

## The Loyalty Partner 2024 Bonus Plan

The 2024 Bonus Plan describes the procedure and conditions of the performance review process and the bonus calculation for the year 2024; it applies to all employees of Loyalty Partner GmbH and PAYBACK GmbH.

For Loyalty Partner Solutions GmbH a modified bonus plan for 2024 will apply.

### Targets

#### Target agreement:

We distinguish between company targets, division targets, and individual targets.

At the beginning of the year, the company and division targets are set by Management. The individual targets are agreed upon between a supervisor and an employee within the time frame specified by the company for the calendar year, or within 6 weeks of a new employee joining the company; they are jointly documented in the Review Part of the HR Self Service Portal.

#### Maximum bonuses / weighting of targets:

The bonus values to be achieved as a percentage of the base salary and the weighting of the individual target groups differ depending on hierarchy level:

| Hierarchy level | Maximum bonus related to annual base salary | Weighting of company target | Weighting of division target | Weighting of Individual targets |
|-----------------|---------------------------------------------|-----------------------------|------------------------------|---------------------------------|
| Employees       | 20%                                         | 15%                         | 15%                          | 70%                             |
| TL, FR, PL      | 20%                                         | 20%                         | 20%                          | 60%                             |
| AL, R, SPL      | 20%, 30% or 40%                             | 25%                         | 25%                          | 50%                             |
| BL              | 40% or 50%                                  | 30%                         | 30%                          | 40%                             |

#### Evaluation of the targets:

The respective degree of target achievement is evaluated as excellent, overachieved, achieved, conditionally achieved, and not achieved. The evaluation is made for the full year 2024.

#### Target corridor for measurable (financial) targets:

For the measurable (mostly financial) targets, the Manager, in consultation with the Division Head, defines a target corridor that makes sense for the respective target.

## Bonus

### Bonus calculation:

An employee's actual bonus is determined based on the cumulative results of the company and division targets as well as of the individual targets.

The evaluation of the company and division target achievement is done by Management. The evaluation of the individual targets is done by the Manager, also taking into account a calibration with other employees from the same division/department.

The bonus can then be determined on the basis of the weighted target achievement according to the table below.

**The final bonus decisive for the payout may be higher or lower than the calculated bonus** since calibrations are made at Department and/or division level and in the review meetings with the Personnel Committee at the end of the year, and a differing bonus may be applied.

| Evaluation/degree of target achievement | Achieved % value related to maximum bonus |
|-----------------------------------------|-------------------------------------------|
| Excellent                               | 100%                                      |
| Overachieved                            | 80%                                       |
| Achieved                                | 60%                                       |
| Conditionally achieved                  | 30%                                       |
| Not achieved                            | 0%                                        |

### Example:

*Exemplary calculation for an employee with a maximum bonus of 20% before calibration.*

|                                                                                          | Weighting | Degree of achievement | Calculation                |
|------------------------------------------------------------------------------------------|-----------|-----------------------|----------------------------|
| Company target                                                                           | 15%       | Achieved = 60%        | $15\% \times 60\% = 0.09$  |
| Division target                                                                          | 15%       | Achieved = 60%        | $15\% \times 60\% = 0.09$  |
| Individual target 1                                                                      | 30%       | Overachieved = 80%    | $30\% \times 80\% = 0.24$  |
| Individual target 2                                                                      | 20%       | Achieved = 60%        | $20\% \times 60\% = 0.12$  |
| Individual target 3                                                                      | 20%       | Excellent = 100%      | $20\% \times 100\% = 0.20$ |
|                                                                                          |           |                       | Total = 0.74               |
| 20% max. bonus $\times 0.74 = 0.148$ or <b>15% bonus</b> (always mathematically rounded) |           |                       |                            |

### Bonus payout

All employees joining the company in a given year are entitled to receive a bonus re the respective year, according to the rules and regulations set out in this bonus plan.

All employees who have passed their probationary period by June 30, 2024 will receive a half-year advance payout of their annual bonus in July. The amount of the payout is determined based on the business results from Management for all companies. The amount of the year-end bonus is then calculated from the bonus percentage achieved after calibration for the entire year in relation to the cumulative annual base salary actually obtained. The latter may deviate from the contractual annual base salary (e.g. due to “inactive” periods such as parental leave, sabbatical, etc.). The amount of the advance payout made in July is deducted from the calculated annual bonus. The year-end bonus is paid out at the end of the calendar year.

For all new joiners, who have successfully passed the probationary period, a bonus of at least 12% is guaranteed for the first 12 months of employment. Post 12 months of employment, this guarantee is forfeited.

### Performance Review Process Procedure

| When?                      | What?                                                                                                                                                                                                                                                             |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>By end of February*</b> | Definition and communication of company and division targets                                                                                                                                                                                                      |
| <b>By end of February*</b> | Target agreement between employees and supervisors on the basis of the HR Self Service Portal                                                                                                                                                                     |
| <b>June/July</b>           | Intermediate feedback discussions between employees and supervisors focusing on personal development                                                                                                                                                              |
| <b>July</b>                | Advance payout of bonus                                                                                                                                                                                                                                           |
| <b>October/ November</b>   | Individual review discussion and evaluation of targets and competencies between employees and supervisors using the HR Self Service Portal. Supervisors propose individual bonus percentage rates for employees. Calibration of the bonus proposals per division. |
| <b>November</b>            | In the review meeting, Management presents the division results to the Personnel Committee and discusses the employees who stand out from the average performance. For these, the Committee decides on bonus amounts and possible salary increases, etc.          |
| <b>December</b>            | Communication of results to employees and bonus payout                                                                                                                                                                                                            |

\*Time can be determined differently by the company