

[INDUS]

**PUBLICATION OF THE RESOLUTION AND
THE SYSTEM FOR THE COMPENSATION OF THE
MEMBERS OF THE BOARD OF MANAGEMENT**



INDUS Holding AG
Bergisch Gladbach
WKN 620 010/ISIN DE0006200108

Publication of the resolution and the system for the compensation of the members of the Board of Management pursuant to section 120a (2) German Stock Corporation Act (*AktG*)

At its meeting on 9 December 2020, the Supervisory Board of INDUS Holding AG adopted a new compensation system for the members of the Board of Management of INDUS Holding AG with effect from 1 January 2021, pursuant to section 87a AktG.

At the Annual Shareholders' Meeting of INDUS Holding AG on 26 May 2021, the new compensation system for the members of the Board of Management of INDUS Holding AG was presented for ratification under Item 6 "Resolution on the ratification of the compensation system for the members of the Board of Management".

The new compensation system for the members of the Board of Management of INDUS Holding AG was ratified with the following result:

15,248,944	Shares for which valid votes were cast (56.70 % of share capital)	
15,043,485	Votes in favour	98.65 %
205,450	Votes against	1.35 %

The compensation system for the members of the Board of Management of INDUS Holding AG is structured as shown on the following pages:

System for compensation of members of the Board of Management

in accordance with
Section 87a AktG

Preamble

In December 2020, the Supervisory Board of INDUS Holding Aktiengesellschaft (hereinafter “INDUS”) approved the compensation system for members of the Board of Management that is outlined below. The system took effect on January 1, 2021. This compensation system implements the amended legal provisions governing compensation paid to the Board of Management in accordance with ARUG II. The system also takes into account the recommendations of the government commission for the German Corporate Governance Code as amended on December 16, 2019, which was published in the German Federal Gazette on March 20, 2020.

The outline of the main features of the compensation system is followed by a description of the process involved in the development, implementation and review of the compensation system. The individual compensation elements and the defined maximum compensation amounts are then explained. This is followed by an explanation of the option to reduce or claw back variable components of the compensation. Finally, the rules concerning the term and termination of service contracts for members of the Management Board are presented.

I. Principles for the Compensation System for Members of the Board of Management of INDUS

The INDUS Supervisory Board has defined the following principles for the compensation system for members of the company’s Board of Management:

Strategic focus

The compensation system should promote the implementation of the PARKOUR business strategy. The core objectives of PARKOUR include profitable growth between now and 2025, aimed at achieving Group sales of significantly more than EUR 2 billion with an EBIT margin of at least 10%. The compensation system should therefore be designed to ensure that incentives are defined for members of the Board of Management that are oriented towards this overall company strategy.

Performance orientation

The compensation system should be performance-oriented. The target total compensation should therefore consist of fixed and variable performance-related components, whereby the variable components should make up a significant proportion of the target total compensation in the event that all objectives are achieved. The ancillary benefits agreed for the respective member of the Board of Management must also be taken into consideration. The individual compensation of a member of the Board of Management should be proportionate to their duties and performance and the company’s

position, and should not exceed the standard compensation without good reason.

Focus on long-term and sustainable company development

The compensation system should promote the sustainable, long-term development of the company. The long-term components of the compensation which arise from the achievement of long-term objectives should therefore exceed the short-term components of the compensation which arise from the achievement of short-term objectives. Furthermore, the compensation system should include a sustainability component that requires the achievement of concrete targets in promoting sustainable actions by the company – such as the implementation of the greenhouse gas reduction target arising from the Federal Climate Change Act (KSG).

Capital market orientation

The variable performance-related components of the compensation should be predominantly share-based. If share-based long-term compensation is in place, the activities of the members of the Board of Management should be focused on the long-term positive development of the company and the total shareholder return (TSR). The inclusion of the TSR in particular should carry substantial weight in determining the company dividend payments for the incentivization of the Board of Management.

Clarity and comprehensibility

The compensation system should be designed and explained such that it is clear and comprehensible.

The diagram below is a schematic representation of the fixed salary as well as the short- and long-term components of the compensation system for the members of the INDUS Board of Management.

→ G 001

COMPONENTS OF THE COMPENSATION SYSTEM

G 001

Compensation components	Share of target compensation		Maximum compensation
Long-term (LTI) 4-year performance > Share-based as a Virtual Performance Share Plan	External target: 50% Outperformance TSR SDAX	23–28%	
	Internal targets: 50% – Compound annual growth rate (25%) – EBIT margin (25%)		
	EBIT target: ≤80%		↑
Short-term (STI) 1-year performance	Strategic objectives and sustainability targets: ≥20%	20–25%	
Fixed Fixed annual salary plus ancillary benefits		50–55%	
Pension or early retirement schemes		0%	

The compensation system complies with the provisions set forth in the German Stock Corporation Act (AktG) as amended in ARUG II of December 12, 2019 (Federal Law Gazette Section I 2019 No. 50, of December 19, 2019). It enables the Supervisory Board to attract qualified members of the Board of Management for the company, to respond with flexibility to any organizational changes, and to take even extraordinary developments adequately into account.

II. Process for defining, Implementing and Reviewing the Compensation System

In accordance with Section 87a (1) Sentence 1 AktG, the Supervisory Board shall approve the compensation system and the amounts of the various compensation elements including the maximum compensation for the individual members of the Board of Management (Section 87a (1) Sentence 2 (1) AktG). To this end, the staff committee shall prepare the resolutions of the Supervisory Board concerning the compensation system as well as the compensation for each individual member of the Board of Management.

Following a preparatory analysis by the staff committee, the Supervisory Board shall regularly review the appropriateness of the compensation system as a whole and also with respect to the individual components of the compensation as well as the amounts of the individual compensation paid to members of the Board of Management:

- It shall assess whether the concrete total compensation amounts and the components of the compensation paid to members of the Board of Management are appropriate in relation to other companies (horizontal comparison). To this end, the Supervisory Board shall compare the target total remuneration and the components of the compensation paid to the individual members of the Board of Management with a comparative group of other listed companies that it selects (peer group comparison). The selection of the peer group shall be based on the six criteria outlined below. → G 002

- The Supervisory Board shall also assess the appropriateness of the total compensation amounts paid to the members of the Board of Management within the company (vertical comparison). In this respect, it shall consider both the relationship between the target total direct compensation for the individual members of the Board of Management and the average total direct compensation of the upper management – in this case, the compensation paid to the managing directors of the portfolio companies – and the relationship between it and the average total compensation paid to the entire staff in Germany (excluding trainees). The total direct compensation consists of the basic compensation and one- and multi-year variable components of the compensation.

- In assessing the appropriateness of the concrete total compensation, the Supervisory Board shall also consider the development of the relationships outlined above over a period of at least three years.

If necessary, the Supervisory Board shall consult an external compensation consultant to develop and review the compensation system as a whole and

also with respect to individual compensation components and the amount of compensation paid to individual members of the Board of Management. The Supervisory Board shall ensure that any such consultants are independent from the Board of Management and the company, and shall request that they submit a Statement of Independence to confirm this.

The Supervisory Board shall submit the compensation system it has approved to the Annual Shareholders' Meeting for ratification. The compensation system shall be resubmitted to the Annual Shareholders' Meeting for ratification whenever any significant changes are made, but at least every four years.

If the Annual Shareholders' Meeting does not ratify the respective system submitted for approval, the Supervisory Board shall submit a revised compensation system to the next Annual Shareholders' Meeting for ratification. If doing so, it will explain all significant changes and provide an overview of the extent to which the votes and comments of the shareholders have been taken into account with regard to the compensation system and the compensation reports.

The present compensation system will apply retrospectively as of January 1, 2021, to all members of the Board of Management whose term will extend beyond June 30, 2021, and to all new service contracts for members of the Board of Management or service contracts for members of the Board of Management that are to be extended, as well as for all reappointments.

CRITERIA FOR SELECTION OF PEER GROUP

G 002

Peer group	Description of dimensions considered
1 Company size	Companies of a comparable size with respect to multiple size parameters (sales, employees, stock market value)
2 Industry	Direct competitors or companies from other industries with comparable core characteristics (particularly engineering)
3 Country	Companies from the same country or a comparable region with a similar regulatory and corporate governance environment
4 Legal form	Companies with similar legal forms (AG/PLC, SE)
5 Capital market orientation	Companies with a comparable capital market orientation (stock exchange listing, legal consequences, disclosure requirements, external reference groups, etc.)
6 Complexity/internationality	Comparable business model complexity and international focus

The peer group companies should be comparable to INDUS in as many dimensions as possible

III. Description of the Compensation System

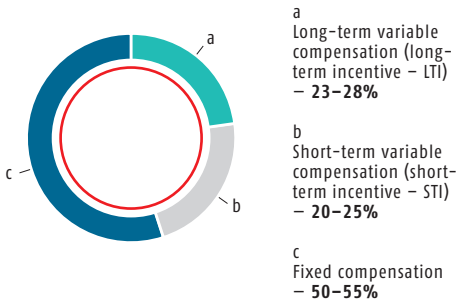
A. Compensation components (Section 87a (1) Sentence 2 (3) and Section 87a (1) Sentence 2 (4) AktG)

1. OVERVIEW AND RELATIVE PROPORTIONS OF THE INDIVIDUAL COMPONENTS IN RELATION TO THE TARGET TOTAL COMPENSATION

The total compensation paid to the members of the Board of Management is comprised of fixed and variable components. The fixed annual salary and the ancillary benefits are the fixed components. Variable components include the short-term variable components (short-term incentive – STI) and the long-term variable components (long-term incentive – LTI). No pension or early retirement schemes are in place.

THE SHARE OF THE FIXED SALARY IS A MAXIMUM OF 55%

G 003



The target values for the variable components of the compensation as part of new service contracts for members of the Board of Management must be selected such that the variable components of the compensation make up at least 45% of the target total remuneration if targets are fully achieved. The target for the LTI must be higher than the target for the STI. The compensation structure is outlined in the diagram below. → G 003

In individual cases for existing Board of Management service contracts, it is permissible to fall a small number of percentage points short of the minimum value for the variable components of the compensation for reasons connected with the compensation history.

2. FIXED COMPONENTS OF THE COMPENSATION

a. Fixed annual salary

The fixed annual salary is a set cash compensation amount based on the year as a whole, which is paid out in twelve equal monthly installments.

b. Ancillary benefits

Every member of the Board of Management is provided with a company car, personal use of which is also permitted. In addition, all members of the Board of Management receive a subsidy towards their health and nursing care insurance. The members of the Board of Management are covered by the Group accident insurance policy.

3. VARIABLE COMPONENTS OF THE COMPENSATION

a. Short-term variable compensation (short-term incentive – STI)

The STI is a performance-based variable component of the compensation with a one-year assessment basis. The STI provides the compensation for the yearly contribution of the members of the Board of Management to achieving the operational

targets defined by the Supervisory Board and in ensuring sustainable company development. The STI is comprised of one portion rewarding the achievement of financial targets and one rewarding the achievement of non-financial targets in relation to sustainability and strategy. The share of non-financial targets in the overall STI target should be at least 20%. → G 004

The financial and non-financial targets shall be defined by the Supervisory Board at the beginning of each respective financial year after preparation by

the staff committee. The targets defined shall not be changed over the course of the year.

i. Financial targets

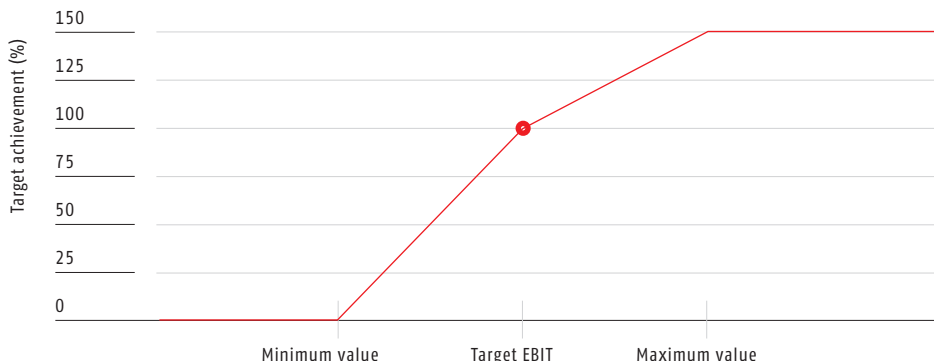
This part of the STI is based on Group earnings before taxes and interest (consolidated EBIT before impairments of goodwill). The target EBIT shall be defined annually by the Supervisory Board for the respective following year after the Board of Management has submitted its corporate planning process documents. Target achievement shall be measured by means of a bonus curve comparing the value actually achieved with the target EBIT. → G 005

THE VARIABLE ANNUAL COMPENSATION INCLUDES THE ACHIEVEMENT OF NON-FINANCIAL TARGETS G 004

$$\begin{array}{rcccl}
 \text{STI target} & \times & \begin{array}{|c|} \hline \text{Financial target} \\ \hline \text{EBIT} \\ \leq 80\% \\ \hline \end{array} & + & \begin{array}{|c|} \hline \text{Non-financial targets} \\ \hline \text{Strategy and} \\ \text{sustainability} \\ \geq 20\% \\ \hline \end{array} & = & \begin{array}{l} \text{Amount paid} \\ \text{out} \\ \text{Cap: 150\% of the} \\ \text{STI target} \end{array}
 \end{array}$$

STI: THE TARGET EBIT IS DEFINED ANNUALLY BY THE SUPERVISORY BOARD

G 005



If the actual value falls below a minimum value defined by the Supervisory Board, this variable remuneration shall be omitted. If the actual value exceeds a maximum value defined by the Supervisory Board, payment shall be limited to 150% of the target for this STI component.

ii. Non-financial targets

This part of the STI is measured based on the achievement of non-financial targets derived from the PARKOUR company strategy and the company sustainability strategy by the Supervisory Board, following preparation by the staff committee and defined annually for the respective following year. Strategy-based targets shall follow the “Driving innovation” and “Improving performance” strategic goals; possible indicators in this respect include the following:

- Results of projects supported by the INDUS innovation development bank
- Results of improvement projects connected with “Operational Excellence – Production” activities
- Results of improvement projects connected with “Operational Excellence – Business Development, Strategic Marketing, Sales and Pricing” activities

With regard to the sustainability strategy, the focus over the coming years will be on implementation of the greenhouse gas reduction targets in accordance with the Federal Climate Change Act (KSG).

The maximum payment amount permitted for the non-financial targets is also 150% of the target for this STI component. If the non-financial targets are not achieved, this variable remuneration is omitted.

iii. Payment terms

Target achievement for the financial and non-financial targets shall be determined by the Supervisory

Board within the first three months of the financial year following the remuneration year, after preparation by the staff committee. The amounts to be paid out will then be calculated. These amounts shall be payable by April 30 of the financial year following the respective remuneration-specific year.

If a member of the Board of Management has not worked for the company for a full financial year, the STI shall be paid proportionately to the time worked and paid out on the payment date specified above.

No STI shall be paid out for the year in which the termination or revocation occurs if the employment of a member of the Board of Management ends as a result of termination by the company for compelling reasons in accordance with Section 626 German Civil Code (BGB) or due to the termination of a contract where their appointment as a member of the Management Board is revoked by the company in accordance with Section 84 (3) Sentence 1 German Stock Corporation Act (AktG) (“bad leaver” case). The same shall apply to the period between the revocation of their appointment and the termination of their contract if the latter falls in the year following the revocation.

b. Long-term variable compensation (long-term incentive – LTI)

The long-term variable compensation (long-term incentive – LTI) is intended to encourage members of the Board of Management to strive for the sustainable, long-term development of the company. The LTI is a share-based payment.

It takes the form of a Virtual Performance Share Plan (VPSP). The VPSP is based on a four-year performance period beginning at the start of a respective financial year. At the beginning of a performance period, the members of the Board of Management are allocated virtual shares (performance share

unit – PSU). The number of PSUs allocated at the beginning of the performance period is calculated by dividing the individual LTI target by the share price at the time of allocation. The share price at the time of allocation is the average closing price in the Frankfurt Stock Exchange’s XETRA trading system (or a comparable successor system) for the past 40 days of trading. → G 006

The number of PSUs allocated may be changed across the performance period on the basis of a bonus factor if the external and performance targets defined by the Supervisory Board for the performance period are achieved. If performance falls short of the targets, the bonus factor shall be less than 100% and the number of PSUs allocated shall be reduced accordingly and may even be omitted completely if the shortfall is significant. If the performance targets are exceeded, the bonus factor shall be over 100% and the number of PSUs allocated shall increase accordingly. The final number of PSUs allocated at the end of the performance period

shall be limited to 150% of the number of PSUs allocated at the start of the performance period.

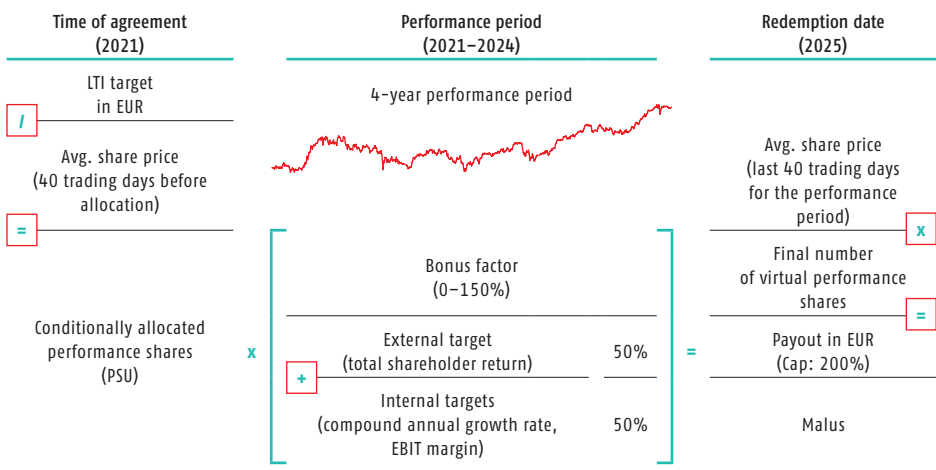
Following preparation by the staff committee, the Supervisory Board shall define the external and internal performance targets for the respective performance period at the beginning of that performance period. These targets shall not be changed over the course of a performance period.

i. External performance target – TSR outperformance

The outperformance of the total shareholder return (TSR) for INDUS shares compared to the TSR for the SDAX is used as an external performance target. The share-based payment of the LTI and the form of the external performance target help to align interests between members of the Board of Management and shareholders. In particular, the TSR ensures that the company’s dividend payments carry considerable weight in the incentivization of the Board of Management.

LTI: INCENTIVIZATION IS SHARE-BASED

G 006



The TSR is a commonly used parameter on the capital market, which can be checked directly in conventional market information systems (e.g. Bloomberg). An outperformance of 0% corresponds to a target achievement of one hundred percent – in this case, the TSR for the INDUS share has developed exactly in parallel to the SDAX. If outperformance is -25% or lower, target achievement is 0%; if outperformance is at least 50%, target achievement is limited to 150%. → G 007

The bonus factor for the LTI includes 50% of the target achievement for the external performance target.

ii. Internal performance target – compound annual growth rate and EBIT margin

The internal performance target is intended to promote the implementation of the PARKOUR business strategy. The core objectives of PARKOUR include profitable growth between now and 2025, aimed at achieving Group sales of significantly more

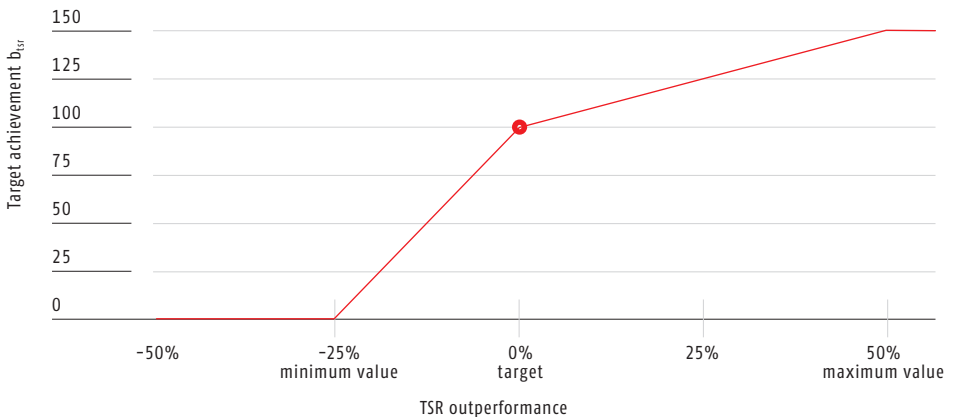
than EUR 2 billion with an EBIT margin of at least 10%. As a result, the average compound annual growth rate and the development of the EBIT margin over the LTI performance period are used as partial targets for the internal performance target:

— In order to calculate the target achievement, **the compound annual growth rate (CAGR)** over the performance period is compared with a target value defined by the Supervisory Board. If the CAGR corresponds to the target, target achievement is 100%. If the CAGR is lower than the minimum value defined by the Supervisory Board, target achievement is 0%. If the CAGR is greater than the maximum value defined by the Supervisory Board, target achievement is limited to 150%. → G 008

— **The average EBIT margin** during the performance period is compared with a target value defined by the Supervisory Board for the performance period. If the average EBIT margin

LTI: THE SHARE PERFORMANCE CRITERION ALIGNS INTERESTS BETWEEN THE BOARD OF MANAGEMENT AND SHAREHOLDERS

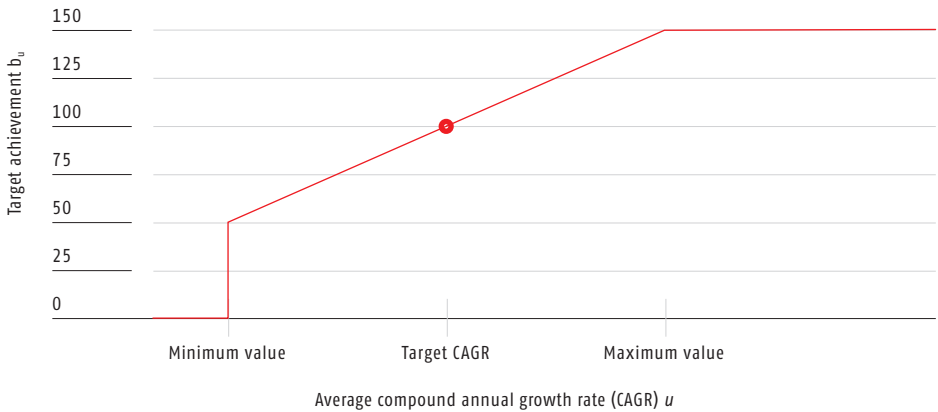
G 007



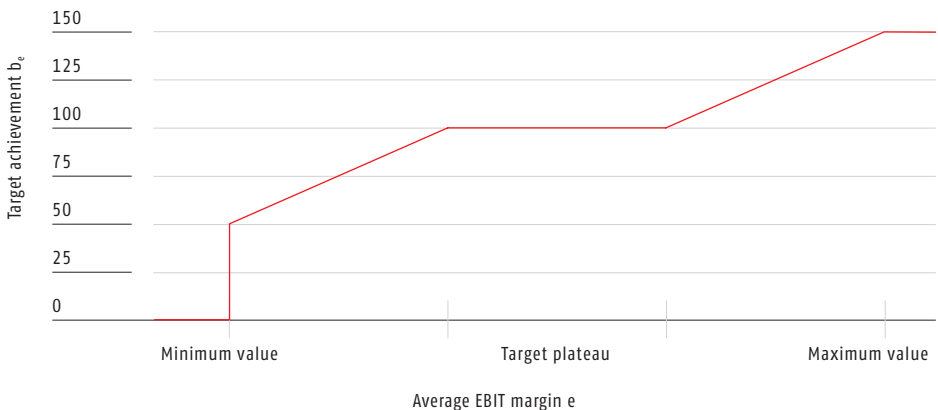
matches the target, target achievement is 100%. If the average EBIT margin is lower than the minimum value defined by the Supervisory Board, target achievement is 0%. If the average

EBIT margin is greater than the maximum value defined by the Supervisory Board, target achievement is limited to 150%. → G 009

ITI: THE COMPOUND ANNUAL GROWTH CRITERION INCENTIVIZES THE PARKOUR GROWTH TARGET G 008



ITI: THE EBIT MARGIN CRITERION INCENTIVIZES THE PARKOUR PROFITABILITY TARGET G 009



The bonus factor for the LTI includes 25% of target achievement for the two partial internal performance targets.

iii. Payment terms

At the end of the performance period of an LTI installment that is due to be paid out, the Supervisory Board shall calculate the number of PSUs earned and the applicable average closing price within the first three months of the financial year following the performance period, after preparation by the staff committee. PSUs earned over the performance period shall be paid out in cash. The amount paid out shall be calculated by multiplying the final number of PSUs earned by the average closing price of the INDUS share in the Frankfurt Stock Exchange's XETRA trading system (or a successor system) for the last 40 days of trading for the respective performance period.

The payout shall be limited to no more than 200% of the LTI target.

The LTI shall be payable after the next regular payment round following ratification of the INDUS Holding AG consolidated financial statements for the last financial year of the respective performance period.

iv. Other regulations: termination of employment, and capital and structuring measures

If the employment of a member of the Board of Management ends as a result of termination by the company for compelling reasons in accordance with Section 626 German Civil Code (BGB) or due to the termination of a contract where their appointment as a member of the Board of Management is revoked by the company in accordance with Section 84 (3) Sentence 1 AktG, all LTI installments from those performance periods that are still ongoing at the time the employment relationship is terminated shall be forfeited ("bad leaver" case).

If the employment of a member of the Board of Management ends and it is not a "bad leaver" case, the PSUs allocated for the performance period that began at the start of the year in which the member resigns shall be reduced retrospectively with regard to the time at which they were allocated pro rata temporis on the basis of the full months worked in that year in relation to a full year. The member of the Board of Management shall receive payments for the reduced number of PSUs in accordance with the provisions set forth in the VPSP. The LTI installments for any other performance periods ongoing upon termination of the employment relationship shall be paid out in accordance with the provisions set forth in the VPSP without change, except in "bad leaver" cases.

If a member of the Board of Management begins working for the company mid-year, the PSUs for the year in which their employment begins shall be allocated pro rata temporis based on the full months they have worked in relation to a full year.

The VPSP includes regulations governing capital and other structuring measures (e.g. capital increase, conversion) that allow the number of PSUs allocated to be adjusted accordingly.

B. Maximum compensation (Section 87a (1) Sentence 2 (1) AktG)

Regardless of whether it is to be paid during the current financial year or at a later time, the total compensation to be paid to the members of the Board of Management for a financial year (sum of all compensation amounts applicable for the financial year in question including fixed annual salary, ancillary benefits and variable remuneration) shall be limited to an individual maximum amount (“maximum compensation”). The individual maximum amount is calculated by totaling the fixed annual salary, a flat rate of no more than EUR 80,000 for ancillary benefits, 150% of the STI target and 200% of the LTI target for the respective member of the Board of Management.

On the date this compensation system was submitted for ratification in the Annual Shareholders’ Meeting on May 26, 2021, the individual maximum compensation amounts were as follows:

- EUR 1,680,000 for the Chairman of the Board
- EUR 1,160,000 for the ordinary members of the Board of Management.

C. Options for INDUS Holding AG to claw back variable components of the compen- sation (Section 87a (1) Sentence 2 (6) AktG)

In the event of a serious dereliction of duty by a member of the Board of Management, the Supervisory Board may, at its discretion in accordance with the conditions set out below and depending on the severity of the dereliction of duty, either reduce or completely eliminate the entitlement of the member of the Board of Management to the payment of LTI installments for performance periods that were ongoing at the time the dereliction of duty became known. The condition set forth in Section 93 AktG shall be decisive with respect to the assessment of the dereliction of duty.

The reduction or elimination of an LTI installment shall always be subject to the condition that a dereliction of duty has occurred that is sufficiently serious to warrant intervention in the variable remuneration of the member of the Board of Management. In particular, these include derelictions of executive duty by the member of the Board of Management that would justify dismissal for compelling reasons or the exercising of the special right to terminate the employment contract.

The Supervisory Board may also reduce or eliminate the entitlement to payment of LTI installments if the employment of the member of the Board of Management affected has already ended at the time the clawback decision is taken.

D. Legal transactions pertaining to compensation (Section 87a (1) Sentence 2 (8) AktG)

1. TERMS AND CONDITIONS FOR THE COMPLETION OF LEGAL TRANSACTIONS RELATED TO COMPENSATION, INCLUDING THE RESPECTIVE NOTICE PERIODS (NO. 8a)

The initial appointment of a member of the Board of Management shall always be for a period of three years. Service contracts for members of the Board of Management shall generally end at the end of the term indicated without the need to submit notice. However, if the member of the Board of Management is dismissed in accordance with Section 84 (3) Sentence 1 AktG or if the member of the Board of Management resigns their position prematurely and unilaterally for compelling reasons, the service contract shall automatically end after the expiration of a notice period that must be calculated as outlined in Section 622 (1) and (2) BGB. In such cases, the notice period shall begin upon receipt of the notice of dismissal or notice of resignation by the respective party to whom the notice is addressed (member of the Board of Management or Supervisory Board). If a member of the Board of Management is reappointed, a new service contract shall be concluded with the respective Board of Management member.

The appointment of the individual as a member of the Board of Management and the corresponding service contract shall end upon expiry of the month/year in which the member of the Board of Management reaches the age of 67.

Where the service contract of a member of the Board of Management is terminated, the member of the Board of Management shall be paid the variable components of the compensation payable for

the period up until the termination of the contract in accordance with the targets originally agreed and the contractually arranged payment terms (see III.A.3.a.iii and III.A.3.b.iv).

In the event of illness, the member of the Board of Management shall be paid their full salary for a period of six months, but not beyond the termination of their service contract. The member of the Board of Management must ensure that any amounts received from health insurance funds or insurance policies in the form of sick pay, sickness benefits or pension payments are deducted from these payments unless such benefits are based solely on their own contributions. After these six months have elapsed, the member of the Board of Management shall, for a further six months but not beyond the termination of their service contract, receive a subsidy towards social insurance benefits or private healthcare in an amount that covers the difference between these benefits and the member's fixed net salary.

In the event of the death of the member of the Board of Management during the term of their service agreement, the company shall pay their fixed salary for a total of six months beyond the month of their death, but not beyond the termination of their service contract.

2. COMPENSATION FOR DISMISSAL (NO. 8b)

In the event of premature termination of the service contract, the Supervisory Board shall not agree any payments exceeding the value of two annual salaries and the value of the compensation for the remainder of the service contract (severance payment cap).

All fixed and variable components of the compensation must be included when determining the annual salary. The fixed annual salary for the contract year in which the service agreement is terminated shall

apply. The short-term incentive shall be applied – proportionately where appropriate – in the amount for the financial year preceding the termination of the service contract.

No severance shall be agreed if the employment of a member of the Board of Management ends as the result of termination by the company for compelling reasons in accordance with Section 626 German Civil Code (BGB) or due to the termination of a contract where their appointment as a member of the Board of Management is revoked by the company in accordance with Section 84 (3) Sentence 1 AktG (“bad leaver” case).

In the event that the composition of the Supervisory Board changes significantly, causing a substantial change (change of control) with respect to the current long-term company strategy (“buy, hold & develop” principle), the relevant member of the Board of Management shall be entitled to exercise their special right to terminate their service contract throughout the year following the change of control. The same shall apply if a member of the Board of Management is dismissed within a year of the change of control without compelling reasons pursuant to Section 626 BGB. If the member of the Board of Management exercises this right to resign, the company shall pay the member of the Board of Management a severance payment in the amount of the fixed salary for two years, but no more than the fixed salary that the member of the Board of Management would have received from the time their notice of resignation took effect until the planned end of their contract (i.e. without having resigned). The calculation of the severance payment shall be based on the fixed salary for the contract year in which the notice of resignation or dismissal was received.

3. PENSION AND EARLY RETIREMENT SCHEMES (NO. 8c)

No pension or early retirement schemes are in place at INDUS.

4. ASSUMPTION OF SUPERVISORY BOARD OR OTHER COMPARABLE ROLES

In the event that a member of the Board of Management assumes Supervisory Board roles or other comparable roles within the Group, the resultant compensation shall be offset against the corresponding compensation they are paid as a member of the INDUS Board of Management.

The assumption of Supervisory Board or other comparable roles outside of the Group by a member of the Board of Management must first be approved by the Supervisory Board. In such cases, the Supervisory Board shall decide whether and to what extent the resultant compensation shall be offset against the individual’s compensation as a member of the INDUS Board of Management.

E. Limitation of variable components of the compensation (Section 87 (1) Sentence 3 AktG) and reduction of compensation (Section 87 (2) AktG)

In the event of extraordinary developments during the ongoing financial year, the Supervisory Board may, at its reasonable discretion, limit target achievement for the STI components at the expense of the members of the Board of Management. In such cases, the Supervisory Board shall also be entitled to limit the allocation of the PSUs and/or the LTI amount paid out at its reasonable discretion.

In the event that the position of the company worsens after the definition of the compensation amounts to the extent that the continued payment of this compensation would be unreasonable for the company, the Supervisory Board can reduce the compensation to an appropriate level.

IV. Disclosure

INDUS publishes details of the compensation paid to the Board of Management annually in the legally required compensation report.
