

## **Description of the revised remuneration system for Management Board members**

Evotec SE aims to be the global market leader for efficient, high-quality drug discovery and development based on partnership – and thus along with its partners to develop easily accessible and affordable medicine for the currently more than 3,300 incurable diseases. The implementation of this strategy is based on first-class innovative services that are delivered via partnerships with pharmaceutical and biotech companies and academic institutions. To achieve this goal the Management Board launched a strategic process known as Action Plan 2025, which laid the groundwork for the further healthy growth, profitability and sustainability of the Evotec Group. Achieving the ambitious growth targets calls for the dedication of all employees and above all the strategic and committed leadership of the Management Board. The Supervisory Board of Evotec SE supports the Management Board's strategy process and presented a new system of Management Board remuneration in 2021. The Annual General Meeting 2021 approved the Remuneration system 2021 by a majority of 56.63% of votes cast. After in-depth discussions with shareholders and notwithstanding this approval, the Supervisory Board decided to present a reviewed and revised remuneration system for approval at the Annual General Meeting 2022. The new remuneration system presented at the Annual General Meeting 2022 includes the following modifications:

- In view of the NASDAQ listing the amount of target remuneration should be set on the basis of two peer groups in future: recognising the German market as the main indicator, the first group includes all the MDAX companies that can reasonably be compared with Evotec SE in terms of their size, region and transparency of Management Board remuneration. A second group is made up of international companies of similar size from the same industry, in order to reflect the talent pool and the operating environment of Evotec SE.
- To limit the Supervisory Board's discretion the Restricted Share Plan 2020 will no longer form part of the new remuneration system for the Management Board and no longer be issued once the new system takes effect. This eliminates the option of making a discretionary award and thus the cap for this remuneration component too, which was criticised as being too high. It also reduced the annual maximum remuneration for Management Board members.
- The award value of the Restricted Share Plan 2020 is divided between the short-term and long-term (Share Performance Plan 2022) remuneration components. This results in changes in the remuneration structure, while the target remuneration remains the same.
- The remuneration philosophy of Evotec SE provides for a strong focus on long-term, sustainable growth. By having a comparatively high share of "pay at risk", the intention is to align the interests of the Management Board members with those of shareholders.
- In order to ensure that the sustainable development of enterprise value is also reflected in short-term remuneration, 60% of bonus payments are to be invested in Evotec SE shares and held for at least three years.
- When the bonus was revised, the structure of targets was also altered: in future they will be made up of 50% financial targets, 30% strategic targets and 20% ESG targets.

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- To give long-term performance a greater weight in the Share Performance Plan, the LTI Performance Period is increased from one year to four. It should no longer be possible to lock in the annual target achievement in future.
- Based on market practice and the strategy of Evotec SE, the performance metrics for the Share Performance Plan should include both internal targets (revenue growth) and external targets (relative Total Shareholder Return) in future. The external target should have the TecDAX as its reference, because Evotec SE is listed in the TecDAX and the volatility of its share price is comparable with that of the index.
- The element of pay-for-performance in the Share Performance Plan should be strengthened by significantly more demanding targets for both variables: the target for revenue growth over 4 years has been set at 48%. The target for total shareholder return over 4 years is set at 20 percentage points above the performance of the TecDAX.
- An additional ESG modifier should be included in the Share Performance Plan in order to ensure that sustainability aspects are embedded in the LTI. The ESG modifier results in a reduction of 10% in target achievement if the ESG target is not achieved in full. Over-achievement against the ESG target is explicitly ruled out.
- The Remuneration Report should disclose all the targets and weightings for all remuneration components in future, including the ESG targets. The presentation should include the performance, the target achievement and the resulting payment amount.
- In order to align the long-term interests of shareholders with those of management, guidelines are to be introduced for holding shares over the entire term of office on the Management Board.

To align the remuneration system with the new strategy presented on 17 April 2025, the Supervisory Board has proposed to the General Meeting 2025 to modify two elements of the existing Share Performance Plan 2022 (as adopted by the General Meeting 2022):

- Replacement of the performance indicator “Revenue growth” by “Growth in adjusted Group EBITDA” in the Share Performance Plan (SPP): As before, two key performance indicators (KPIs) are set as targets for the performance period of four years: one internal and one external indicator. In accordance with the strategy as modified in 2025, growth in adjusted Group EBITDA seems to be more relevant as a performance indicator. The KPI “Revenue growth” should therefore be replaced by “Growth in adjusted Group EBITDA” in future. The second performance indicator remains Total Shareholder Return (TSR).

This supports and incentivises the shift away from pure revenue growth towards sustainably profitable growth. Adjusted Group EBITDA is an indicator of actual operating performance and the Group’s actual profitability, as well as its cash flow generation capacity.

- Introduction of a New Joiner Award: For Management Board members who join within one calendar year of the Share Performance Awards being issued in any given calendar year there is currently no opportunity to receive shares pro rata

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temporis, because the issue period is limited to the first three months of a calendar year. In future there should be an opportunity to issue new Management Board members with Share Performance Awards pro rata temporis on a one-off basis for the year in which they join.

This procedure is considered to be standard and the lack of this opportunity constitutes a competitive disadvantage when recruiting new Management Board members.

## **1. Remuneration as a contribution to promoting the business strategy and the long-term performance of Evotec SE**

The system of remuneration for Management Board members ("remuneration system") at Evotec SE aims to make a contribution to promoting the business strategy and the long-term performance of Evotec SE and its affiliates (Evotec Group). It does this essentially by setting a clear incentive structure for Management Board remuneration. The strong focus on the growth targets for the Evotec Group in the short-term variable remuneration (bonus), with a deferred payment in shares, and the clear focus on the share price of the long-term variable remuneration (Share Performance Awards), combined with the obligation to hold Company shares (Share Ownership Guideline), are intended to promote sustainable company development and a related increase in enterprise value, as well as to avoid external and internal disincentives. In particular the aim is to prevent the Management Board from making decisions that do not promise any sustainable commercial success in order to optimise their remuneration in the short term.

The bonus (STI) is based on financial targets, such as growth in total revenue, earnings and the total value of new partnerships and alliances, backed up by strategic targets that support the long-term development of Evotec SE, as well as sustainability targets. To ensure that it is linked to sustainable developments in enterprise value, a large part of the bonus payment has to be invested in shares of Evotec SE and held for at least three years.

The long-term variable remuneration consists of Share Performance Awards. The amount of the payment depends on the share performance compared with the market, growth in adjusted Group EBITDA and an ESG modifier. Share ownership obligations are also intended to ensure sustainable company performance that goes beyond the term of the long-term remuneration.

In all this the remuneration system reflects the challenging task for Management Board members of implementing the corporate strategy and leading an international company with innovative and flexible solutions against global competition. At the same time the Management Board remuneration must be attractive and in line with market standards so that Evotec SE can attract outstanding candidates for its Management Board and ensure their long-term loyalty. Exceptional performance should be rewarded accordingly, and underperformance should result in significantly lower remuneration. The remuneration system should be clear and comprehensible for shareholders and employees, but of course above all for the Management Board members themselves.

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The new remuneration system meets the requirements of the Stock Corporation Act for a clear, comprehensible remuneration system and as explained below, follows the recommendations of the GCGC as adopted by the government commission on **16 December 2019**. In terms of sustainable company performance, the remuneration system already complies with the draft of the new GCGC dated **21 January 2022**.

## **2. Determination, implementation and review of the remuneration system**

The Supervisory Board determines the structure of the remuneration system, the weighting of the remuneration components, the individual target remuneration and monetary caps for both the variable remuneration components and the total remuneration in line with these principles.

The Supervisory Board last made changes to the remuneration system at its meeting on 8 April 2025, following an in-depth review of the remuneration system by the Remuneration and Nomination Committee following the previous Annual General Meeting and the misgivings expressed there by investors. The Supervisory Board was also advised and supported by an external remuneration expert who is independent of the Management Board and the Supervisory Board. The remuneration consultant examined the new remuneration and confirmed that it met market standards in terms of a horizontal and vertical comparison.

The Annual General Meeting votes on the approval of the remuneration system presented by the Supervisory Board. The Annual General Meeting of Evotec SE will vote again on approving the remuneration system presented by the Supervisory Board for the Management Board members every time the remuneration system is altered significantly, but not less than every four years.

The Supervisory Board determines the remuneration of the individual Management Board members on the basis of the remuneration system approved by the Annual General Meeting. This takes place via the service contracts with the Management Board members, by means of targets and the measurement of performance against these targets.

The Remuneration and Nomination Committee will continue to review the suitability and structure of the remuneration system regularly following a resolution to approve it by the Annual General Meeting. The Remuneration and Nomination Committee will make any necessary proposals for amendments to the Supervisory Board, which may adopt the corresponding resolutions. The Supervisory Board may be advised by an external consultant.

The Supervisory Board has not currently identified any conflicts of interests for individual Supervisory Board members in connection with the remuneration system and the Management Board remuneration. In particular, the remuneration of Supervisory Board members, which is governed by the Articles of Association, is not connected in any way to the remuneration of the Management Board. To avoid any conflicts of interest the Supervisory Board will also ensure that any external remuneration consultant is appointed by the Supervisory Board directly and so is

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independent of the Management Board and the Company. If a conflict of interest concerning a Supervisory Board member should arise unexpectedly, this member will abstain from all discussions and resolutions on the Management Board remuneration.

### **3. Application of the remuneration system**

If it is approved, all new and re-appointments will be covered by the remuneration system as presented. Parts of the new remuneration system, if approved, such as the Share Ownership Guidelines and the new target variables in the Share Performance Plan, will apply to all members of the Management Board.

### **4. Temporary deviation from the remuneration system in the case of extraordinary developments**

The law allows the Supervisory Board to deviate temporarily from the remuneration system if this is necessary in the interests of Evotec SE's long-term welfare and the remuneration system defines the deviation procedure and the components of the remuneration system for which a deviation is permissible. Possible extraordinary developments in the course of a year, if they were not foreseeable, could be a significant change in the composition of the Group (e.g. the acquisition or disposal of significant divisions) or extraordinary changes in the economic situation (e.g. due to an economic crisis or a health crisis affecting the global economy), which mean that the original company targets are no longer attainable. Generally unfavourable market developments are not considered to be extraordinary developments in the course of a year.

Such well-founded and extraordinary exceptional cases may result in a temporary deviation in the performance-related variable remuneration components, but also in deviations from the basic salary and the other fixed remuneration components, if this is in the interest of Evotec SE's long-term welfare. When setting the Awards the Supervisory Board can also give reasonable weight to such extraordinary developments in justified and rare special cases, and restrict the volume of share subscription rights resulting from the Awards. Furthermore, the Supervisory Board may at its professional discretion and having determined a significant additional need, refund the expenses for extraordinary ancillary benefits (e.g. security measures) on a temporary basis. Temporary deviations from the remuneration system may not, however, mean that the maximum remuneration set by the Annual General Meeting is exceeded.

In terms of procedure, any such deviation requires an explicit Supervisory Board resolution describing the deviation itself, its specific duration and the reasons for it in an appropriate form. If extraordinary developments requiring any changes do occur, Evotec SE will report on them fully and transparently.

### **5. Overview of the elements of Management Board remuneration**

The remuneration system for the Evotec Management Board comprises the elements described below. The fixed remuneration consists of annual basic salary and ancillary

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benefits. The variable (performance-based) remuneration consists of the one-year short-term incentive (STI), which is deferred for 3 years, and the four-year long-term incentive (LTI).

Remuneration element	Structure	Target and link to strategy
Fixed remuneration		
Annual basic salary	Fixed non-performance-related remuneration, paid in twelve equal instalments	Supports the recruitment and retention of Management Board members, based on the role, experience and responsibility and taking market standards into account.
Ancillary benefits	Essentially a company car or car allowance (also for private use), contribution to health and nursing care insurance, various insurance and general employee benefits (e.g. pension allowance, reimbursement of travel expenses)	
Variable (performance-based) remuneration		
Short-Term Incentive (STI)		
Performance criteria	50% financial targets 30% strategic targets 20% ESG targets	Linked to financial and non-financial performance and the achievement of sustainability goals, and support for sustainable development in enterprise value
Performance period	One year	
Cap	150% of target amount	
Payment	40% direct 60% share investment with 3-year holding obligation from the net amount	
Long-Term Incentive (LTI)		
Plan type	Share Performance Awards	Promotes sustainable company growth and above-average long-term increase in value
Performance criteria	50% long-term revenue growth 50% relative total shareholder return (TSR) ESG modifier (0.9-1.0)	
Performance period	Four years	
Exercise	Within one year of the end of the waiting period, therefore exercised automatically	
Cap	200% of the target number of Performance Share Awards granted; 350% of the allotted amount	
Payment	In shares at the end of the waiting period	
Other contractual terms		
Penalty & clawback	Partial or full reduction or recovery of variable remuneration components	Avoidance of undue risk-taking and support for compliance with Company values
Share Ownership Guidelines (SOG)	Mandatory investment in Evotec shares of between one and three times annual basic salary for ordinary Management Board members and the CEO respectively, to be purchased over a period of 5 years	Long-term alignment with shareholder interests
Maximum remuneration	Maximum amount of remuneration for the Management Board pursuant to Sec. 87a (1) sentence 1, no. 1 AktG (including ancillary benefits and expenses for company pension)	Avoidance of unreasonably high payments
Executive Board Chairman (CEO)	€ 7,050,000	
Ordinary Management Board member	€ 3,400,000	
Change-of-control clause	Time-limited right to terminate the employment contract in the event of a change of control that entails significant changes in functions and responsibilities, with limited severance pay	Supports the independence of Management Board members in takeover situations

## 6. Structure of the remuneration system and relative proportions of the individual remuneration components.

The graph below shows the relative proportions of the individual remuneration components – both fixed and variable – as a percentage of the total target remuneration.

<b>20% <sup>1)</sup> / 27% <sup>2)</sup></b>	<b>14% <sup>1)</sup> / 12% <sup>2)</sup></b>	<b>21% <sup>1)</sup> / 17% <sup>2)</sup></b>	<b>45% <sup>1)</sup> / 44% <sup>2)</sup></b>
Non-performance-related remuneration	Performance-related remuneration		
Basic salary and ancillary benefits	Direct short-term variable remuneration	Deferred short-term variable remuneration	Long-term share-based remuneration (awards)
Annual payment	After 4 years		



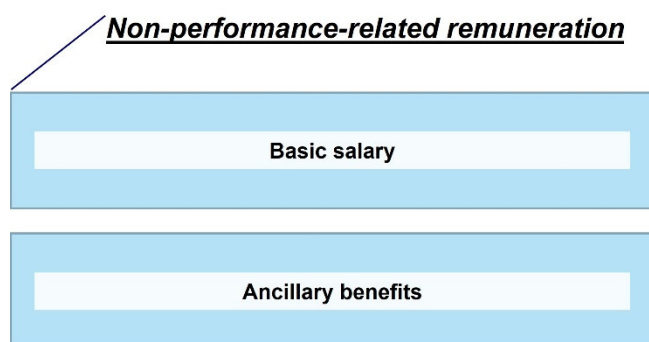
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The non-performance-related remuneration components account for some 20%<sup>1</sup> of total target remuneration for the CEO and around 27%<sup>2</sup> for the other members of the Management Board. Conversely, the performance-related remuneration components account for around 80% and around 73% of total target remuneration. Within the performance-related variable remuneration components the Share Performance Awards account for around 66% and 61% respectively, the direct bonus payment for around 14% and 12% respectively and the deferred portion of the bonus for around 21% and 17% respectively. Overweighting the long-term share-based elements compared with the direct bonus payment means the remuneration structure is clearly aligned with the Company's sustainable development and long-term increase in value. The information above on the relative proportions of the different remuneration components is based on the assumption of 100% target achievement for all performance-related remuneration components. The proportions of the remuneration actually earned by a Management Board member for a given financial year will generally differ from the figures shown, because the proportions change depending on the target achievement.

The Supervisory Board defines a concrete annual total target remuneration for the CEO and each Management Board member in accordance with the remuneration system and within the maximum remuneration set by the Annual General Meeting.

## 7. Non-performance-related fixed remuneration components

The non-performance related remuneration consists of fixed basic salary and ancillary benefits.



- **Basic salary:** The basic salary is paid in twelve equal monthly instalments, less statutory deductions, in arrears at the end of the month. Basic salary is paid pro rata temporis if the Management Board member joins or leaves in the course of the year.
- **Ancillary benefits:** Ancillary benefits consist mainly of the usual benefits such as insurance premiums, subsidised travel and subsidised pension insurance, as well

<sup>1</sup> Total target remuneration for CEO

<sup>2</sup> Total target remuneration for a Management Board member.

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as a company car that may be used privately or an allowance for a private vehicle. Reimbursement of expenses to which Management Board members are entitled by law does not count as an ancillary benefit; nor does coverage under a group D&O insurance policy, whereby the Management Board members have to pay the excess determined by stock corporation law. Evotec SE does not have its own retirement benefit system. The individual retirement benefit contributions are based on a fixed amount and can be converted into an entitlement under an external pension plan. The remuneration system does not provide for any transitional benefits or other pre-retirement arrangements. Furthermore, the Supervisory Board may at its professional discretion and having determined a significant additional need, refund the expenses for extraordinary ancillary benefits (e.g. security measures) on a temporary basis. Furthermore, the Supervisory Board has the right to make special payments to new Management Board members to compensate them for any loss of salary from a previous employment or to cover relocation expenses.

The minimum remuneration in the proposed remuneration system is the total of basic salary and ancillary benefits.

## 8. Performance-related variable remuneration components

The performance-related variable remuneration consists of two components: short-term, one-year remuneration (bonus) and long-term, multi-year remuneration (Share Performance Awards).

### Performance-related remuneration



- **Short-term, one-year variable remuneration (bonus):** By eliminating the Restricted Share Plan 2020 and redistributing part of it to the bonus it was possible to change the target amount without increasing the total target remuneration. The target amount for the bonus that the CEO receives if he achieves exactly 100% of the annual bonus targets corresponds to around 70% of basic salary for the direct payment portion of the STI and to around 105% for the deferred portion. The corresponding figures for the ordinary members of the Management Board are around 43% of basic salary for the direct payment portion of the STI and around 65% for the deferred portion. The bonus is capped at 150% of the target amount. The deferred portion of the STI is invested in Evotec shares and must be held for at least 3 years.



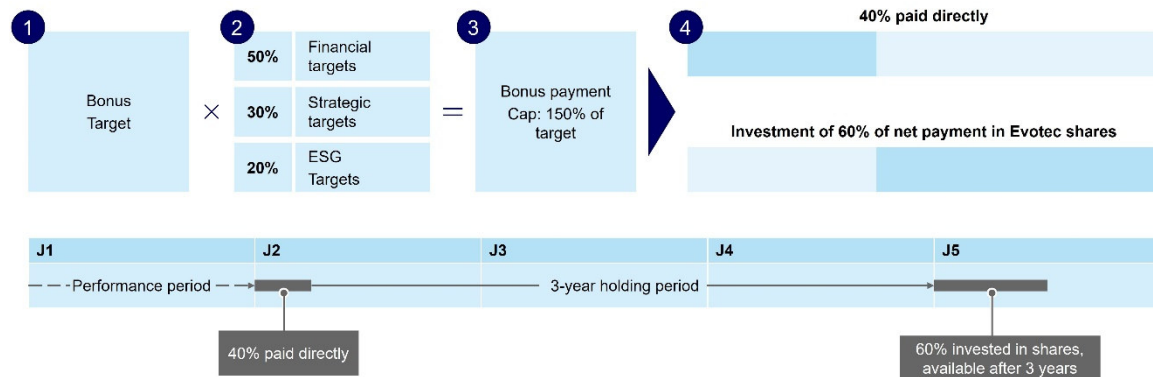
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The bonus is calculated for each financial year and depends on the achievement of company targets. They consist of the following categories:

- 50% financial targets
- 30% strategic targets
- 20% ESG targets

Evotec SE is conscious of its responsibilities and is committed to environmental protection and engagement for social issues and society. In addition to the financial and strategic targets, the Supervisory Board defines ambitious, measurable and transparent ESG targets, based on the overall ESG strategy, which have to be met in order to receive the bonus. These ESG targets should be based on an environmental goal (5%), on research expenditure in socially relevant areas of healthcare (e.g. infectious diseases or women's health) (5%), and on other social goals (e.g. management development and reducing fluctuation) for a further 10%. However, the Supervisory Board can set other ESG targets if this fits better with the Company's overall ESG strategy. The targets and their weighting are presented transparently in the annual remuneration report.

The mode of operation of the bonus system is presented below:



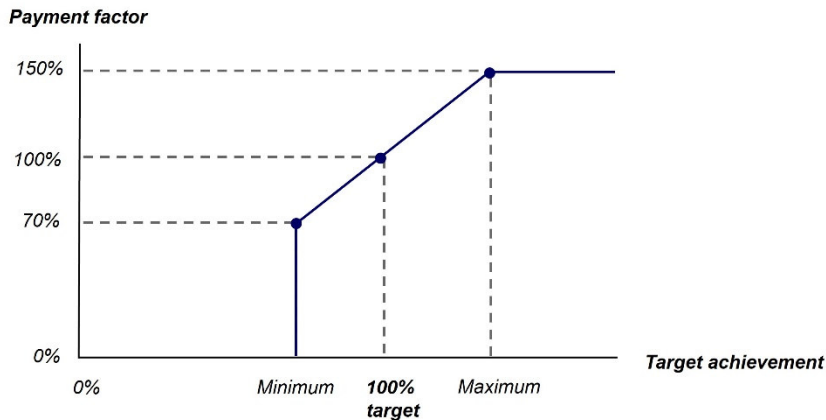
Once a year, before or at the start of the financial year, the Supervisory Board defines the targets for the bonus components for all Management Board members uniformly at its professional discretion. When setting the targets for the Management Board the Supervisory Board will ensure that they are appropriate, demanding and ambitious, but achievable, so as not to lose their incentive function. As a rule the Supervisory Board will base its financial targets on the figures in the budget.

At the end of the financial year the Supervisory Board determines the level of achievement for each individual target included in the bonus. The figures from the audited consolidated financial statements are used for the financial targets. The level of achievement translates into a payment factor of between 0% and 150% for each target. The payment factors for each target are then weighted to produce a bonus payment factor, which can also vary between 0% and 150%.

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The bonus payment factor is multiplied by the target bonus amount in order to determine the amount of the bonus payment. Ultimately, the bonus amount can vary between zero and 150% of the target bonus amount.

The following graph shows the payment curve for the bonus:



If an individual target is achieved to the minimum extent, the payment factor for this component is 70% of the relevant target amount. If the target is 100% achieved, the payment factor for this component is 100% of the relevant target amount. If the target is achieved to the maximum extent, the payment factor for this component is 150% of the relevant target amount. Between these points the values are interpolated on a linear basis. If the target achievement is below the minimum the payment factor for this target component is zero. If the target achievement is higher than the maximum the payment factor does not exceed 150%.

The bonus is paid pro rata temporis if the Management Board member joins in the course of the year. If a Management Board member leaves in the course of a year as a "good leaver", the bonus is paid pro rata temporis at the date defined in the service contract if the targets have been achieved at the end of the financial year. A Management Board member is deemed to be a good leaver if they leave by mutual consent or at the request or instigation of Evotec SE without having given the Company any cause, or if the contract comes to an end at its agreed time. However, in individual cases the Supervisory Board reserves the right to settle the bonus entitlement of a Management Board member leaving in the course of a financial year by means of a one-off payment (in this case Evotec SE would declare a deviation from recommendation G.12 of the GCGC). If the Management Board member leaves Evotec SE as a "bad leaver", all unpaid bonus entitlements are forfeit. A Management Board member is deemed to be a bad leaver if they leave without giving a reason or if Evotec SE terminates the contract for an important reason caused by the Management Board member.

- **Long-term, multi-year variable remuneration (Share Performance Awards):**

The performance metrics were revised on the basis of market practice and will in future include both long-term growth in adjusted Group EBITDA as an internal

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target and relative share performance compared with the TecDAX as an external target. Another ESG target is also included in the Share Performance Plan as a modifier. By eliminating the Restricted Share Plan 2020 for the Management Board members and redistributing part of it to the Share Performance Award it was possible to change the target amount without increasing the total target remuneration. The target amount for the Share Performance Awards is around 225% of basic salary for the CEO and around 163% for the other members of the Management Board. The amount of the Share Performance Awards may not exceed 350% of the target amount (cap).

The members of the Management Board receive an annual allocation of Share Performance Awards (SPA), generally at the beginning of the financial year. The number of SPA is determined by dividing the target amount by the relevant market value of an SPA.

The Share Performance Plan (SPP) defines for each award a future performance period of four consecutive calendar years in which the performance is measured. The performance period for the SPP is increased from one to four years. Future targets will therefore be shown for a four-year period. Two equally weighted performance indicators have been set for the plan; growth in adjusted Group EBITDA and total shareholder return.

Growth in adjusted Group EBITDA will be calculated as a compound average growth rate (CAGR) in future. This method calculates the annual growth rate over a given period and smooths out the effects of annual fluctuations.

$$CAGR = \left( \frac{Final\ Value}{Starting\ Value} \right)^{\frac{1}{N}} - 1$$

The targets for growth in adjusted Group EBITDA are defined by the Supervisory Board when the awards are made. When the defined target is achieved (100% target achievement), 100% of the performance awards are exercised. If the minimum target is missed (50% target achievement) the performance awards for revenue growth are forfeit. If the maximum target is achieved (150% target achievement) the number of performance awards exercised is capped at 200% of the target number. This gives particular weight to the principle of pay-for-performance.

Total shareholder return measures the return on a share investment over a period of time, including dividends as well as share price performance (positive and negative) and adjusted for any equity issues or share-splits. The target for total shareholder return is achieved exactly over the four-year performance period (100%) if the return on the Evotec share matches the average return on the shares of the companies listed in the TecDAX over the same period. The TecDAX should be retained as the peer group, because more than 90% of trading in Evotec SE shares takes place in this index, which represents a broad cross-section of the technology sector in Germany. The return on the Evotec share is determined on the basis of the closing price and the total dividends per share paid in the

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performance period (adjusted for any equity issues and share-splits) in relation to the opening price:

$$\frac{\text{Closing price} + \text{dividend}}{\text{Opening price}}$$

The relevant values of the average total shareholder return of the companies listed in the TecDAX will be calculated and based on the average TecDAX -(Total Return Index) during the thirty (30) trading days at Frankfurt Stock Exchange prior to the relevant date. The return is therefore based on the relation between the average TecDAX value in the closing auction of XETRA trading (or a successor system) in the last 30 trading days of the four-year performance period and the average TecDAX value in the closing auction of XETRA trading (or a successor system) on the last 30 trading days before the start of the four-year performance period ("starting value").

$$\frac{\text{Final value}}{\text{Starting value}}$$

The targets for total shareholder return are defined once by the Supervisory Board. When the defined target is achieved, 100% of the performance awards are exercised. If the minimum target is missed the performance awards for revenue growth are forfeit. If the maximum target is achieved the number of performance awards exercised is capped at 200% of the target number. The connection between pay and performance was strengthened significantly when the SPA were revised: for those issued in future, and so for the performance period of 4 years, the corresponding target for total shareholder return was set at 20 percentage points above the performance of the TecDAX. If the target achievement is below the performance of the TecDAX the performance awards for total shareholder return are forfeit. If the target achievement is 60 percentage points or more above the median performance of the TecDAX the number of performance awards exercised is capped at 200% of the target number.

If the minimum target for any performance indicator is not reached, the number of SPA for total shareholder return are forfeit. If the target is exactly achieved (100% target achievement) the corresponding number of SPA are converted into the same number of subscription rights to shares in Evotec SE at the end of the performance period. If the maximum target is achieved (200% target achievement) the corresponding number of SPA are converted into twice the number of subscription rights to shares in Evotec SE at the end of the performance period. Between these figures the values are interpolated on a linear basis.

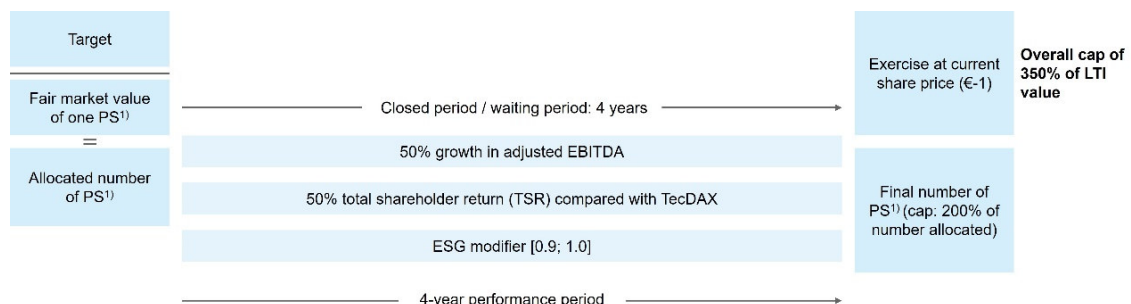
In addition to growth in adjusted Group EBITDA and total shareholder return, the Supervisory Board defines an ambitious, measurable and transparent ESG target, based on the overall ESG strategy, which is included as a modifier in the calculation of target achievement for the SPA. The modifier results in a reduction of 10% if the ESG target is not achieved in full. Over-achievement against the ESG target is explicitly ruled out.

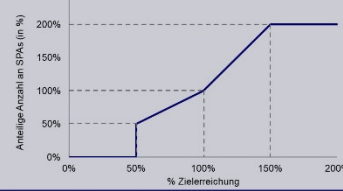
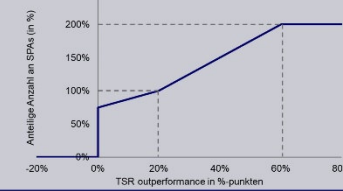
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The ESG target should be based on long-term research spending in socially relevant areas of healthcare, such as infectious diseases or women's health. The Supervisory Board can set other ESG targets if this fits better with the Company's overall ESG strategy. The target set will be communicated transparently in the annual remuneration report.

The provisions of the plan include the usual rules to protect Management Board members against dilution, e.g. by capital increases or share-splits. Any share buybacks will also be factored in accordingly.

The Share Performance Plan works as follows:



	<u>Growth adjusted EBITDA</u>	<u>Relative total shareholder return</u>
<b>Weighting</b>	► 50% of Performance Shares granted	► 50% of Performance Shares granted
<b>Measurement</b>	► Over four-year performance period	► Over four-year performance period
<b>Comparison</b>	<ul style="list-style-type: none"> <li>► Against mid-range plan</li> <li>► Cumulative Group revenue for Evotec SE in the performance measurement period</li> </ul>	<ul style="list-style-type: none"> <li>► compared with TecDAX</li> <li>► average of 30 trading days before start/end of year</li> </ul>
<b>Calibration</b>	 <p>The graph shows the percentage of shares granted (Anteilige Anzahl an SPAs in %) on the y-axis (0% to 200%) against the percentage of target achievement (% Zielerreichung) on the x-axis (0% to 200%). The curve starts at 50% for 0% achievement, rises linearly to 100% at 100% achievement, and then plateaus at 200% for 150% achievement and above.</p>	 <p>The graph shows the percentage of shares granted (Anteilige Anzahl an SPAs in %) on the y-axis (0% to 200%) against the TSR outperformance in %-punkten on the x-axis (-20% to 80%). The curve starts at 50% for 0% outperformance, rises linearly to 100% at 20% outperformance, and then plateaus at 200% for 60% outperformance and above.</p>
	► Between these figures the values are interpolated on a linear basis.	► Between these figures the values are interpolated on a linear basis.

At the end of the performance period for the Share Performance Awards the target achievement is measured for the two performance indicators, the corresponding number of subscription rights is calculated and fixed.

Subscription rights from the Share Performance Awards granted annually are exercised automatically at the end of the relevant performance period of four years from issue. This is carried out by the bank appointed to manage the programme;

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the beneficiary can choose between selling the shares acquired under the subscription rights or transferring the shares to their securities account:

when the subscription rights are exercised the beneficiary has to pay one euro per share to Evotec, regardless of the market price of the Evotec share at this time. The newly acquired shares are not subject to any further restrictions. They can be traded immediately, but are subject to the rules on insider dealing, which are the sole responsibility of the Management Board member.

The Supervisory Board reserves the right, at its discretion, to replace subscription rights granted to Management Board members by a cash payment and/or Evotec shares held by the Company itself.

Management Board members who join within one calendar year of the Share Performance Awards being issued in the respective calendar year receive on a one-off basis a pro rata tranche of Share Performance Awards for their entry year.

If a Management Board member leaves before the end of the four-year period as a good leaver, the total number of SPA granted for the year of their departure is reduced pro rata temporis. However, in individual cases the Supervisory Board reserves the right to settle the entitlement of a Management Board member leaving in the course of the four-year period by means of a one-off payment (in this case Evotec SE would declare a deviation from recommendation G.12 of the GCGC). If the Management Board member leaves Evotec SE as a bad leaver, all claims to the SPA granted for the year of their departure are forfeit.

## **9. Share Ownership Guidelines – SOG**

To further align the interests of Management Board members with those of shareholders and ensure the sustainable long-term development of Evotec, each Management Board member undertakes to invest a fixed amount in Evotec SE shares and hold them over the long term. The amount to be invested depends on the gross basic salary of the respective Management Board member.

The CEO undertakes to invest 300% of their gross basic salary in Evotec shares and the other ordinary Management Board members invest 100% of their respective gross basic salary. There is a build-up phase of 5 years as a rule.

The Management Board members are obliged to hold the shares for the duration of their employment contract.

## **10. Appropriateness of specific total remuneration**

In view of the tasks and expected performance of the Management Board and in light of the current position of Evotec SE compared with other companies in its peer group, and considering a vertical comparison within the Evotec Group, the Supervisory Board believes that the proposed remuneration system and the current total target



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remuneration are appropriate and standard. This opinion has also been confirmed by an independent external remuneration consultant.

Several criteria are used for the Supervisory Board's regular review to ensure the remuneration system is appropriate.

- **Situation of the company**

When deciding on the structure and amount of remuneration the Supervisory Board takes the economic position, earnings and prospects of Evotec SE into account.

- **Strategy**

The performance targets for the Management Board are set in accordance with the business strategy of Evotec SE and its medium-term budgets.

- **Market practice**

The Supervisory Board monitors the level of Management Board remuneration at similar companies. The peer group comprises German and international biotech and pharmaceutical companies of a similar size and complexity in order to reflect Evotec's global presence and potential markets for recruiting Management Board members.

- **Remuneration of managers and other employees**

In its review of Management Board remuneration the Supervisory Board considers the remuneration of the Management Board over time, compared with the remuneration of the workforce of Evotec SE in Germany.

- **Responsibilities and performance**

The criteria for defining individual remuneration are the tasks and responsibilities of the Management Board members and their individual performance.

- **Corporate Governance**

The Supervisory Board considers proven corporate governance practices when revising the remuneration system. Advice is obtained from independent external remuneration experts as necessary.

For the horizontal review of whether Management Board remuneration is appropriate the Supervisory Board looked at all the MDAX peer group companies that can sensibly be compared with Evotec SE in terms of size, region and transparency of Management Board remuneration. Evotec SE also looked at an international industry-specific peer group<sup>3</sup>.

To determine if the Management Board's remuneration is appropriate in a vertical comparison, i.e. within Evotec SE, the Supervisory Board looked particularly at changes in the remuneration of senior managers and the workforce overall, also over time.

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<sup>3</sup> AbCellera Biologics Inc., argenx SE, Carl Zeiss Meditec AG, Charles River Laboratories Int., Denali Therapeutics Inc., Eurofins Scientific SE, Inc., Exscientia plc, Galapagos NV, Jazz Pharmaceuticals plc, Ligand Pharmaceuticals Incorporated, MorphoSys AG, Oxford Biomedica plc, QIAGEN N.V., Schrödinger, Inc., Siemens Healthineers AG, WuXi Biologics (Cayman) Inc.,

## 11. Maximum remuneration

By maximum remuneration Evotec SE means the maximum amount of remuneration that a Management Board member can earn in a financial year.

For the maximum remuneration defined in the remuneration system the Supervisory Board works from the current annual target remuneration of the Management Board members. Allowing for a possible (moderate) increase in the fixed salary during the forecast four-year duration of the remuneration system gives the maximum annual remuneration as defined in § 87a (1) sentence 2 no. 1 AktG:

<i>Function</i>	<i>Maximum remuneration</i>
CEO	EUR 7,050,000
Other Management Board members	EUR 3,400,000

In the language of stock corporation law the maximum remuneration is neither the amount of remuneration the Supervisory Board aims for, nor that which it deems to be appropriate. It must be clearly distinguished from the annual target remuneration. All it does is to set an absolute limit (cap) to avoid disproportionately high Management Board remuneration if a financial year should go unexpectedly well, for example. Defining the maximum remuneration does not prevent the Supervisory Board from increasing the number of Management Board members at its professional discretion while the remuneration system is in effect.

## 12. Penalty and clawback rules for variable remuneration

The service contracts with Management Board members include clauses that enable the Supervisory Board to withhold (penalty clause) or retract (clawback clause) variable remuneration components if a Management Board member is in serious breach of their obligations, particularly their compliance obligations.

## 13. Offsetting of remuneration from other work

The members of the Management Board are not remunerated for work as directors or management board members of companies within the Group. If they hold seats on the supervisory board or management board of entities outside the Group, the Supervisory Board has decided that the remuneration for this work is not offset.

## 14. Benefits on commencing and ending work on the Management Board

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When a Management Board member starts work the Supervisory Board decides at its professional discretion whether and to what extent additional benefits are agreed in individual agreements (e.g. relocation expenses, subsidised travel or compensation for loss of earnings due to the move to Evotec SE). Any expenses incurred are counted towards the maximum remuneration. Special joining bonuses to compensate for loss of salary from a previous employment or to cover relocation costs may be paid at the professional discretion of the Supervisory Board and are explicitly excluded from the maximum remuneration.

Management Board members who join within one calendar year of the Share Performance Awards being issued in the respective calendar year receive on a one-off basis a pro rata tranche of Share Performance Awards for their entry year.

Payments to a Management Board member if the service contract is terminated prematurely, without there being an important reason for the termination, are limited to two annual salaries and may not exceed the annual remuneration for the remainder of the service contract (cap on severance pay). The annual remuneration used to calculate the severance payment is the basic salary plus target bonus.

## **15. Other important clauses in the service contract**

Service contracts with Management Board members will not generally be for more than three years for the first appointment. Otherwise the Supervisory Board may make use of the limit of five years defined in stock corporation law. Neither party has the right to terminate the service contract with notice. This does not affect the right to terminate the contract without notice for cause.

Any future service agreement under the proposed remuneration system can also include appropriate benefit commitments if the service contract with the Management Board member is terminated early due to a change of control. The existing service contracts with the Management Board members have a change-of-control clause that enables them to terminate the contract in the event of a change of control. If the Management Board members exercise this right, they are entitled to a severance payment of 18 month's basic salary plus the target bonus for this period. In no case may the severance payment be higher than the total remuneration that would be owed to the respective Management Board member for the remainder of their service contract, however. If a non-compete clause has been agreed for the period after the service contract comes to an end, any severance payment is offset against the compensation payable for this period.

## **16. Transparency, documentation and remuneration report**

If the Annual General Meeting passes a resolution adopting the remuneration system, the resolution and the remuneration system will be made public without delay on the website of Evotec SE and remain available there free of charge for as long as the remuneration system is in effect, but for at least ten years.

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In addition, the Management Board and Supervisory Board of Evotec SE will prepare a clear, comprehensible annual report on the remuneration granted and owed to each individual current and former member of the Management Board and Supervisory Board of Evotec SE in the previous financial year ("remuneration report"). The remuneration report is to be audited by the auditors of the financial statements and includes detailed information on the remuneration of the individual board members and on changes in Management Board remuneration in accordance with § 162 AktG. The Annual General Meeting of Evotec SE then votes on a resolution to approve the remuneration report for the previous financial year prepared and audited in accordance with § 162 AktG.

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