

RENUMERATION REPORT OF YOC AG

RENUMERATION SYSTEM

Pursuant to Sec. 120a (1) of the German Stock Corporation Act (AktG), the Annual General Meeting of a listed Company shall resolve on the approval of the compensation system for the members of the Executive Board members whenever there is a significant change to the system, but at least every four years.

The first resolution had to be passed by the end of the first Annual General Meeting following 31 December 2020.

Against this background, the Supervisory Board of YOC AG had decided on a remuneration system for members of the Executive Board which is based on the principles of performance orientation and sustainable increase of the Company's value for the benefit of all stakeholders and which complies with the requirements of ARUG II.

The remuneration system for members of the Executive Board was approved by the Supervisory Board. The remuneration system for members of the Executive Board was approved by the Annual General Meeting of YOC AG on 30 June 2021.

In accordance with legal requirements, the Supervisory Board will apply this remuneration system to contracts with members of the Executive Board of the Company that are concluded after two months after the first approval of the remuneration system by the Annual General Meeting (Sec. 87a (2) sentence 1 AktG, Sec. 26j (1) sentence 2 EGAktG).

Detailed information on the new compensation system can be found on the website of the Company website at <https://yoc.com/de/investor-relations-yoc/management-corporate-governance/>.

DESCRIPTION OF THE RELEVANT COMPENSATION SYSTEM FOR MEMBERS OF THE EXECUTIVE BOARD

The current service agreement with the sole member of the Executive Board, Mr Dirk-Hilmar Kraus, was extended in March 2020 until 31 March 2023, so that the new remuneration system approved by the Annual General Meeting has not yet been implemented under the current service agreement with the Executive Board and is therefore not directly addressed in the present compensation report.

As far as the compensation report refers to the relevant compensation system in accordance with Sec. 162 AktG, the relevant compensation system is the one that applied at the time of conclusion of the currently valid Executive Board service agreement and continues to apply to it (hereinafter referred to as the „Relevant Compensation System“).

Compensation under the Authorized Compensation System is performance-related.

It is set at a level that is competitive in the market for highly qualified executives and provides an incentive for successful work.

In the 2022 financial year, it comprised a fixed basic salary, a variable component and participation in the virtual stock option program:

- › The basic remuneration is a fixed cash payment for the entire year, which is based on the area of responsibility of the respective Executive Board member and is paid in twelve monthly instalments.
- › The variable component is a cash payment as a profit-sharing bonus, which is based on the operating result according to IFRS (EBITDA) of YOC AG and is capped.
- › With the participation in the virtual stock option program launched in 2014, members of the Executive Board of the Company to be determined by the Supervisory Board receive virtual stock options (phantom stocks). The exercise of 20,000 phantom stock options with an indefinite term is linked to a takeover offer for the shares of YOC AG pursuant to Sections 29, 35 of the German Securities Acquisition and Takeover Act (WpÜG).
- › In addition, the employment contract of the Executive Board member Mr Dirk-Hilmar Kraus, which was renewed in March 2020 and runs until 31 March 2023, contains a one-off, performance-related remuneration conditional on a change of control following a takeover bid.

The virtual stock option program simulates a stock option program aimed at the actual participation of the beneficiaries in the equity of the Company.

In contrast to an option program based on „real“ stock options, the virtual options do not entitle the holder to subscribe for shares in the Company upon exercise, but grant the beneficiary a claim against the Company for payment of a certain cash amount in accordance with the option terms and conditions.

APPLICATION OF THE AUTHORITATIVE EXECUTIVE BOARD COMPENSATION SYSTEM IN FISCAL YEAR 2022

The authoritative compensation system was implemented in full in the context of the compensation of the 2022 financial year.

In accordance with the Authorized Compensation System, the Supervisory Board has defined a specific target compensation with the Executive Board member.

Furthermore, the Supervisory Board has defined the performance criteria with regard to the performance-related variable compensation components for the 2022 financial year.

As a result, the remuneration of the Executive Board of YOC AG in financial year 2022 includes a fixed salary component totalling kEUR 200 gross (2021: kEUR 200 gross) and a variable salary component of a further kEUR 50 gross (2021: kEUR 41 gross) in the event of 100 % target achievement.

The fixed salary component was paid in 2022. The variable salary component is due two weeks after the adoption of the annual financial statements of the and will therefore be paid in 2023.

Beyond this, no advances, loans, security deposits, pension commitments or similar benefits were granted to the Executive Board .

A variable salary component of kEUR 41 gross was paid to Mr Dirk-Hilmar Kraus in fiscal year 2022 for fiscal year 2021.

COMPENSATION GRANTED AND OWED IN THE PAST FINANCIAL YEAR TO THE CURRENT EXECUTIVE BOARD MEMBER IN ACCORDANCE WITH SEC 162 AKTG

Table 1 shows the fixed and variable compensation granted (paid out) and owed (due in 2022) to the current member the following table shows the fixed and variable compensation components granted (paid) and owed (due in 2022) to the current Executive Board member in the past fiscal year, including the respective relative share pursuant to Sec. 162 AktG.

These are the fixed annual compensation paid out in the 2022 financial year, the fringe 2022, the fringe benefits accrued in the 2022 financial year, and the variable compensation variable compensation paid in the financial year 2022.

Table 2 shows the fulfilment of the agreed performance criteria for the variable compensation component paid in the financial year variable compensation component paid out in fiscal year 2022.

TABLE 1

NAME	FIXED REMUNERATION					PAYMENT FOR PRIOR YEARS	PENSION EXPENSES	TOTAL COMPENSATION	RATIO OF FIXED AND VARIABLE REMUNERATION
	BASIC SALARY	EXTRA PAY	FRINGE BENEFITS	ANNUAL	PEREN-NIAL				
Dirk-Hilmar Kraus	200 KEUR (for fiscal year 2022)	-	2 KEUR	41 KEUR (for fiscal year 2021)	-	-	-	243 KEUR	Fixed: 83 % Variable: 17 %

TABLE 2

NAME	PERFORMANCE CRITERION	RELATIVE WEIGHT OF THE PERFORMANCE CRITERION	PERFORMANCE TARGET INFORMATION		A) TARGET ACHIEVEMENT B) AMOUNT PAID OUT
			A) MINIMUM TARGET B) CORRESPONDING REMUNERATION	A) MAXIMUM TARGET B) CORRESPONDING REMUNERATION	
Dirk-Hilmar Kraus	Achievement of budgeted EBITDA in 2021	100 %	a) 65 % b) 19,5 KEUR	a) 150 % b) 45 KEUR	a) 137 % b) 41 KEUR

CONTRIBUTION TO THE LONG-TERM DEVELOPMENT OF THE COMPANY

The compensation promotes the long-term development of the Company through the composition of fixed and variable compensation components. Purely fixed compensation would not be suitable for promoting the Company's focus on sustainable development characterized by innovation.

Rather, a strategic growth course requires variable, incentive-oriented compensation components in addition to fixed components in order to allow management, as the driver of innovations and visions, to participate appropriately and judiciously in the success of the Company.

The agreement of a variable remuneration component, which is linked to the achievement of the budgeted EBITDA of the Company, promotes the long-term development of YOC Group, because the remuneration is thus linked to the strategic result target, which in turn is intended to serve the long-term development of the Company.

COMMITMENTS IN THE EVENT OF PREMATURE TERMINATION OF EXECUTIVE BOARD MEMBERSHIP

In the event that Mr Dirk-Hilmar Kraus is released from his obligation to serve as a member of the Executive Board during the term of his contract, Mr Dirk-Hilmar Kraus will continue to receive the agreed fixed compensation plus the pro-rata performance-related compensation accrued up to the date of release from the relevant year. Other compensation from self-employed and/or non-self-employed work earned by Mr Dirk-Hilmar Kraus during his leave of absence will be offset and reduce the fixed compensation.

Payments to Mr Dirk-Hilmar Kraus in the event of premature termination of his Executive Board activities without serious cause shall be limited, including fringe benefits, by the value of two years' compensation.

FURTHER MANDATORY DISCLOSURES PURSUANT TO SECTION 162 AKTG

- › No shares or stock options were granted or promised in the financial year 2022.
- › No use was made of the option to reclaim variable compensation components, as there were no breaches of duty by the Executive Board .
- › There was no deviation from the relevant compensation system. We would like to point out that the compensation system currently still in place for the current Executive

Board service contract does not correspond to the compensation system submitted for approval to the Annual General Meeting in 2021. This compensation system is only applicable to new Executive Board service contracts to be concluded or extended.

- › Based on the approval of the Compensation Report 2021 by the Annual General Meeting on 9 June 2022, there is no reason to question the compensation system, its implementation or the way it is reported.
- › No benefits were promised or granted to the Executive Board member by a third party with regard to his or granted to him in the fiscal year.
- › No benefits have been promised to the Executive Board member in the event of regular termination.
- › No benefits have been promised or granted in this connection during the past fiscal year to any former Executive Board member who terminated his service during the past fiscal year.
- › The relevant compensation system does not (yet) contain any stipulations on maximum compensation, compliance with which would have to be reported.

DESCRIPTION OF THE COMPENSATION SYSTEM FOR MEMBERS OF THE SUPERVISORY BOARD

The compensation system for Supervisory Board members is based on statutory requirements and takes into account the recommendations and suggestions of the German Corporate Governance Code. The Supervisory Board advises and monitors the Executive Board and is closely involved in important operational and strategic management issues.

The compensation of the Supervisory Board is also a key factor in ensuring that it acts effectively. This should be commensurate with the duties of the Supervisory Board members and the situation of the Company (cf. Section 113 (1) Sentence 3 AktG).

Appropriate Supervisory Board remuneration in line with the market thus promotes the business strategy and long-term development of YOC AG.

Pursuant to Section 113 (3) sentences 1 and 2 of the German Stock Corporation Act (AktG), the Annual General Meeting of listed Companies must pass a resolution on the compensation of the members of the Supervisory Board at least every four years, whereby a resolution confirming the compensation is permissible. The last resolution was passed on 30 June 2021.

Pursuant to Section 16 Sentence 1 of the Articles of Association of YOC AG, the members of the Supervisory Board receive a fixed remuneration to be determined by the Annual General Meeting.

The remuneration system for the Supervisory Board adopted by the Annual General Meeting gives the remuneration of the members of the Supervisory Board in both abstract and concrete terms.

This ensures that the compensation of Supervisory Board members always corresponds to the compensation system resolved by the Annual General Meeting.

STRUCTURE AND APPLICATION OF THE REMUNERATION SYSTEM OF THE SUPERVISORY BOARD IN THE FISCAL YEAR 2022

In amendment to the resolution of the Annual General Meeting of Shareholders of 30 May 2007, since the financial year 2012, the members of the Supervisory Board of YOC AG receive remuneration as follows:

1. the annual remuneration for each member of the Supervisory Board is EUR 12,500.00.
2. the Chairman of the Supervisory Board receives twice this amount, the Deputy Chairman of the Supervisory Board receives 1 ½ times this amount.
3. each Supervisory Board member shall receive an amount of EUR 1,000.00 for each Supervisory Board meeting that is attended, the Chairman of the Supervisory Board twice this amount and the Deputy Chairman of the Supervisory Board 1 ½ times this amount.

The fixed compensation, the attendance fees and the waiver of performance-related Supervisory Board compensation are also intended in particular to promote the independence of the Supervisory Board members.

The long-term development of the Company is to be promoted through the appropriate exercise of the Supervisory Board's control and advisory activities.

The Executive Board and Supervisory Board are of the opinion that the concept of fixed, non-performance-related compensation for members of the Supervisory Board established by resolution of the Annual General Meeting on 21 August 2012, and approved by the Annual General Meeting on 30 June 2021, has proven its worth.

This model of compensation is practiced by the majority of listed Companies and complies with suggestion G.18 of the German Corporate Governance Code as amended on 28 April 2022.

From the perspective of the Executive Board and Supervisory Board, the existing rules on the compensation of Supervisory Board members should be retained in the future.

Accordingly, the previous compensation set by resolution of the Annual General Meeting on 21 August 2012 has also been set for the 2021 financial year and for the subsequent financial years beginning on or after 01 January 2022.

COMPENSATION OF THE SUPERVISORY BOARD IN FISCAL YEAR 2022

On 30 June 2021, the Annual General Meeting of YOC AG had reconfirmed and approved the remuneration of the members of the Supervisory Board set within the framework of the Annual General Meeting of 21 August 2012.

In financial year 2022, the remuneration system for the Supervisory Board was applied in all aspects as regulated in Section 16 of the Company's Articles of Association. In the reporting year, the members of the Supervisory Board did not receive any further compensation or benefits for services provided personally, in particular consulting and mediation services. Furthermore, no loans or advances were granted to the members of the Supervisory Board, nor were any contingent liabilities entered into in their favour.

Accordingly, the remuneration for the activities of the Supervisory Board in the 2022 financial year totalled kEUR 79 (2021: kEUR 79). The compensation is due at the end of the 2022 financial year and will therefore not be paid until the 2023 financial year.

NAME	FIXED REMUNERATION	ATTENDANCE FEE	TOTAL
Dr Nikolaus Breuel (Chairman)	25	10	35
Konstantin Graf Lambsdorff	18	8	26
Sacha Berlik	13	5	18
TOTAL	56	23	79

As the fixed Supervisory Board compensation for the 2021 financial year was not due until 2022, the payment was also not made until the 2022 financial year. The following table shows the compensation paid to the members of the Supervisory Board in 2022 for fiscal year 2021.

NAME	FIXED REMUNERATION	ATTENDANCE FEE	TOTAL
Dr Nikolaus Breuel (Chairman)	25	10	35
Konstantin Graf Lambsdorff	18	8	26
Sacha Berlik	13	5	18
TOTAL	56	23	79

COMPARATIVE PRESENTATION OF COMPENSATION AND EARNINGS DEVELOPMENT

The following comparative presentation presents the annual change in the compensation granted and owed to the current members of the Executive Board and Supervisory

Board, the development of the Company's earnings and the compensation of employees on a full-time equivalent basis pursuant to Sec. 162 AktG, the latter being based on the average wages and salaries of the employees of all Group Companies in Germany in the respective financial year.

The internal peer group is deliberately limited to Germany because this is where most of the employees are employed here.

	COMPENSATION GRANTED AND OWED 2022		CHANGE 2022 COMPARED TO 2021		CHANGE 2021 COMPARED TO 2020		CHANGE 2020 COMPARED TO 2019		CHANGE 2019 COMPARED TO 2018	
	IN KEUR	IN KEUR	IN KEUR	IN %	IN KEUR	IN %	IN KEUR	IN %	IN KEUR	IN %
Current members of the Executive Board	243	408	-165	-40	266	186	-24	-15	11	7
Dirk-Hilmar Kraus	243	408	-165	-40	266	186	-24	-15	11	7
Current members of the Supervisory Board	79	79	0	0	0	0	0	0	0	0
Dr Nikolaus Breuel	35	35	0	0	0	0	0	0	0	0
Konstantin Graf Lambsdorff	26	26	0	0	0	0	0	0	0	0
Sacha Berlik	18	18	0	0	0	0	0	0	0	0
Average Salary Employees (Germany)	80	79	1	2	15	23	-4	-6	9	15

	FINANCIAL YEAR 2022	FINANCIAL YEAR 2021	CHANGE 2022 COMPARED TO 2021		CHANGE 2021 COMPARED TO 2020		CHANGE 2020 COMPARED TO 2019		CHANGE 2019 COMPARED TO 2018	
	IN TEUR	IN TEUR	IN TEUR	IN %	IN TEUR	IN %	IN TEUR	IN %	IN TEUR	IN %
YOC Group consolidated net profit	2,336	2,065	271	13	1,753	562	784	165	-315	-200
YOC AG net income	2,527	1,735	792	46	2,454	341	959	57	-1,704	-6,532

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE REMUNERATION REPORT

(Pursuant to Sec. 162 (3) AktG)

TO YOC AG

OPINION

We have audited the remuneration report of YOC AG, Berlin, for the fiscal year from 01 January to 31 December 2022 to formally verify whether the disclosures required by Sec. 162 (1) and (2) AktG ["Aktengesetz": German Stock Corporation Act] have been made. In accordance with Sec. 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required by Sec. 162 (1) and (2) AktG have been made in the accompanying remuneration report in all material respects. Our opinion does not cover the content of the remuneration report.

BASIS FOR THE OPINION

We conducted our audit of the remuneration report in accordance with Sec. 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report in Accordance with Sec. 162 (3) AktG (IDW AuS 870). Our responsibilities under this provision and standard are further described in the "Responsibilities of the auditor" section of our report. As an audit firm, we applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1). We complied with the professional obligations pursuant to the WPO ["Wirtschaftsprüferordnung": German Law Regulating the Profession of Wirtschaftsprüfer (German Public Auditor)] and the BS WP/vBP ["Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer": Professional Charter for German Public Accountants/German Sworn Auditors] including the requirements regarding independence.

RESPONSIBILITIES OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD

The Management Board and Supervisory Board are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, they are responsible for such internal control as they determine is

necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud or error.

RESPONSIBILITIES OF THE AUDITOR

Our objectives are to obtain reasonable assurance about whether the disclosures required by Sec. 162 (1) and (2) AktG are made in the remuneration report in all material respects and to express an opinion thereon in a report.

We planned and performed our audit so as to determine the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Sec. 162 (1) and (2) AktG. In accordance with Sec. 162 (3) AktG, we have not audited the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

CONSIDERATION OF MISREPRESENTATIONS

In connection with our audit, our responsibility is to read the remuneration report considering the knowledge obtained in the audit of the financial statements and, in doing so, remain alert for indications of whether the remuneration report contains misrepresentations in relation to the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

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

Berlin, 19 April 2023

ERNST & YOUNG GMBH
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT

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