

REMUNERATION POLICY FOR THE MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF FACC AG

FACC AG's remuneration policy was last approved at the 9th Annual General Meeting on 8 May 2023. The policy is now being updated to improve the effectiveness of variable remuneration in supporting strategic objectives and long-term sustainable performance.

Going forward, a stock option program shall be introduced as a long-term incentive plan for the Management Board of FACC AG. Accordingly, the remuneration policy shall be amended to enable the introduction of a stock option program with specific key elements: The program shall be equity-settled, feature a three-year vesting period, and be linked to key performance and ESG indicators.

THE MANAGEMENT BOARD

ESTABLISHMENT OF PRINCIPLES FOR THE REMUNERATION POLICY OF THE MANAGEMENT BOARD

The following principles (remuneration policy) governing the remuneration of the members of the Management Board of FACC AG were established by resolution of the Supervisory Board following a proposal of the Personnel and Compensation Committee in accordance with C-Rule 43 of the Austrian Code of Corporate Governance (ÖCGK), and are to be adopted upon submission to the Annual General Meeting of FACC AG.

The remuneration policy is to be submitted to the vote at the Annual General Meeting not less than once every four financial years in accordance with Section 78b (1) of the Austrian Stock Corporation Act (AktG).

OBJECTIVE

Pursuant to Section 78a of the Austrian Stock Corporation Act (AktG), the Supervisory Board is required to establish principles for the remuneration of the members of the Management Board (remuneration policy) which are designed to promote the business strategy and the long-term development of the company, and to explain by which means they contribute to this goal.

This is to include a description of the various fixed and variable remuneration components that may be granted to the members of the Management Board, along with all bonuses, a potential stock option program and other benefits in whatever form, stating their respective proportions. The company pursues a sustainable and profitable growth strategy based on the three core elements "innovation and customer benefit", "competence and stability" and "growth and diversification".

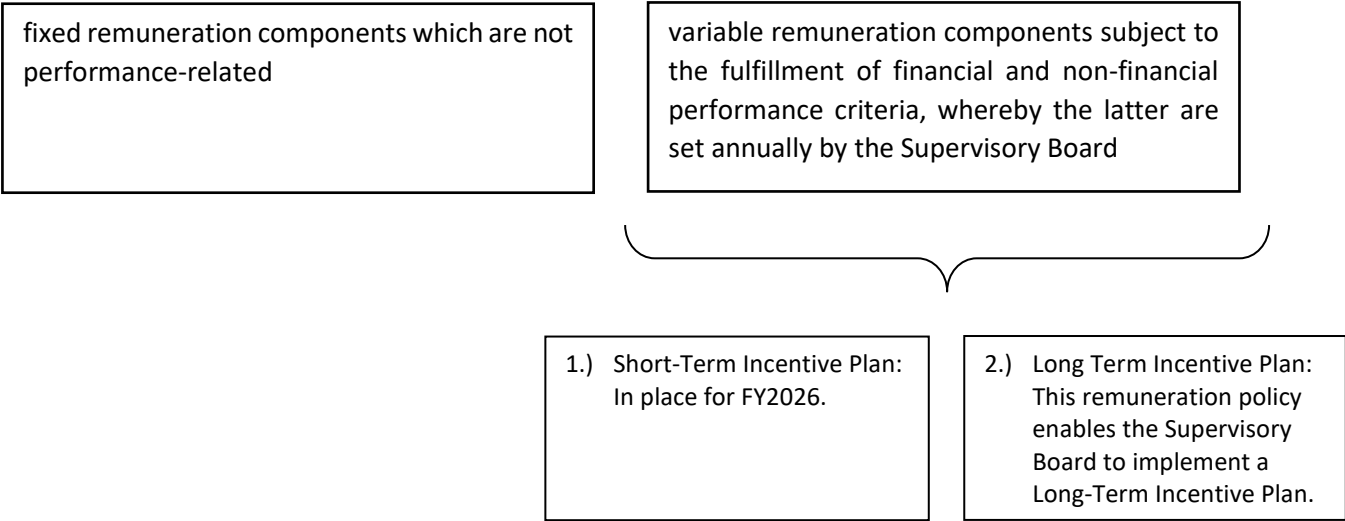
The variable remuneration, which comprises quantitative and qualitative components, is performance-related and takes into account such components as well as any other corporate objectives of significance to the company. The interests of the shareholders are safeguarded in that members of the Management Board receive performance incentives in the form of variable remuneration of either a

financial or non-financial nature.

In the event of deviations from the expected earnings, the variable remuneration is either reduced or waived accordingly. The (long-term) focus of the Management Board is ensured by ambitious financial and non-financial targets and capping variable remuneration of all bonus payments of the company at a percentage of the dividend payout.

REMUNERATION COMPONENTS

The Management Board's remuneration comprises several components. As well as fixed remuneration, there is a short-term variable performance bonus (Short-Term Incentive, or STI), and the option of a long-term variable performance bonus (Long-Term Incentive, or LTI).



FIXED REMUNERATION COMPONENTS

The fixed remuneration components comprise a basic salary, benefits in kind and fringe benefits as well as pension contributions.

BASIC SALARY

The fixed basic remuneration of the members of the Management Board is paid out as a salary in the form of 14 monthly payments per year. Various factors must be taken into account in determining the basic salary: The size of the basic salary depends on the responsibilities and tasks of the individual Management Board members as well as on the overall structural position of FACC AG. Remuneration is set at a competitive level in order to attract and retain qualified board members.

BENEFITS IN KIND AND FRINGE BENEFITS

Company car

The company provides each Management Board member with a car in the upper middle price range, which may also be used for private purposes, for the duration of their service contract.

Accident and disability insurance

The company takes out accident insurance on behalf of the members of the Management Board covering death, disability and accidents. The respective insurance premiums are paid by the company.

D&O insurance

The members of the Management Board are guaranteed D&O insurance (liability insurance for managers) with coverage commensurate with the associated risks. The respective insurance premiums are paid by the company.

PENSION CONTRIBUTIONS

Members of the Management Board are entitled to be included in a pension plan from the age of 50. This provides for a direct pension claim against the company in the form of a defined-contribution pension commitment by means of reinsurance. For this purpose, the company pays pension contributions as premiums into a pension reinsurance plan. The size of the pension paid out is essentially determined by the premiums paid and the investment success achieved. The retirement age is set at a minimum age of 60. Pension contributions are made at a competitive level in order to attract and retain qualified Management Board members. Recourse to pension reinsurance limits the risks the company is exposed to. Following the termination of the service contract, the company shall not incur any future costs from the company pension scheme or from any vested rights of the Management Board members.

VARIABLE REMUNERATION COMPONENTS

SHORT-TERM INCENTIVES (STI)

BASIC INFORMATION

The members of the Management Board and eligible employees of the Austrian companies are entitled to a variable remuneration component under the Short-Term Incentive Plan (STI). The Short-Term Incentive Plan applies to the respective financial year and is linked to the economic and sustainable performance of FACC AG. The performance criteria are to be aligned with the company's sustainable growth strategy, guarantee performance-related remuneration and promote a responsible management culture. The STI is based on the Group's Earnings before taxes (EBT) according to IFRS. The performance criteria are intended to ensure a performance-related remuneration structure and to align incentives with the company's financial performance.

PERFORMANCE CRITERIA FOR THE FINANCIAL YEAR 2026

Indices:

- EBIT index / weighting 60 %
- FCF index / weighting 30 %
- ESG index / weighting 10 %

The bonus pool will be reduced if:

- Free Cashflow misses a defined threshold.

The general payment of the STI bonus is subject to certain minimum conditions:

- No bonus will be paid if no dividend is distributed to shareholders for the respective financial year.
- In addition, no bonus will be granted if the Group reports negative free cash flow for the respective financial year.
- In addition, no bonus will be granted if the Group reports an EBIT-margin below a certain minimum threshold

The quantitative targets are essentially weighted accordingly, and the EBIT criterion is multiplied by a growth factor. The attainment of the quantitative targets is assessed on the basis of the audited consolidated financial statements (IFRS) for the year under review.

Payment of variable remuneration components

In all cases, 70 % of variable remuneration (Short-Term Incentives) is paid out in the following year after the Annual General Meeting of the respective financial year of bonus and 30 % in the year after that (assuming that EBIT in the following year does not fall below 80 % of the level in the reference year), following an assessment of the degree of target achievement based on the audited consolidated financial statements for the year under review. Fairness is achieved by payment in the following year and by applying tested and proven criteria.

Possibility of reclaiming variable remuneration components

Variable remuneration components may be reclaimed from the Management Board members.

In predefined cases, the Supervisory Board has the option of partially or fully reducing variable remuneration that has not yet been paid out ("malus") or reclaiming some or all of the net variable remuneration already paid out ("clawback").

Repayment is made in particular if it transpires that the variable remuneration was accrued or paid on the basis of inaccurate or incorrect information or data, or if it is subsequently proven that mandatory internal rules or applicable legal standards ("compliance") were breached.

The pre-defined cases also include:

- a material misstatement of the audited financial statements of the Group;
- regulatory sanctions or judicial convictions for reasons for which a member of the Management Board is responsible;
- a material failure of risk management or internal controls; and
- serious damage to the reputation of the Group or one of its companies as a result of misconduct by a member of the Management Board.

Any claims of the FACC AG for damages, in particular under Section 84 of the Austrian Stock Corporation Act (AktG), the right of the FACC AG to revoke the appointment in accordance with Section 75 (4) of the Austrian Stock Corporation Act (AktG) and the right of the FACC AG to terminate the employment contract for good cause remain unaffected by the malus and clawback provisions.

LONG-TERM INCENTIVE PLAN

At the time of the 12th annual general meeting of FACC AG on 28 May 2026, no Stock Option Program (SOP) has been put in place for the members of the Management Board; in particular, there is no SOP or other program for the preferential transfer of shares.

However, a SOP shall be implemented for the Management Board and senior management of FACC AG in 2026 with effect as of 1st January 2027.

STOCK OPTION PROGRAM

The long-term variable remuneration (so-called long-term incentive; LTI) is a long-term remuneration instrument for the members of the Management Board and Senior Management and is intended to promote the medium and long-term value creation of FACC AG. The objective of the long-term variable remuneration is also to align the interests of management and shareholders while avoiding inappropriate risk-taking. Thus, the program shall be designed as a multi-year incentive; the vesting period shall be at least three years, and the options may only be exercised after this period has expired. Customary holding periods shall also apply.

The specific terms and conditions of the stock option program are determined in accordance with the statutory provisions prior to the initial grant and, where necessary, disclosed in a transparent manner.

The stock option program shall be an equity settled program or optional in cash.

Members of the Management Board shall be obligated to accumulate an appropriate personal investment in shares of FACC AG and to hold these shares until they leave the Company.

REMUNERATION AND EMPLOYMENT TERMS FOR EMPLOYEES

The remuneration models for employees are designed such that the respective national remuneration regulations are observed. The terms of employment are intended to create an environment in which employees can perform, develop and dedicate themselves. The terms of remuneration provide compensation that enables the company to recruit and retain competent and high-performing employees. The basic monthly salary of a Management Board member, calculated on a full-time basis, stands in an appropriate relationship to the remuneration and employment terms for the company's employees.

TERM AND TERMINATION OF MANAGEMENT BOARD CONTRACTS

Management Board service contracts are generally concluded for a limited period, whereby the respective term is to be set in accordance with the maximum terms as stipulated in the Austrian Stock Corporation Act. The service contracts are not subject to any ordinary right of termination and therefore expire at the end of the contract period, or as a result of premature termination for good cause. The members of the Management Board are entitled to company severance payments, which depend on the length of service and comply with Section 23 of the Austrian Salaried Employees Act (AngG). Severance payments are made at a competitive level to attract and retain qualified Management Board members and are limited to a maximum of one service year, which is equivalent to 12 monthly salaries.

PROCEDURES RELATING TO THE REMUNERATION POLICY

This remuneration policy was established by resolution of the Supervisory Board and will be submitted to the vote at the Annual General Meeting of FACC AG. The Management Board reports annually to the Personnel and Compensation Committee on the subject of remuneration and, if necessary, with

the involvement of informants. The Personnel and Compensation Committee may initiate a revision of the remuneration policy if required. The Committee consists exclusively of members of the Supervisory Board, who must report any conflict of interest of their own accord and, if necessary, abstain from voting. The Personnel and Compensation Committee shall review the remuneration policy not less than once every four financial years, if necessary with the involvement of internal and external experts, and assess whether a revision is warranted. After submitting a resolution proposal to the Supervisory Board, the latter will decide on the remuneration policy. The same shall apply in the event of any premature substantial change in the remuneration policy. The remuneration policy will then be submitted to the vote at the Annual General Meeting.

DEVIATIONS FROM THE REMUNERATION POLICY IN EXCEPTIONAL CIRCUMSTANCES

The Supervisory Board of FACC is permitted to deviate from this remuneration policy if required under exceptional circumstances in accordance with Sec 78 (8) of the Austrian Stock Corporation Act (AktG). Only situations in which a deviation from the remuneration policy is necessary for the long-term development of the company or to ensure its profitability are considered exceptional circumstances.

In case of a deviation from the remuneration policy, a revised remuneration policy shall be presented at the next Annual General Meeting. At the same time, the Personnel and Compensation Committee of the Supervisory Board shall identify those exceptional circumstances under which, departing from the remuneration policy is necessary for the long-term development of the company or to ensure its profitability.

SIGNIFICANT CHANGES TO THE REMUNERATION POLICY

Compared to the previous remuneration policy, the variable remuneration indices of the STI have been adjusted. A Stock Option Program for Management Board and senior management is currently worked out and shall be effective as of 1st January 2027. Basic parameters are described in this policy update.

THE SUPERVISORY BOARD

ESTABLISHMENT OF PRINCIPLES FOR THE REMUNERATION POLICY OF THE SUPERVISORY BOARD

The following principles (remuneration policy) governing the remuneration of the members of the Supervisory Board elected by the Annual General Meeting and of the members of the Supervisory Board delegated according to the Articles of Association of FACC AG were established by resolution of the Supervisory Board and are to be adopted upon submission to the Annual General Meeting of FACC AG. The remuneration policy is to be submitted to the vote at the Annual General Meeting not less than once every four financial years in accordance with Section 98a in conjunction with Section 78b (1) AktG.

OBJECTIVE

The remuneration policy is designed to ensure that the members of the Supervisory Board receive remuneration for their services that are commensurate with their duties, responsibilities and the position of the company. It should promote the business strategy and the long-term development of FACC AG whilst ensuring the objectivity and independence of the Supervisory Board.

The remuneration of the Supervisory Board must be in line with the market and be sufficiently competitive to attract suitably qualified individuals to work for a listed company operating internationally. It should promote the long-term development of the company and facilitate the implementation of its sustainable growth strategy. Moreover, it must allow for a balanced composition of the Supervisory Board regarding professional and personal qualifications, with particular attention being paid to the representation of both genders, a balanced age structure and diverse professional backgrounds of members.

REMUNERATION COMPONENTS

The remuneration is decided by the Annual General Meeting. For members of the Supervisory Board who have not served for the entire financial year, remuneration is paid on a pro-rata basis (calculated on a monthly basis). The fixed annual remuneration is paid in full after the Annual General Meeting. Attendance fees are paid after each meeting. Total remuneration comprises the remuneration components listed below; no performance-related remuneration or share-based remuneration is granted.

ANNUAL FIXED BASIC REMUNERATION

The fixed basic remuneration for supervisory activities varies, particularly in relation to function (chairperson, member of the Supervisory Board).

ATTENDANCE FEE

Each member of the Supervisory Board receives an attendance fee for Supervisory Board meetings and Annual General Meetings for each meeting attended.

D&O INSURANCE

The members of the Supervisory Board are guaranteed D&O insurance with coverage commensurate with the associated risks. The respective insurance premiums are paid by the company.

PROMOTING THE BUSINESS STRATEGY AND LONG-TERM DEVELOPMENT

The remuneration policy promotes a balanced, diverse and qualified composition of the Supervisory Board, thereby fostering sustainable corporate development.

TERMS OF OFFICE OF SUPERVISORY BOARD MEMBERS

New Supervisory Board members are invariably elected for the maximum term of office as defined in Section 87 (7) AktG, unless otherwise resolved by the Annual General Meeting. No contractual relationships under labor law exist between FACC AG and the members of the Supervisory Board other than the appointment resolutions of the Annual General Meeting.

DEROGATIONS FROM THE REMUNERATION POLICY IN EXCEPTIONAL CIRCUMSTANCES

In exceptional circumstances, the company may temporarily adjust the size of the fixed remuneration and the attendance fees in line with the economic position of the company if this serves to ensure the long-term development and profitability of the company.

PROCEDURES RELATING TO THE REMUNERATION POLICY

The Personnel and Compensation Committee shall submit a resolution proposal to the Supervisory Board for every significant intended change to the remuneration policy, but not less than once in every four financial years. The Supervisory Board shall subsequently decide on the submission of the resolution proposal to the Annual General Meeting. The remuneration policy shall then be submitted to the vote at the Annual General Meeting. The Annual General Meeting shall take a binding decision on the remuneration entitlements of the members of the Supervisory Board, thereby avoiding conflicts of interest in relation to the remuneration policy among the Supervisory Board members.

SIGNIFICANT CHANGES TO THE REMUNERATION POLICY

No changes were made.