Supervisory Board are not held physically but virtually (in particular if a meeting is only held by telephone or video conference), the members of the Supervisory Board receive no attendance fee if the meeting lasted no more than one hour, half of the attendance fee if the meeting lasted longer than one hour but no longer than two hours and the full attendance fee if the meeting lasted two hours or longer. Members who do not attend Supervisory Board meetings in person (such as participation by telephone or video conference) always receive only 25% of the attendance fee,

whereby participation solely by submitting a voting message does not give rise to any entitlement to an attendance fee.

Also, in accordance with recommendation G.17 GCGC, the Chairman of the Audit Committee receives an additional €20k per year and each other member of the Audit Committee receives an additional €15k per year. A member of the Supervisory Board who is only a member of the Audit Committee for part of the financial year or who has chaired the Audit Committee receives the additional remuneration pro rata temporis, rounded up to full months. The company must support the members of the Audit and Risk Committee in attending necessary training and further education measures and also bear the costs incurred to an appropriate extent.

No attendance fee is paid for attending meetings of the Audit and Risk Committee. Attendance at meetings of the Audit and Risk Committee is covered by the additional annual remuneration.

The following table shows the individual remuneration granted and owed to the members of the Supervisory Board. The remuneration components are recognized in accordance with the following principles:

- The fixed remuneration on the Supervisory Board and any committees is recognized as granted and owed in the financial year in which the activity / service on which the remuneration is based was performed in full - irrespective of the date of receipt or payment.
- The same applies to attendance fees. The attendance fee for Supervisory Board meetings is also recognized as granted and owed in the financial year in which the activity / service on which the remuneration is based was performed in full - irrespective of the date of receipt or payment. The attendance fee is regarded as variable remuneration.
- The remuneration shown for the members of the Supervisory Board of IONOS Group SE includes remuneration granted for Supervisory Board activities at the level of intra-Group subsidiaries. This is made up of annual fixed remuneration and attendance fees and is recognized separately.

## Remuneration in the financial year 2023

in €k	by IONOS Group SE		by subsidiaries		Total	Share fix/var
	Fix	Attendance fee	Fix	Attendance fee		
Ralph Dommermuth (Chairman)	0	0	0	0	0	-
Rene Obermann (Deputy Chairman)	0	0	0	0	0	-
Dr. Claudia Borgas-Herold <sup>1</sup>	60	4	12	3	79	91% / 9%
Kurt Dobitsch <sup>1</sup>	65	4	12	3	84	92% / 8%
Martin Mildner <sup>1</sup>	0	0	0	0	0	-
Vanessa Stuetzle	45	7	12	3	67	85% / 15%

(1) Includes remuneration for the membership in the Audit and Risk Committee

## 3. Comparative presentation of the remuneration trend

In order to fulfill the requirements of Section 162 para. 1 sentence 2 no. 2 AktG, the following table shows the annual change in the remuneration granted and owed to the members of the Management Board and Supervisory Board and the target remuneration of the total workforce, as well as the annual change in the Group's sales and earnings figures and the (individual) company's earnings.

The main subsidiaries in Germany were taken into account when calculating the average remuneration of the "total workforce" peer group. These represent around 63% of all employees in Germany. All managers (excluding Management Board members and managing directors), full-time and part-time employees, volunteers and trainees on an FTE basis were included in the analysis. Inactive employees, temporary staff, trainees and interns were not included. The calculation includes all remuneration components that are attributable to the annual target remuneration of employees in the respective financial year on the respective reporting date.

No change is reported for Britta Schmidt for the 2023 financial year, as Ms. Schmidt was not appointed to the Management Board of IONOS Group SE until 1 November 2022. No change is reported for Dr. Jens-Christian Reich for the 2023 financial year either, as Dr. Reich was not appointed to the Management Board of IONOS Group SE until 1 July 2023.

The remuneration for Mr. Achim Weiß has increased by 62% compared to the previous year, which takes into account the significantly higher demands resulting from the stock market listing.

No change is reported for the Supervisory Board members for the 2023 financial year, as all Supervisory Board members were not elected to the Supervisory Board of IONOS Group SE until 26 January 2023.



## Comparative presentation

	Change 2023 vs. 2022
<b>Remuneration of the Management Board</b>	
Achim Weiß	+62%
Dr. Jens-Christian Reich, since July 2023	-
Britta Schmidt, since November 2022	-
<b>Remuneration of the Supervisory Board</b>	
Ralph Dommermuth (Chairman)	-
Rene Obermann (Deputy Chairman)	-
Dr. Claudia Borgas-Herold	-
Kurt Dobitsch	-
Martin Mildner	-
Vanessa Stuetzle	-
<b>Remuneration of employees</b>	
Average remuneration of the total workforce (on an FTE basis)	+5.3%
<b>Development of revenue and earnings</b>	
Group revenues	+10.1%
Adjusted EBITDA	+12.9%
Net income of the parent company	- 1

(1) It is not possible to show the percentage change for the 2023 financial year compared to the 2022 financial year, as a net loss was recognized for the 2022 financial year (2023: €5,405k; 2022: € -8,980k)

## External (horizontal) comparison

In accordance with GCGC (recommendation G.3), the Supervisory Board should use a suitable peer group of other companies, the composition of which it discloses, to assess the customary nature of the specific total remuneration of the members of the Management Board in comparison with other companies.

When drawing up the remuneration system, the Supervisory Board of IONOS Group SE used the companies listed on the MDAX and SDAX at the time of comparison, direct competitors of IONOS and European and US technology companies to determine the target total remuneration and the individual remuneration components of the members of the Management Board.

As the service contracts with the individual members of the Management Board were not concluded until the 2023 financial year, the Supervisory Board has not yet carried out a review to assess the customary nature of the total remuneration of the Management Board members for the 2023 financial year.

On behalf of the Management board

On behalf of the Supervisory Board

Achim Weiß

Dr. Jens-Christian Reich

Britta Schmidt

Ralph Dommermuth

## **Report of the independent auditor on the formal audit of the remuneration report pursuant to § 162 Abs. 3 AktG**

To IONOS Group SE, Montabaur

### **Opinion**

We have formally audited the remuneration report of the IONOS Group SE, Montabaur, for the financial year from 1 January to 31 December 2023 to determine whether the disclosures pursuant to § [Article] 162 Abs. [paragraphs] 1 and 2 AktG [Aktiengesetz: German Stock Corporation Act] have been made in the remuneration report. In accordance with § 162 Abs. 3 AktG, we have not audited the content of the remuneration report.

In our opinion, the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the accompanying remuneration report. Our opinion does not cover the content of the remuneration report.

### **Basis for the opinion**

We conducted our formal audit of the remuneration report in accordance with § 162 Abs. 3 AktG and IDW [Institut der Wirtschaftsprüfer: Institute of Public Auditors in Germany] Auditing Standard: The formal audit of the remuneration report in accordance with § 162 Abs. 3 AktG (IDW AuS 870 (09.2023)). Our responsibility under that provision and that standard is further described in the "Auditor's Responsibilities" section of our auditor's report. As an audit firm, we have complied with the requirements of the IDW Quality Management Standard: Requirements to quality management for audit firms [IDW Qualitätsmanagementstandard - IDW QMS 1 (09.2022)]. We have complied with the professional duties pursuant to the Professional Code for German Public Auditors and German Chartered Auditors [Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer - BS WP/vBP], including the requirements for independence.

### **Responsibility of the Management Board and the Supervisory Board**

The management board and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. They are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

### **Auditor's Responsibilities**

Our objective is to obtain reasonable assurance about whether the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report and to express an opinion thereon in an auditor's report.

We planned and performed our audit to determine, through comparison of the disclosures made in the remuneration report with the disclosures required by § 162 Abs. 1 and 2 AktG, the formal completeness of the remuneration report. In accordance with § 162 Abs 3 AktG, we have not audited the accuracy of the disclosures, the completeness of the content of the individual disclosures, or the appropriate presentation of the remuneration report.

Düsseldorf, 18 March 2024

**PricewaterhouseCoopers GmbH**  
**Wirtschaftsprüfungsgesellschaft**

Erik Hönig

Christian David Simon

Wirtschaftsprüfer  
(German Public Auditor)

Wirtschaftsprüfer  
(German Public Auditor)

# REMUNERATION SYSTEM FOR THE MEMBERS OF THE MANAGEMENT BOARD OF IONOS GROUP SE

## 1. Introduction

Since the initial listing, this remuneration system has formed and will continue to form the basis for concluding new service agreements with the members of the Management Board of IONOS Group SE ("Company"). Any service agreements already in place at that point in time comply with the requirements of the remuneration system.

The remuneration for the members of the Company's Management Board is aligned with the Company's sustainable and long-term development. The Management Board members are to receive appropriate remuneration commensurate with their responsibilities. In determining the remuneration, the financial situation, the performance of the Company, the personal performance of the individual Management Board member, the interests of the Company's stakeholders and societal considerations must be taken into account. The remuneration is to create an incentive for being successful from all of these aspects. That success is to be achieved in the long term, which is why the remuneration must not encourage the taking of short-term risks.

The structure of the remuneration system for the members of the Management Board is simple, clear and comprehensible. It meets the requirements set out in the AktG and takes into account the recommendations of the German Corporate Governance Code in the version of April 28, 2022, subject to the exceptions outlined below.

## 2. Rollover of already earned long-term remuneration

Agreements are in place with the Management Board members with whom long-term remuneration was agreed prior to the Company's IPO and whose claims for the most part had already been vested (but had also been reallocated to a small extent) and whose remuneration is to be fixed by way of a rollover and – subject to certain conditions – satisfied within the first two years after the initial listing ("IPO Awards Agreements"). Those IPO Awards Agreements are not part of the remuneration system, and disbursements made to any member of the Management Board on the basis of the IPO Awards Agreements are, accordingly, not taken into account in the determination of the maximum remuneration (see section 6 below).

## 3. Remuneration system, procedure, peer group and remuneration structure

The remuneration system for the members of the Management Board is set down and regularly reviewed by the Supervisory Board. After setting down the remuneration system, the Supervisory Board submits it to the general meeting for approval. If the general meeting approves the remuneration system, the remuneration system will be resubmitted for approval by the general.

meeting upon every material change, but at least once every four years. If the remuneration system is not approved by the general meeting, the Supervisory Board will submit a revised remuneration system at the next annual general meeting at the latest.

The remuneration of each Management Board member is set based on the remuneration system. The Supervisory Board sets a specific target total remuneration for each member of the Management Board. It must be reasonably proportionate to the responsibilities and performance of the Management Board member as well as to the position of the enterprise and must not exceed the usual level of remuneration unless there are special reasons.

Whether or not the specific total remuneration is in line with usual levels is assessed on the basis of a comparison to other enterprises (horizontal comparison) and in relation to the remuneration within the enterprise (vertical comparison). In order to assess whether or not the specific total remuneration is in line with usual levels compared to other enterprises, the Supervisory Board uses an appropriate peer group of other third-party entities. To that end, companies are looked at that belong to comparable sectors and/or that are listed in the TecDax/SDAX and that are comparable to the Company as regards market

position, revenue and employee headcount. The composition of the peer group will be disclosed. In order to assess whether or not the specific total remuneration is in line with usual levels within the enterprise itself, the Supervisory Board takes into account the relationship between the remuneration of the Management Board members and the remuneration of senior managers and the workforce of the Company, including that of the affiliated companies within the IONOS Group, and the development of that relationship over time. No further individuals were employed at the Company on the day of the initial listing. The Supervisory Board also performs both comparisons when setting down the overall remuneration system.

Where the Supervisory Board involves an external remuneration consultant to assist it, the relevant corporate body will ensure that the consultant is independent of the Management Board and the Company. In addition, every member of the Supervisory Board must disclose any conflicts of interest to the Chair of the Supervisory Board.

The total remuneration of the Company's Management Board members consists of nonperformance-based fixed remuneration, fringe benefits and variable performance-based-remuneration. The variable remuneration itself consists of a short-term and a long-term element.

The total remuneration generally also constitutes compensation for services performed for, and positions held in corporate bodies of, the Company's affiliated and associated companies and other companies in which the Company holds an interest. Any remuneration paid for these activities is – in due consideration of tax requirements – generally credited against the total remuneration.

## 4. How the remuneration promotes the corporate strategy and long-term development of the Company

The remuneration system for the members of the Company's Management Board is designed to remunerate them according to the scope of their tasks and responsibilities, their performance and the performance of the enterprise. The Management Board members' remuneration promotes the Company's corporate strategy in a number of different ways:

Within the framework of the short-term variable remuneration, targets are agreed with the Management Board members that, firstly, are designed to ensure the Company's financial and commercial success through the achievement of certain key performance indicators. Secondly, individual targets are agreed that may also entail specific strategic objectives. The inclusion of target criteria relating to environmental and social aspects is intended to also credit successes in sustainability.

The long-term variable remuneration ensures, with its focus on the share price and its multi-year term, that an incentive is created to achieve sustainable financial and commercial success for the Company. In

addition, the interests of the Company and of its shareholders are linked to those of the Management Board in the long term. Each member of the management board thereby participates in the Company's sustainable success, but must also shoulder the financial and commercially negative developments of the company. The Management Board's focus on sustainability aspects is to be further intensified through a reduction of the long-term variable remuneration in the event that certain ESG targets are not reached. This system allows the Management Board members to be corporately active, with a focus on the long-term perspective in the interests of the Company.

## 5. Remuneration components

Overview of the remuneration system	
Non-performance-based remuneration	
Annual fixed salary	<ul style="list-style-type: none"> <li>Contractually agreed fixed annual remuneration paid out in 12 equal monthly installments</li> </ul>
Fringe benefits	<ul style="list-style-type: none"> <li>Mainly the use of the company car for private purposes/reimbursement of travel expenses and payment of insurance premiums, relocation and/or estate agent costs</li> <li>Signing bonus possible to compensate lapsed remuneration</li> <li>D&amp;O insurance</li> </ul>
Performance-based remuneration	
Short-term performance-based remuneration (STI)	
Type of plan	<ul style="list-style-type: none"> <li>Target bonus model</li> </ul>
Cap	<ul style="list-style-type: none"> <li>Target achievement: 150% of defined target</li> <li>Payment: 150% of target amount</li> </ul>
Performance criteria	<ul style="list-style-type: none"> <li>Revenue</li> <li>EBITDA</li> <li>Performance KPIs</li> <li>Personal targets</li> <li>ESG targets</li> </ul>
Payment	<ul style="list-style-type: none"> <li>In cash</li> </ul>
Long-term performance-based remuneration (LTI)*	
Type of plan	<ul style="list-style-type: none"> <li>Stock Appreciation Rights (SARs)</li> </ul>
Term	<ul style="list-style-type: none"> <li>Six years</li> </ul>
Vesting	<ul style="list-style-type: none"> <li>Three tiers of in each case 1/3 with exercise hurdle (increase in the price of the share of a minimum of 10%)                             <ul style="list-style-type: none"> <li>Vesting 1: After three years</li> <li>Vesting 2: After four years</li> <li>Vesting 3: After five years</li> </ul> </li> </ul>
Cap	<ul style="list-style-type: none"> <li>Payment: 150% of the exercise price for each SAR</li> </ul>
ESG factor	<ul style="list-style-type: none"> <li>Reduction of the payment amount by a maximum of 10% if certain ESG targets are not achieved</li> </ul>
Payment/servicing	<ul style="list-style-type: none"> <li>In cash or shares</li> </ul>
Other contractual arrangements*	
Maximum remuneration in accordance with Sec. 87a AktG	<ul style="list-style-type: none"> <li>CEO: EUR 7 million (gross)/fiscal year</li> <li>Other Management Board members: EUR 3.5 million (gross)/fiscal year</li> </ul>
Share Ownership Guidelines	<ul style="list-style-type: none"> <li>CEO: 200% / Other Management Board members: 100% of annual fixed salary</li> <li>Build-up period: Four years</li> <li>Holding period until the end of the appointment: in the first year thereafter, a maximum of 50% can be divested</li> </ul>
Malus and clawback provisions	<ul style="list-style-type: none"> <li>Retention/clawback of variable remuneration in the event of a malus/clawback</li> </ul>

\*For information on the different special arrangements for Achim Weiß see section 11 below

## 5.1 Fixed remuneration components

### 5.1.1 Annual fixed salary

The members of the Management Board receive an annual fixed salary, which is paid in twelve equal monthly installments at month's end. If a member of the Management Board joins or leaves that body during the year, that member receives a prorated annual fixed salary. In the event that a Management Board member is prevented from performing his or her services for health reasons, the fixed salary will continue to be paid for a period of three months – where a member is hindered for reasons due to illness following a work-related accident, for a period of six months – with all benefits that the member is paid by any statutory or private health insurance for lost earnings being set off against the fixed salary payments.

### 5.1.2 Fringe benefits

In addition to their annual fixed salary, the Management Board members also receive fringe benefits. Standard benefits include the option of using a company car for private purposes or a monthly reimbursement of travel expenses, as well as payment of certain insurance premiums. For every member of the Management Board, the Company takes out directors and officers (D&O) liability insurance with a deductible pursuant to Sec. 93 (2) sentence 3 AktG and criminal law legal expenses insurance (Strafrechtsschutzversicherung) that covers not just the services performed by the member as a corporate officer of the company, but also as a member of other corporate bodies, where applicable, of the companies of the United Internet AG Group. The Company also pays an allowance for health and long-term care insurance. In addition, as part of the onboarding of new Management Board members, appropriate fringe benefits, such as the assumption of reasonable relocation and/or estate agent costs, may be granted. On the occasion of their move from another employment relationship, the Supervisory Board may also grant a signing bonus to new Management Board members to compensate for remuneration that thereby lapsed. The Supervisory Board may resolve to grant further fringe benefits that are customary on the market, e.g., a temporary allowance for accommodation costs.

## 5.2 Variable remuneration components

### 5.2.1 Short-term variable remuneration

The Management Board members' individual target amounts for their short-term variable remuneration (i.e., for 100% target achievement) can be derived from their respective service agreements. The short-term variable remuneration is designed as a target bonus system with a one-year performance period corresponding to the fiscal year. The performance criteria are revenue and EBITDA targets, performance KPI targets, personal targets and ESG targets.

The different categories allow the Company to align short-term variable remuneration optimally with its interests: Revenue and EBITDA targets are the decisive criteria for measuring the Company's financial and commercial success in a past fiscal year. The net promoter score, for example, is a possible performance KPI target. Personal performance targets for each individual Management Board member create an incentive to successfully complete certain projects for which the Management Board member is responsible, to solve unique challenges relating to that member's department and to achieve certain department-specific metrics. ESG elements, unlike the previous categories, serve primarily the interests of the Company's stakeholders as well as environmental goals. Through these target components, the Supervisory Board aims to direct Management Board members' attention to social considerations and create an incentive for addressing such matters.

Before a performance period begins, the Supervisory Board determines the specific revenue and EBITDA target in addition to setting the other performance criteria. Precisely for ESG targets, in view of the variety of conceivable interests, there is a broad spectrum to choose from, which is why the Supervisory Board is

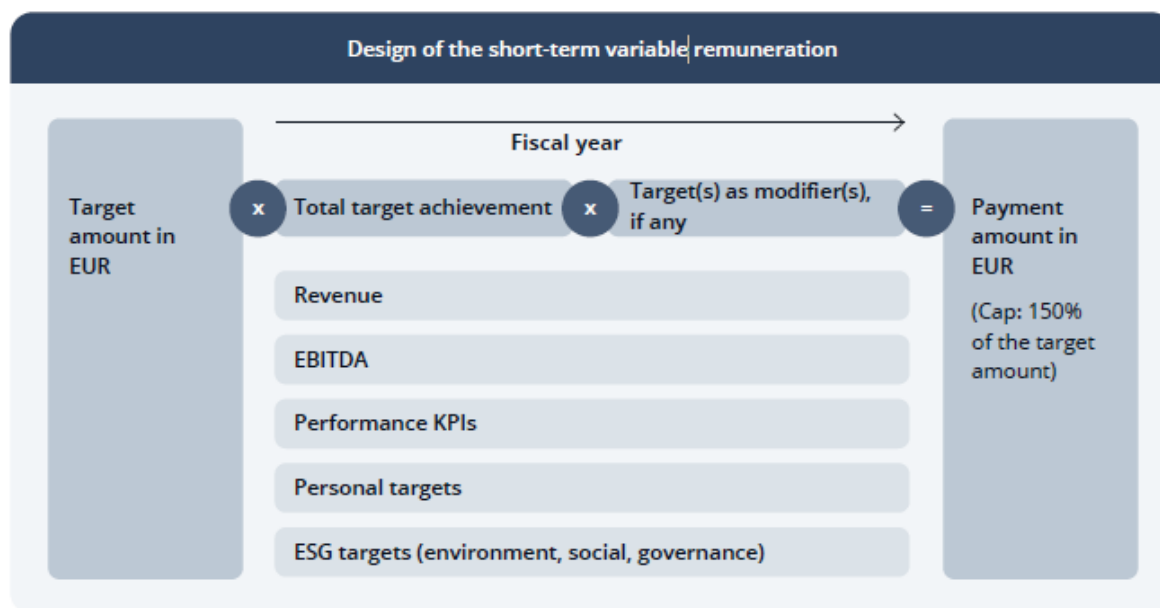


to react dynamically to societal and environmental challenges when setting these targets. In this respect, the ESG elements are not limited to issues outside of the Company, but are to also aid in solving similar challenges within the Company and affiliated companies (e.g., diversity). The Supervisory Board also determines the weighting of the individual targets, as well as whether individual targets are to be taken into account in the calculation of the short-term variable remuneration either fully or merely as modifying factors (“modifiers”), and, if that is the case, to what extent.

The level of achievement for each of the targets set as full targets can be between 90% and 150% in each case. Where target achievement is lower than 90%, this is deemed a 0% level of achievement. Target achievement in excess of 150% is not taken into account.

It is possible to set different targets for the individual Management Board members. However, revenue and EBITDA targets are to always be set uniformly.

The disbursement amount at the end of the performance period is calculated by multiplying the individual target amount by the overall target achievement level relating to the targets for the short-term variable remuneration. The target achievement levels for the various targets are added together according to their predefined weighting and, depending on the target, adjusted on the basis of a modifier, as applicable. The maximum disbursement amount is limited (capped) to 150% of the individual target amount.



The level of achievement of the targets set for the short-term variable remuneration is determined by the Supervisory Board in a meeting after the adoption of the annual financial statements for the IONOS Group. The Supervisory Board prepares for this meeting together with the Management Board members and the competent departments so that it has all of the information and, where applicable, additional expertise necessary for an assessment.

In that context, the figures of the audited annual financial statements will be used as the basis for the revenue and EBITDA targets. The Supervisory Board determines the degree of achievement of operating and strategic targets by assessing the concepts submitted by the Management Board and, where applicable, any further documentation required. The achievement of personal performance targets is also determined based on documents submitted by the Management Board member assessed by the Supervisory Board (where applicable, with the aid of external expertise). For determining the target

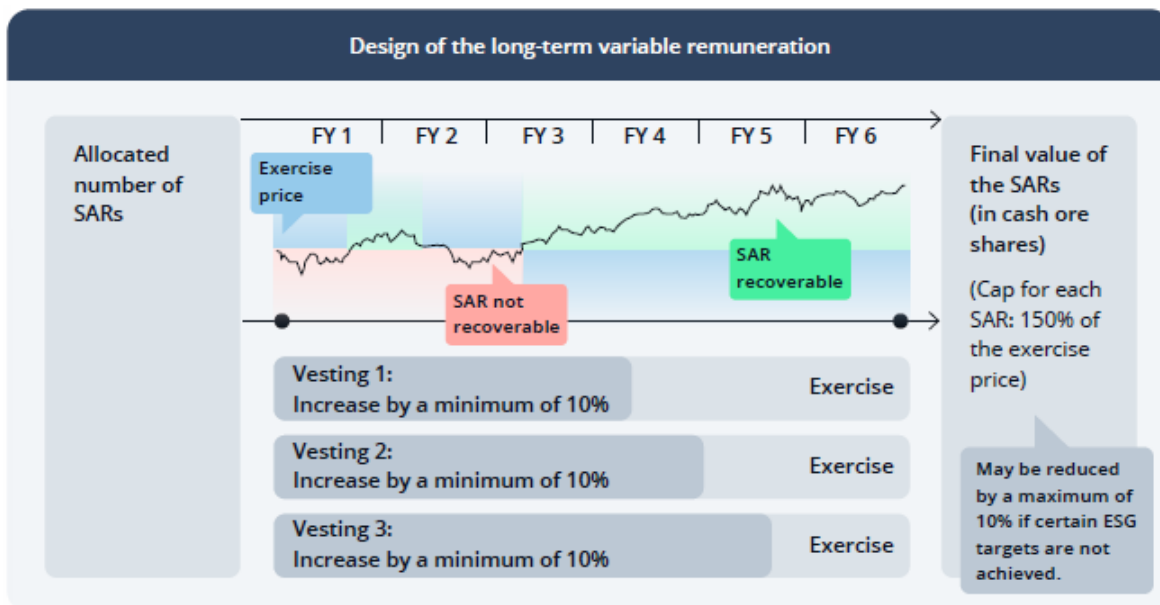
achievement of ESG elements, the Supervisory Board looks at the key indicators and success criteria laid down in each case.

The short-term variable remuneration will be paid out no later than by the end of the month following the month in which the annual financial statements for the past fiscal year have been adopted.

Where a member of the Management Board joins or leaves that body during the year, the individual target amount is reduced by 1/12 for every month in which the member is not a member of that body or is released from the obligation to render their services or the service relationship is suspended.

### 5.2.2 Long-term variable remuneration

Long-term variable remuneration is aligned with the long-term interests of shareholders by focusing on an increase in share value. However, the long-term variable remuneration can be reduced by up to 10% in total if certain ESG targets are not met.



As a long-term incentive, there is a program based on virtual stock options (the stock appreciation rights ("SARs") plan (the "SAR Plan")). The Company reserves the right to fulfill its obligations under the SAR Plan, at its own discretion, in cash or by transferring shares to the beneficiary.

Description of the SAR Plan of IONOS Group SE	
Purpose	Participation in the increase in value of the IONOS Group SE share
Systematics	<p>Allocation of a number of SARs, which can be exercised at certain times to a certain extent. Vesting occurs in three stages:</p> <ol style="list-style-type: none"> <li>1. 1/3 of the SARs are exercisable for the first time after three years,</li> <li>2. 1/3 of the SARs are exercisable for the first time after four years,</li> <li>3. 1/3 of the SARs are exercisable for the first time after five years.</li> </ol>
Maturity/Fulfillment	Term to maturity: 6 years. All SARs have vested fully after 5 years. Upon the end of the SAR Plan, all unexercised SARs lapse without compensation. Fulfillment takes place in cash or shares at the option of the Company.
Calculation parameters	Difference between the exercise price (specific price of the share at issuance) and the closing price of the share on exercising the SARs (in each case, the arithmetic mean of the last ten trading days before the relevant exercise window), modified by an ESG factor.
Limitations	<ul style="list-style-type: none"> <li>• Two exercise windows each year;</li> <li>• Only SARs already allocated can be exercised;</li> <li>• Exercise hurdles of at least 10% price increase on the exercise price, which can also be measured differently for the different years with exercise windows;</li> <li>• ESG malus, which can reduce the SAR claim by up to 10% in total if ESG targets are not met.</li> <li>• The Supervisory Board defines the ESG targets by mutual agreement with the Company's CEO (in the alternative, using reasonable discretion) once per year for time periods of in each case three subsequent years equally for all Management Board members. The ESG targets relate to non-financial criteria such as environmental concerns and/or social issues.</li> </ul>
Cap	<ul style="list-style-type: none"> <li>• 150% of the exercise price</li> </ul>

The number of SARs offered to a Management Board member in each case (on average each year of the term to maturity of the plan) is determined based on the total remuneration intended for the Management Board member and assuming that internally prepared forecasts for the development in the price of the share are achieved. In due consideration of the stipulations of the remuneration system, in particular, those relating to maximum remuneration, during the term of an SAR agreement, the conclusion of a further SAR agreement is also possible.

Since the development in the value of the SARs is directly tied to the development of the price of the Company's share and vesting occurs over a total period of 5 years, the SAR Plan creates an incentive for a Management Board member to influence the Company's development positively in the long term in the interests of shareholders. At the same time, a Management Board member participates not only in the

Company's positive development, he or she is also impacted by a negative or not sufficiently positive development in the price of the share through the exercise hurdle and the calculation of the disbursement amount.

If the service agreement ends, the Management Board member will receive the SARs that have vested until then. However, the Management Board member must exercise them at the latest during the first exercise window after the end of the employment relationship in accordance with the provisions applicable to the exercising of SARs. Otherwise, the SARs already vested will lapse. SARs that did not yet vest will lapse without compensation.

In the case of a termination for cause without notice (fristlose Kündigung aus wichtigem Grund), the SARs that have already vested but were not yet exercised will also lapse.

In the event of a stock split, a measure under transformation law or a comparable measure that affects the Management Board members' rights under the SAR Plan by cancellation or modification of the shares, the Supervisory Board is authorized to adjust the SAR Plan or the value of the individual SARs. In such constellations, the Supervisory Board may also offer the early exercise of the SARs to the Management Board members or agree with them on a comparable successor plan regarding variable remuneration.

## 6. Maximum remuneration in accordance with Sec. 87a AktG

For the Chief Executive Officer, the maximum remuneration is set at a total gross amount of €7 million, and the maximum remuneration for each additional Management Board member is set at a gross amount of €3.5 million for each fiscal year. The maximum remuneration caps the total remuneration consisting of an annual fixed salary, fringe benefits, short-term variable remuneration and long-term variable remuneration. Any benefits in kind granted as fringe benefits are recognized with their value relevant for wage tax purposes.

The maximum remuneration is not the Management Board members' target total remuneration deemed appropriate by the Supervisory Board, but merely an absolute upper limit that must not be exceeded under any circumstances. If the maximum remuneration is exceeded as a result of the disbursement of the long-term variable remuneration, the claim derived from the long-term variable remuneration for the relevant year to the amount exceeding the amount of the maximum remuneration lapses. Where payments are made based on the long-term variable remuneration, the vesting period must be taken into account when calculating the maximum remuneration. Therefore, when assessing whether or not the annual maximum remuneration is abided by payments under the plan are to be distributed uniformly over the vesting period.

## 7. Relative share of the remuneration components in the total remuneration

The following framework applies to the proportion of the individual remuneration elements to an individual's target total remuneration:

The fixed remuneration is between 25% and 45% of the target total remuneration. Between 10% and 30% of the target total remuneration is attributable to the short-term variable remuneration components, while the long-term variable remuneration components account for 35% to 65% of the target total remuneration.

The share of performance-based remuneration exceeds the share of the non-performance-based remuneration, which reflects the intended performance-related nature of the remuneration. Long-term incentives account for the majority of the variable remuneration components.

## 8. Share Ownership Guidelines

In order to strengthen the alignment of the Management Board members' interests with those of the shareholders, share ownership guidelines were introduced. The Chief Executive Officer is obligated to invest, over a period of four years, a total of 200% of his/her annual fixed salary in shares of the Company. Every additional Management Board member is obligated to invest during the same period of time a total of 100% of their respective annual fixed salary in shares of the Company ("Investment Amount"). The four-year period was calculated either according to the date on which the member was first appointed to the Management Board or in the event that the service agreement is restated after the date of that agreement ("Cut-Off Date").

The deciding factor when calculating whether the shareholding obligation has been fulfilled is either (i) the sum of all acquisition costs of the Management Board member's shares held in the securities deposit account as of the Cut-Off Date or (ii), where this value is lower as of the Cut-Off Date, the average weighted XETRA price of the share multiplied by the shares held within the last three weeks before the Cut-Off Date and the respective Investment Amount at that date.

The Management Board member is only obligated to build up the shares from funds that have accrued to him/her either (i) in performance of the IPO Awards Agreement concluded between the Management Board member and the Company (if any) and/or (ii) as a net amount from the SAR Plan.

Any shares held by spouses and/or children of the Management Board member may be taken into account.

The Management Board members are obligated to hold these shares until the end of their appointment. During the first year after the shareholding obligation has ended, the Management Board may, however, only sell 50% of the shares held in accordance with the Share Ownership Guidelines.

## 9. Malus and Clawback

The remuneration system provides for malus and clawback provisions.

Both the short-term variable remuneration and the long-term variable remuneration granted to a Management Board member can be reclaimed in whole or in part if it turns out that the conditions for receiving that remuneration were, in fact, not met in whole or in part. The possibility to reclaim remuneration survives the term of the appointment or employment relationship. The Management Board member may not plead the defense of enrichment (Entreicherungsseinwand).

If the Management Board member has breached an obligation from his/her service and/or employment relationship and on the merits, is liable to the Company for damages, the Supervisory Board of the company, using reasonable discretion, may reject in full or in part fulfillment of remuneration claims in respect of the fixed salary as well as the short-term and long-term variable remuneration or reclaim payments that the Management Board member has already received.

In addition, the SAR Plan contains a malus provision with regard to the non-performance of certain ESG targets (see below).

## 10. Remuneration-related legal acts

### 10.1 Terms and prerequisites for the ending of service agreements and appointments

The term of the service agreements of the Management Board members is tied to their period of office. The first-time appointment is to be for a period of three years. In the case of additional appointments, longer terms of appointment are possible.

If a Management Board member's appointment is revoked, the service agreement also ends. If the revocation of the appointment is not based on cause (wichtiger Grund) within the meaning of Sec. 626 of the German Civil Code (Bürgerliches Gesetzbuch, "BGB"), the service agreement does not end until a 12-month period to the end of the month elapses or – if that date is earlier – upon the end of the day until which the Management Board member was appointed as a member of the Company's Management Board. The right to terminate the agreement for cause without notice (fristlose Kündigung) will remain unaffected.

If a Management Board member's service agreement ends, the Company is authorized at any time to release (freistellen) that member from his/her duty to work for the company, provided that payment of the contractually agreed remuneration is continued, and any vacation entitlements are netted.

The service agreement ends – with no notice required – at the time a pension due to the reduction in earnings capacity of 100% (Erwerbsunfähigkeitsrente) is granted for an unlimited period of time, but no later than upon the expiry of the month in which the Management Board member first becomes entitled to receive a regular old-age pension (Regelaltersruhegeld).

### 10.2 Compensation for removal from office

If the service agreement of a Management Board member ends prematurely, an agreed payment to that Management Board member (including fringe benefits) must not exceed either the value of that member's remuneration claims for the remaining term of the service agreement or the sum of two times the annual remuneration (severance cap). Any severance payments will also be deducted from any non-competition compensation (Karenzentschädigung) to be paid.

### 10.3 Retirement pensions and early retirement schemes

The Company does not have an early retirement or pension plan for the Management Board members in place. Therefore, the remuneration system does not contain any information on retirement pensions and early retirement schemes.

### 10.4 Non-competition

During the term of their service agreements and for a maximum period of 12 months after the end of their service agreements, the Management Board members are subject to a non-competition obligation. During the term of the post-contractual non-competition obligation, the Company will pay to the Management Board member each month a non-competition compensation in the amount of 100% of the monthly installment amount of the annual fixed salary. Severance payments must be credited against the non-competition compensation. The Management Board member must accept that any other income is credited against the non-competition compensation. At the end of each quarter, the Management Board

member must, without prior demand, provide information about whether and in what amount that member receives other income. Evidence of the above information must be provided upon request. The Company may at any time waive the post-contractual non-competition obligation so that – upon the expiry of six months after the waiver – it will be released from its obligation to pay the compensation. The noncompetition obligation will not enter into force if, when leaving the Company, the Management Board member has reached the applicable retirement age under the German statutory pension insurance scheme.

## 10.5 Change-of-Control

In the event of a merger, spin-off, IPO of the issuing group company or a similar event, or in the event of a business transfer or disposal of a business, the Company may offer the early exercise of the SARs (see also above, section 5.2.2).

## 11. Special arrangements for Achim Weiß

The remuneration system provides that the special arrangements described in more detail below, may be provided for the Chief Executive Officer, Achim Weiß. The arrangements concern his service agreement with regard to the change of control rule and the long-term remuneration described below. The background to these special arrangements is that Achim Weiß was the co-founder of Schlund+Partner and of ProfitBricks and has, thus, ultimately laid the foundation for the IONOS Group in its current form. In addition, Mr. Weiß has unparalleled expertise and industry knowledge, which – from the Supervisory Board's perspective – is imperative for the success of the IONOS Group.

### Special arrangements for Achim Weiß

Maximum remuneration	The annual maximum remuneration amounts to EUR 28 million, subject to the early vesting described below.
Relative share of individual remuneration components in the annual total target remuneration (in relation to a three-year term of service)	<ul style="list-style-type: none"> <li>• Fixed remuneration: between 5% and 10% of the target total remuneration;</li> <li>• STI: between 5% and 10% of the target total remuneration;</li> <li>• LTI between 80% and 90% of the target total remuneration.</li> </ul>
Special right of termination in the service agreement	Extraordinary right of termination in the event of a change of control defined in more detail in the service agreement with a notice period of 12 months after the change of control occurs with exercise of the special termination right only being permissible within a period of six months after the change of control.
Terms and conditions of the SAR Plan	The SAR Plan for Mr. Weiß may provide that the number of allocated SARs – instead of using an intended total remuneration as the basis – will be calculated based on a participation in the future increase in value of the IONOS Group (expressed by the development in the price of the share) in the period between the IPO and the exercise of the SARs until a share of up to 2%. All claims under the SAR Plan are capped to an increase in the price of the share of 100% (and a total gross amount of EUR 80 million); the cap will be raised to 150% (in this case, a gross amount of EUR 120 million), provided that the appointment of Mr. Weiß as a member of the Management Board has been extended until the end of the term of the SAR Plan six years after the IPO and that his service agreement has also been extended accordingly, and further provided that Mr. Weiß has not exercised his special right of termination (see below).
Early vesting possibility in the SAR Plan	<ul style="list-style-type: none"> <li>• After having allowed his three-year service agreement to expire or having terminated his service agreement in the event of a change of control, all unvested SARs will be deemed vested („<b>Early Vesting</b>“).</li> <li>• Then, the closing price of the share on either the day on which the change of control occurs or the day on which the service agreement expires will be used to determine the amount of the SAR claim. This amount will then be divided by the closing price to fix a certain number of shares.</li> <li>• After the end of the SAR Plan, the Company may – at its own discretion – deliver the fixed number of shares or replace them with a cash payment, with the amount of that cash payment being calculated based on the closing price on the day of the end of the term of the SAR Plan (after expiry of six years).</li> <li>• Possibility for the Management Board member to also submit SARs earned on a regular basis to the early vesting systematics.</li> <li>• In the special situation of both a change of control during the first year, as a consequence of which Mr. Weiß uses his special right of termination, and an increase in the price of the share of 100% in the period up to the end of the service agreement, theoretically, a maximum remuneration of EUR 82 million may arise. This sum relates to a calculation made at the time the number of shares owed at a later point is fixed. At the point in time at which these shares are transferred to Mr. Weiß or their value is paid to Mr. Weiß, the above-mentioned amount of the maximum remuneration that actually accrues to Mr. Weiß may increase or decrease – possibly even significantly – due to a change in the price of the share.</li> </ul>



## 12. Temporary deviations from the remuneration system

In individual cases, the Supervisory Board may deviate temporarily from the application of individual components of the remuneration system if this is necessary in the interest of the Company's long-term prosperity. This concerns, in particular, exceptional and unforeseeable situations in which the deviation from the remuneration system is necessary to serve the long-term interests and sustainability of the Company or to assure its viability. This kind of situation can be based on both macroeconomic as well as company-related circumstances. Deviations are permissible, in particular, in case of economic crises.

The components of the remuneration system, from which the Company may deviate in individual cases, are: the annual fixed salary, fringe benefits, the short-term and the long-term variable remuneration components, and the ratio between the remuneration components. Furthermore, the Supervisory Board may – under the conditions stated above – temporarily grant additional remuneration components or replace individual remuneration components with other remuneration components to the extent that it is necessary in order to restore an adequate incentive level with regard to the remuneration of the Management Board members. Any amendments and recalibrations made in the course of such a temporary deviation from the remuneration system and the reasons for such amendments and recalibrations will be disclosed and explained in the remuneration report.

Such a deviation requires that the Supervisory Board resolves that there is a situation that, in the interest of the Company's long-term prosperity, requires a temporary deviation from the remuneration system and resolves what specific deviations are necessary in its view.

## 13. Entry into force

This remuneration system will enter into force with effect from the date of the initial listing of the Company's shares at the Frankfurt Stock Exchange. Any remuneration claims for periods prior to this date will be governed by the existing provisions under the members' service agreements and other provisions.

# REMUNERATION SYSTEM FOR THE MEMBERS OF THE SUPERVISORY BOARD OF IONOS GROUP SE

## 1. Extract from the Articles of Association of IONOS Group SE

### § 13 Remuneration

- (1) The Annual General Meeting decides on the remuneration of Supervisory Board members by resolution with a simple majority. The members of the Supervisory Board also receive reimbursement of their expenses incurred in connection with the exercise of their office as well as reimbursement of the value added tax payable on their remuneration and expenses against itemised receipts. Reimbursement of expenses will be paid immediately.
- (2) The company is authorised to insure the members of the Supervisory Board, to the extent permitted by law and at the company's expense, to an appropriate extent against liability risks arising from their Supervisory Board activities.

## 2. Remuneration system for the Supervisory Board

The remuneration system for the Supervisory Board applies from the date of the initial listing of the company's shares on the Frankfurt Stock Exchange with the disclosures pursuant to Sections 113 para. 3 sentence 3, 87a para. 1 sentence 2 AktG.

The remuneration system for Supervisory Board members is based on the statutory requirements and takes into account the requirements of the German Corporate Governance Code ("GCGC").

The remuneration system for Supervisory Board members provides for fixed remuneration plus an attendance fee without variable or share-based remuneration. The granting of fixed remuneration is in line with common practice in other listed companies. For the company, too, fixed remuneration for Supervisory Board members is best suited to strengthening the independence of the Supervisory Board and taking into account the advisory and monitoring function of the Supervisory Board, which is to be fulfilled independently of the company's success. Fixed remuneration for Supervisory Board members is also provided for in suggestion G.18 sentence 1 of the GCGC.

The members of the Supervisory Board receive fixed annual remuneration totaling € 45k. In accordance with recommendation G.17 GCGC, the remuneration for the Chairman of the Supervisory Board and the Deputy Chairman of the Supervisory Board is increased due to the increased time commitment. The remuneration for the Chairman of the Supervisory Board amounts to €55k and €50k for the Deputy Chairman.

Supervisory Board members who only belonged to the Supervisory Board for part of the financial year or who were Chairman or Deputy Chairman of the Supervisory Board receive the fixed remuneration pro rata temporis, rounded up to full months.

In addition, members receive an attendance fee of €1k for each physical meeting of the Supervisory Board they attend. If meetings of the Supervisory Board are not held physically but virtually (in particular

if a meeting is only held by telephone or video conference), the members of the Supervisory Board receive no attendance fee if the meeting lasted no more than one hour, half of the attendance fee if the meeting lasted longer than one hour but no longer than two hours and the full attendance fee if the meeting lasted two hours or longer. Members who do not attend Supervisory Board meetings in person (such as participation by telephone or video conference) always receive only 25% of the attendance fee, whereby participation solely by submitting a voting message does not give rise to any entitlement to an attendance fee.

Also, in accordance with recommendation G.17 GCGC, the Chairman of the Audit Committee receives an additional €20k per year and each other member of the Audit Committee receives an additional €15k per year. A member of the Supervisory Board who is only a member of the Audit Committee for part of the financial year or who has chaired the Audit Committee receives the additional remuneration pro rata temporis, rounded up to full months. The company must support the members of the Audit and Risk Committee in attending necessary training and further education measures and also bear the costs incurred to an appropriate extent.

No attendance fee is paid for attending meetings of the Audit and Risk Committee. Attendance at meetings of the Audit and Risk Committee is covered by the additional annual remuneration.

The remuneration is due in full at the end of the financial year. Expenses are reimbursed immediately. In addition, the Supervisory Board members are reimbursed for the value-added tax payable on their remuneration and expenses.

The company's Annual General Meeting will pass a resolution on the remuneration of the Supervisory Board members at least every four years, whereby a confirmatory resolution is permissible.

The Supervisory Board reviews the appropriateness of the components, amount and structure of its remuneration on an ad hoc basis, but at least every four years. To assess the appropriateness of the remuneration, the Supervisory Board consults a suitable peer group of other companies in order to determine a level of remuneration for the members of the Supervisory Board that is in line with the market and enables the company to continue to attract and retain excellently qualified candidates for the Supervisory Board in the future. On the basis of this analysis and taking into account the importance and effort involved in the work of the Supervisory Board and its committees, the Supervisory Board then decides on the need to change its remuneration.

Due to the special nature of Supervisory Board remuneration, which is granted for work that differs fundamentally from the work of the company's employees, a so-called vertical comparison with employee remuneration cannot be considered when reviewing and determining the remuneration. It is not necessary to define a group of employees to be included in such a comparison.

If there is reason to change the remuneration of the Supervisory Board members, the Supervisory Board will submit a proposal to the Annual General Meeting to determine the remuneration of the Supervisory Board members. The Annual General Meeting decides on the remuneration of the members of the Supervisory Board based on the proposal of the Supervisory Board with a simple majority.

If the Supervisory Board remuneration submitted to the Annual General Meeting for resolution does not receive the required majority, a revised Supervisory Board remuneration must be submitted to the following Annual General Meeting at the latest.

The regulations apply for the first time from the date of the initial listing of the company's shares on the Frankfurt Stock Exchange.

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