

2023 REMUNERATION REPORT

This Remuneration Report describes the basic principles of the remuneration system for the members of the Management Board and the Supervisory Board of NORMA Group SE. It provides information on the remuneration granted and owed in fiscal year 2023 on an individualized basis and broken down into components. The report complies with the requirements of the German Stock Corporation Act (Section 162). In addition, the Remuneration Report contains an individualized breakdown by components of the remuneration of former members of the Management Board and Supervisory Board.

The Supervisory Board of NORMA Group SE acknowledged that the approval of the Remuneration Report on the remuneration individually granted and owed to the members of the Management Board and the Supervisory Board of NORMA Group SE in fiscal year 2022 for fiscal year 2022 at the Annual General Meeting on May 11, 2023, turned out to be very good with 92.28% of the votes cast. The structure and nature and scope of the content of this remuneration report therefore remain unchanged compared to the previous year.

Review of fiscal year 2022

The fiscal year 2023 was characterized by a persistently challenging environment due to polycrises. The dominant issues included the ongoing war in Ukraine, numerous geopolitical tensions and a largely tight interest rate policy by central banks. The somewhat weaker but still high price level in many areas and periodically weaker demand due to the economic situation also had a negative impact on the markets and companies. In this environment, NORMA Group's consolidated sales amounted to EUR 1,222.8 million, down 1.6% on the previous year. Adjusted EBIT also fell slightly by 1.5% to EUR 97.5 million. As in the previous year, the adjusted EBIT margin was 8.0% (2022: 8.0%).

Personnel changes on the Management Board

In fiscal year 2023, the following changes were made to the Management Board of NORMA Group SE:

Following the departure of Dr. Michael Schneider on December 31, 2022, Miguel Ángel López Borrego, a member of the Supervisory Board, initially took over the position of CEO on an interim basis during the period from January 1, 2023 to May 31, 2023, until a permanent replacement was appointed. His function as a member of the Supervisory Board was suspended during this period. Further details on this transition phase can be found in the Report of the Supervisory. Effective June 1, 2023, Guido Grandi joined the Management Board of NORMA Group SE and took over as Chairman of the Management Board. Dr. Daniel Heymann had already joined the Management Board of NORMA Group SE as COO on May 1, 2023, taking over from Dr. Friedrich Klein. Dr. Friedrich Klein's Management Board contract ended at his own request and on amicable terms on April 30, 2023.

As a result, the Management Board of NORMA Group SE had the following three members at the end of fiscal year 2023: Guido Grandi (CEO), Dr. Daniel Heymann (COO) and Annette Stieve (CFO).

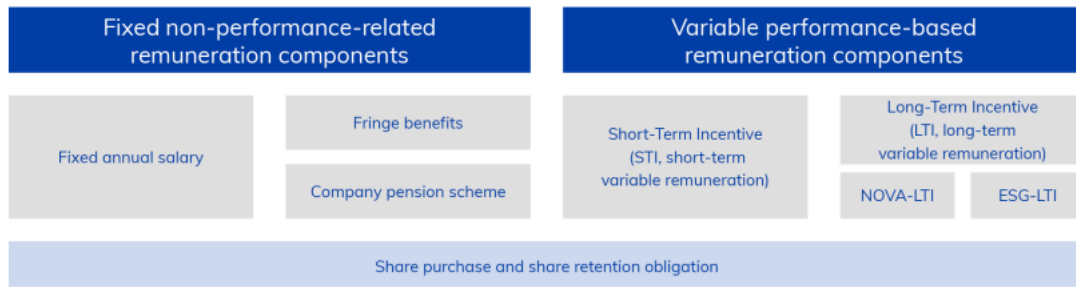
Remuneration system for Management Board members

In accordance with the recommendation of the German Corporate Governance Code (GCGC) in the current version of April 28, 2022, the Supervisory Board has decided on a clear and understandable system for the remuneration of the members of the Management Board, on the basis of which the specific remuneration of the individual members of the Management Board is determined. The remuneration system is to be designed to promote sustainable, long-term value creation and the implementation of the business strategy.

The Remuneration Report is based on the remuneration system approved at the virtual Annual General Meeting on June 30, 2020, with a majority of 99.80% of the votes in accordance with Section 120a (1) AktG. A more detailed description of the remuneration system for the members of the Management Board applicable to fiscal year 2023 is available on the website.

The remuneration system was comprehensively reviewed by the Supervisory Board of NORMA Group SE in fiscal year 2023. As a result, there was no necessity to adjust the remuneration system in place since 2020, meaning that the existing system could be retained in 2023. At the same time, the Supervisory Board addressed the main features of the remuneration system in the past fiscal year, based on the legally required rotation. In this context, in accordance with Section 120a (1) sentence 1 AktG, it is obliged to review the remuneration system for the members of the Management Board and present it to the Annual General Meeting for approval at least every four years. The next regular date in this regard relates to the Annual General Meeting in 2024. A new remuneration system will be presented in this context. The Company will provide further information on this in the invitation to the Annual General Meeting, which will be published in the Federal Gazette.

The remuneration system consists of fixed and variable remuneration components. The fixed non-performance related remuneration consists of the fixed annual salary, the company pension scheme and fringe benefits. The variable, performance-based remuneration consists of the Short-Term Incentive (STI) and the Long-Term Incentive (LTI). The LTI consists of the NOVA-LTI and the ESG-LTI. Another key component of the remuneration system is the obligation to purchase and hold shares. This obliges the members of the Management Board to hold a significant number of shares in NORMA Group that is very high by market comparison. The goal of the share purchase and share retention obligation is to align the actions of the members of the Management Board more closely with the Company's creation of added value. Figure G037 illustrates the components of the remuneration system.



The following key points of the remuneration system are to be emphasized in particular:

- The components of the variable remuneration (Short-Term Incentive and Long-Term Incentive) are based on the results that are actually achieved, transparently comprehensible and audited.
- On the one hand, the **Short-Term Incentive (STI)** is dependent on an absolute performance factor, EBIT (earnings before interest and taxes) adjusted for acquisition effects of NORMA Group. On the other hand, the STI depends on a relative performance factor (relative Total Shareholder Return (TSR)). For the TSR of NORMA Group SE, a comparison is made with the TSR of a previously defined group of 15 listed companies that is explained below. Depending on NORMA Group SE’s ranking within the comparison group, the payment amount from the STI increases or decreases by up to 20%. The minimum payment is EUR 0 and the maximum payment is limited to 180% of the fixed annual salary.
- The **Long-Term Incentive (LTI)** is broken down into two components:
 - The first incentivizes the entrepreneurial success of NORMA Group and corresponds to a share of the adjusted EBIT above the cost of capital after taxes (NORMA-Value-Added-LTI, NOVA-LTI for short). The minimum payment is EUR 0 and the maximum payment is limited to 200% of the fixed annual salary.
 - The second part of the LTI incentivizes the sustainable development of NORMA Group by meeting measurable sustainability goals, e.g. the reduction of CO2 emissions (Environment, Social and Governance-LTI, ESG-LTI for short) with a maximum amount of 20% of the fixed annual salary). The minimum payment is EUR 0 and the maximum payment is limited to 20% of the fixed annual salary.
- With the comprehensive obligation to purchase and hold shares, NORMA Group SE follows the recommendation of the German Corporate Governance Code. The members of the Management Board must invest 75% of the payout amount from the NOVA-LTI and 100% of the payout amount from the ESG-LTI in shares of NORMA Group SE. The Company is free to settle the payment amount in whole or in part in shares of NORMA Group SE. As a result, more than 50% of the payout target amount of the variable remuneration is either invested by the members of the Management Board in shares of NORMA Group SE or granted by NORMA Group SE on a share basis. However, if no bonus is paid out, there is no obligation to purchase shares. The NOVA-LTI includes a

four-year share ownership obligation. The ESG-LTI is four years forward and provides for a one-year retention period.

- The Supervisory Board sets the binding performance criteria for the STI and the LTI. The Supervisory Board sets the targets for the ESG-LTI before the start of the fiscal year. The respective payment amounts are calculated after the end of the fiscal year based on the achievement of targets. The Supervisory Board only has the opportunity to adjust the conditions of the STI and the LTI at its reasonable discretion in the event of extraordinary events-Otherwise, the Supervisory Board has no discretion when determining the payment amounts from the STI and the LTI.
- The contracts of the Management Board members in office at the end of 2023 do not contain a change of control clause.
- The members of the Management Board in office at the end of 2023 and new members of the Management Board receive a standard defined contribution pension commitment on a reinsurance basis. There are no benefit commitments for the members of the Management Board in office at the end of 2023.
- The variable remuneration components are subject to the possibility of being reclaimed (“clawback”) if the audited Consolidated Financial Statements and/or the basis for determining other targets on which the calculation of the variable remuneration is based subsequently turn out to be objectively incorrect and therefore need to be corrected and the error has led to a miscalculation of the variable remuneration.

Compliance with the remuneration system

The remuneration system applicable to the members of the Management Board was implemented without any deviations in fiscal year 2023.

Basics of the remuneration system

In the opinion of the Supervisory Board and the Management Board, the remuneration system for the members of the Management Board is clear and easy to understand. The goal of NORMA Group’s remuneration system is to remunerate the members of the Management Board in accordance with their tasks and performance and in an appropriate relationship to the situation of the Company. In accordance with NORMA Group’s strategy, the remuneration of the members of the Management Board targets at promoting the business strategy and the long-term interests of the Company and to contribute to the sustainable and long-term development of NORMA Group. The focus is on strengthening profitable growth – also by making selected acquisitions – in the business areas of NORMA Group as well as taking the sustainability strategy into account, being the basis for the structure of the remuneration system for the members of the Management Board.

The remuneration system takes various targets based on profitability (through the adjusted EBIT), the return on investment (through the NOVA), the development of the Company’s value (through the share price and the relative return on shares) and sustainability into account. The parameters used have different, but always multi-year terms in order to support the strategic success of the

company in the long term. The remuneration of the members of the Management Board is designed in such a way that an appropriate incentive system is created for the implementation of the Company strategy and sustainable value creation and growth. Particular attention is paid to the greatest possible congruence between the interests and expectations of the shareholders and the remuneration of the Management Board.

The achievement of individual goals is taken into account by individual differentiation of the fixed remuneration of the members of the Management Board in accordance with the role and performance exercised. Due to the limited number of Management Board members, their performance is viewed as a collective effort and responsibility as a body and no further individual targets have been included in the remuneration system. In accordance with the recommendations of the German Corporate Governance Code, the remuneration consists of a fixed component (fixed remuneration) as well as short-term variable and long-term variable components.

The table below provides an overview of the components of the remuneration system for the members of the Management Board applicable to fiscal year 2023. The table also provides an overview of the structure of the individual remuneration components and explains their objectives, particularly with regard to how the remuneration promotes the long-term development of NORMA Group.

Fixed non-performance dependent remuneration components, design, reference to the strategy		T045
Remuneration component	Design	Reference to the strategy
Fixed annual salary	The Management Board members receive a fixed annual salary in twelve monthly installments that are paid at the end of each month. Its amount is based on the tasks and strategic and operational responsibility of the individual Management Board member.	The fixed remuneration components, consisting of the fixed annual salary, fringe benefits and the pension commitment, are intended, on the one hand, to attract globally available candidates for the development and implementation of the strategy, as well as for the management of NORMA Group and, on the other hand, to prevent them from taking inappropriate risks by offering them financial security.
Fringe benefits	The Company provides each Management Board member with a company car also for private use. In addition, the members of the Management Board are included in the Company's D&O insurance and the Company reimburses 50% of the expenses for health and long-term care insurance, up to a maximum of the expenses that the Company would have to pay if an employment relationship under social security law existed. The Company also takes out accident insurance (private and occupational accident) for the Management Board members at its own expense.	
Company pension scheme	NORMA Group has changed the company pension scheme for the members of the Management Board to a defined contribution plan on a reinsurance basis.	

Variable performance dependent remuneration components, design, reference to the strategy T046

Remuneration component	Design	Reference to the strategy
Short-Term Incentive (STI, short-term variable remuneration)	<p>The STI is a performance dependent bonus consisting of two components. In the first step, the Chairman of the Management Board is awarded 0.33% and the ordinary members of the Management Board 0.22% of average EBIT adjusted for acquisitions in fiscal years 2021, 2022 and 2023. In the next step, this amount is adjusted by the relative stock return compared with the peer companies of comparable size, structure and industry below in a range of 0.8-1.2. Here, a relative stock return (rTSR) below the 25th percentile results in an adjustment factor of 0.8 and a stock return above the 75th percentile results in an adjustment factor of 1.2. Linear interpolation is applied in between.</p> <p>In total, the amount of the STI is limited to 180% of the fixed annual salary. There is no guaranteed base amount in the STI and the minimum payout is EUR 0.</p> <p>Payment is made in cash in the month following the month in which the Consolidated Financial Statements for the respective fiscal year were approved.</p>	<p>The STI sets ambitious incentives for maximizing NORMA Group's financial success measured as NORMA Group EBIT adjusted for acquisitions. This key performance indicator measures profitability, which is the basis of the long-term company strategy and sustainable value creation. In order to adjust earnings for macroeconomic influences, the amount of the payout from adjusted EBIT is adjusted by the relative performance of the return on shares. The stock return acts as an external benchmark compared with selected peers.</p>
Long-Term Incentive (LTI, long-term variable remuneration)	<p>Multi-year variable remuneration is divided into two independent components and consists of an LTI based on NORMA Value Added (NOVA-LTI) and the ESG-LTI.</p> <p>The NOVA-LTI is a backward-looking performance cash plan supplemented by a forward-looking share purchase and share retention obligation. NOVA is calculated as the difference between adjusted EBIT for the fiscal year multiplied by 1 minus the average corporate tax rate minus WACC (Weighted Average Cost of Capital) multiplied by invested capital at the beginning of the fiscal year. For the NOVA-LTI 2023, the performance period represents the fiscal years 2021, 2022 and 2023.</p> <p>The payout amount of the NOVA-LTI is limited to a maximum of 200% of the fixed annual salary. Regardless of whether the Company makes the payout from the NOVA-LTI in cash or in shares, 75% of the net payout amount from the NOVA-LTI must be invested in shares of the Company and be held in ownership for at least four years.</p> <p>The ESG LTI is a forward-looking performance cash plan with a performance period of 4 years.</p> <p>The target amount for the ESG-LTI 2023 is 20% of the fixed annual salary for fiscal year 2023, and the payout is limited to a maximum of 100% of this target amount. Regardless of whether the Company pays out the ESG-LTI in cash or shares, 100% of the net payout amount from the ESG-LTI must be invested in shares of the Company and be held in ownership for at least one year.</p> <p>There are no guaranteed base amounts in the LTI, neither in the NOVA LTI, nor in the ESG LTI, and the minimum payout for all LTI components is EUR 0.</p>	<p>The LTI serves to promote the long-term and sustainable development of the Company. For this purpose, the LTI includes on the one hand a value appreciation bonus based on the economic performance of NORMA Group (NOVA-LTI) and on the other hand an ESG-LTI, which acts as an incentive for the sustainable and responsible development of NORMA Group.</p>

Variable performance dependent remuneration components, design, reference to the strategy (continued)

Other remuneration arrangements		
Clawback control	The variable compensation components are subject to a clawback.	The clawback rules are intended to counteract individual misconduct and the taking of disproportionate risks.
Maximum remuneration	<p>The maximum remuneration for the Chairman of the Management Board is EUR 3,900,000 and for the other members of the Management Board EUR 2,500,000.</p> <p>Irrespective of the fixed maximum remuneration, the payout amounts of the individual variable remuneration components are also limited in each case relative to the fixed annual salary.</p> <p>For the Chairman of the Management Board as well as the other members of the Management Board, these caps are 180% for the STI, 200% for the NOVA-LTI, and 20% of the fixed annual salary for the ESG-LTI.</p>	The maximum remuneration ensures that the remuneration of the members of the Management Board is not unreasonably high, even taking the comparative environment into account, so that disproportionate risks and costs for NORMA Group are avoided.
Share purchase and shareholding obligations	The payout from the LTI can be made in shares or cash. In total, 75% of the net payout amount of the NOVA LTI must be invested in shares of NORMA Group and held as property for at least four years. In addition, 100% of the payout amount of the ESG-LTI must be invested in shares of NORMA Group and held as property for at least one year.	The share acquisition and shareholding rules promote an alignment of interests between the Management Board and shareholders and provide additional incentives to promote the business strategy and long-term development of NORMA Group.

Overview of the remuneration components and their relative share in the remuneration

The share of long-term variable remuneration in total remuneration exceeds the share of short-term variable remuneration in the target remuneration. The Supervisory Board determines the target amounts for the variable remuneration components for each fiscal year. In doing so, it decides which goals the Company and the Management Board should achieve in relation to the

performance criteria on the basis of the result assessments of the previous fiscal years as part of the budget planning for the following fiscal years and the strategic planning for the next few years.

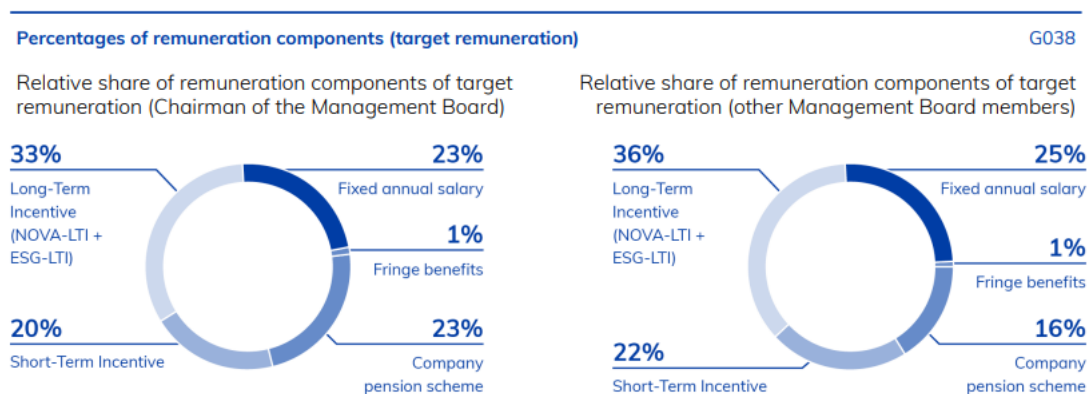
For fiscal year 2023, the CEO’s fixed remuneration (fixed annual salary, pension costs for the company pension scheme and fringe benefits) accounted for approximately 47% of target total remuneration and variable remuneration for approximately 53% of the target total remuneration. For the ordinary members of the Management Board, the average share of fixed remuneration was approximately 42% of the target total remuneration and the share of variable remuneration was approximately 58% of the total target remuneration.

In the remuneration granted and owed for fiscal year 2023, the share of fixed remuneration (fixed annual salary, pension costs for the company pension scheme and fringe benefits) for the CEO, as well as for regular Management Board members, was around 70% of the total remuneration and the share of variable remuneration was around 30% of the total remuneration.

For the CEO and the other members of the Management Board, the STI (target amount) made up around 35% of the variable target remuneration, while the NOVA-LTI (target amount) made up around 57% of the variable target remuneration and the ESG-LTI (target amount) was approximately 8% of target variable remuneration.

The percentages referred to can differ due to the different actuarial calculation of the service costs for each fiscal year and each Management Board member and the development of the costs of the contractually agreed fringe benefits.

Figure G038 illustrates the relative remuneration components for the CEO and the other Management Board members in relation to the target total remuneration for fiscal year 2023:



Determination of the target total remuneration

The Supervisory Board determines a target total remuneration for the individual members of the Management Board. This is made up of the sum of all remuneration components relevant to total remuneration. For the STI, NOVA-LTI and ESG-LTI, the target amounts are based on a target achievement of 100% of the budget values. The Supervisory Board determines the target amounts for the variable remuneration components for each fiscal year. The Supervisory Board decides which goals the Company should achieve on the basis of the results determined for the previous fiscal years as part of the budget planning for the current fiscal years.

Fixed Remuneration Components

Fixed annual salary

The members of the Management Board receive a fixed annual salary in twelve monthly instalments, which are paid at the end of each month. The amount of the fixed annual salary is based on the tasks and the strategic and operational responsibility of the respective Management Board member.

Company pension scheme

NORMA Group grants the active members of the Management Board a defined contribution company pension plan with reinsurance. The Company is required to make contributions to an external provider each year under the defined contribution plan. The amount of the contributions corresponds to current market practice. All members of the Management Board in office at the end of 2023 participate in this plan.

One exception to this was the former member of the Management Board, Dr. Klein, COO until April 30, 2023. He is covered by a benefit commitment from the Company. The entitlement to a pension arises when the employment contract ends and the Management Board member has reached the age of 65 or the Management Board member is permanently unable to work. The pension level (retirement pension) of the pension agreements is 4% of the fixed annual salary for each completed year of service from appointment to the Management Board, up to a maximum of 55% of the last fixed annual salary. Furthermore, a survivor's pension will be provided as well. After retirement, adjustments are agreed in accordance with Section 16 (1) BetrAVG. The agreements relating to Dr. Klein stem from contractual commitments made before the current remuneration system came into force and have no longer been granted to new members of the Management Board in this form since 2020.

Fringe benefits

The Company provides each Management Board member with a company car for private use. In addition, the members of the Management Board are included in the Company's D&O insurance and the Company reimburses 50% of the expenses for health and nursing care insurance, up to a maximum of the expenses that the Company would have to pay if they were employed under social security law. The Company also takes out accident insurance (private and occupational accidents) for the members of the Management Board at its own expense.

Variable Remuneration Components

The performance indicators used to measure the short-term and long-term variable remuneration components are derived from NORMA Group's company strategy and are based on a three- or four-year observation period. The variable remuneration of the Management Board consists of the following components:

Short-term variable remuneration (Short-Term Incentive, STI)

The STI is a performance-related bonus which, on the one hand, reflects the absolute performance figure adjusted EBIT (earnings before interest and taxes, adjusted for acquisitions) of NORMA Group and, on the other hand, the relative return on shares (Total Shareholder Return, TSR for

short) of NORMA Group SE in relation to a comparison group. The payout amount of the STI is calculated from a starting value and an adjustment to the target achievement of the TSR in the grant year. The calculation is shown in the following formula:

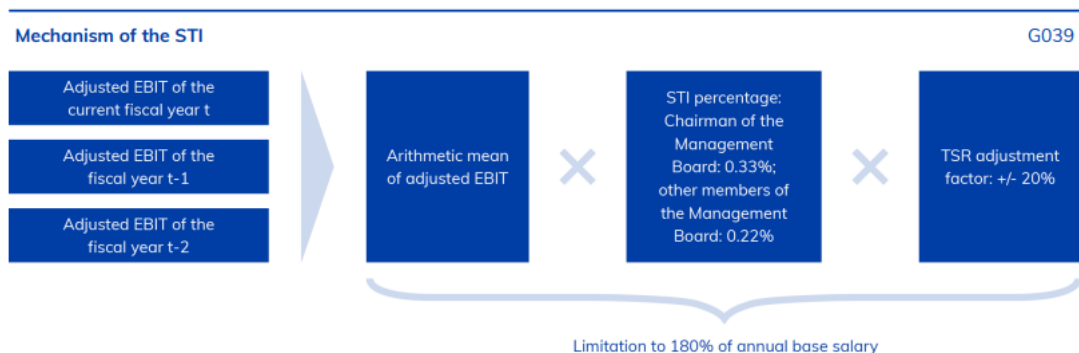
Payout amount =

Baseline (= Average adjusted EBIT x STI percentage) x TSR adjustment

The baseline figure results from multiplying the average adjusted EBIT, i.e. adjusted for acquisitions, in the fiscal year for which the STI is granted and the two fiscal years preceding the fiscal year in which the STI is granted (arithmetic mean) by the STI percentage, which is 0.33% for the CEO and 0.22% for the other board members. In a second step, this initial value is then multiplied by the TSR adjustment factor and the result represents the payout amount. The TSR is defined as the percentage change in the stock market price during the grant year, including notionally reinvested dividends and all capital measures. In other words, the TSR is a measure of how the value of a share commitment has developed over a period of time and takes into account both dividends accrued during the period and any share price increases that may have occurred. In the current remuneration system, the share yield is taken into account as a relative performance factor. The TSR adjustment factor is determined by measuring the TSR development (share price and dividend development) of NORMA Group SE in relation to the TSR development of the peer group companies during the granting fiscal year. Depending on the results of the comparison, the initial value of the STI is adjusted upwards by 20% when a position in the peer group is reached above the 75th percentile and downwards by 20% below the 25th percentile; the TSR adjustment factor is therefore limited to the range of 0.8 to 1.2. The comparison group currently consists of the following 15 listed companies of comparable size, structure and industry sector to NORMA Group and is shown in the following table. The Supervisory Board is entitled to adjust the peer group for future assessment periods before the beginning of the respective assessment period.

TSR comparison group					T047
Bertrandt AG	Deutz AG	DMG Mori AG	ElingKlinger AG	Gerresheimer AG	
Jungheinrich AG	König & Bauer AG	Leoni AG	SAF-Holland SE	Schaeffler AG	
SGL Carbon SE	Stabilus SE	Vossloh AG	Wacker Neuson SE	WashTec AG	

Figure G039 illustrates the calculation of the target remuneration of the STI.

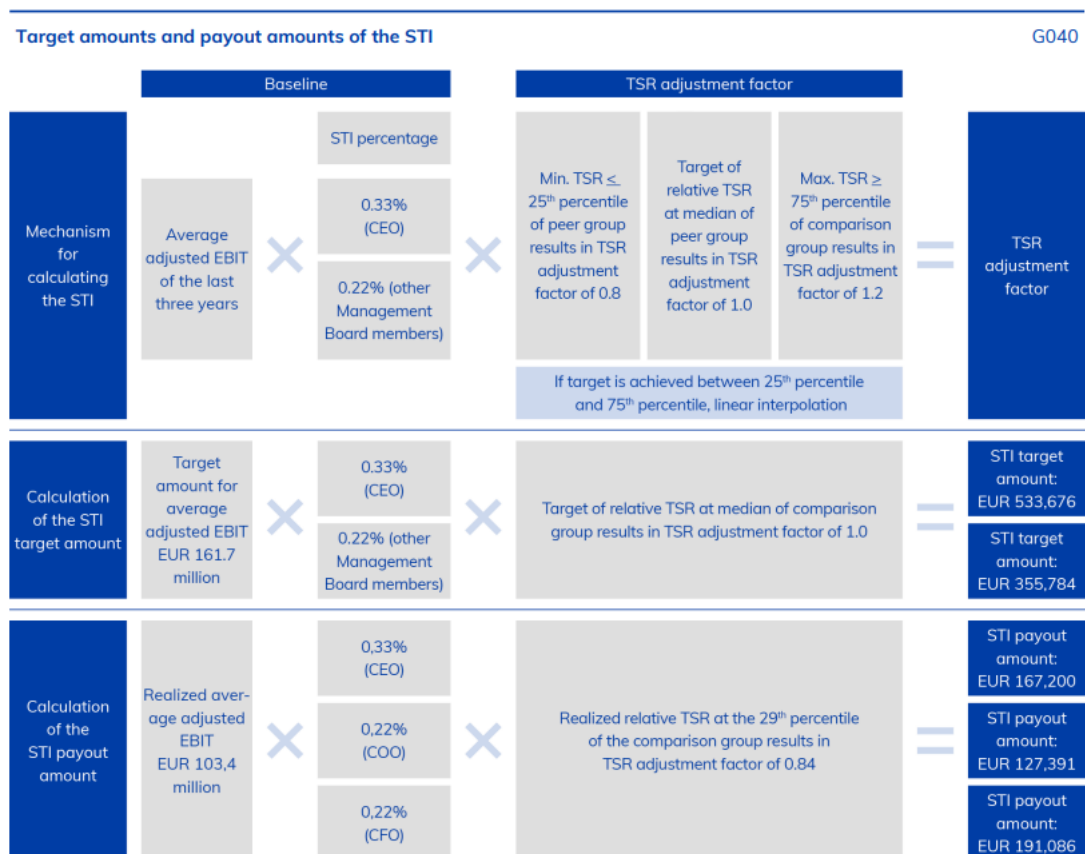


The payout amount (= initial value x TSR adjustment factor) is limited to a maximum of 180% of annual base salary; the initial value (= average adjusted EBIT x STI percentage) is limited to a maximum of 150% of the fixed annual salary. The short-term variable remuneration for the past

fiscal year is to be paid out in the following year after approval of the Consolidated Financial Statements by the Supervisory Board. If the Management Board member did not work for the Company for a full twelve months in a fiscal year, the annual bonus will be reduced accordingly.

All claims to the STI from a current fiscal year expire without replacement or compensation if the employment contract of the Management Board member is terminated by the Company for an important reason for which the Management Board member is responsible pursuant to Section 626 of the German Civil Code (BGB), the appointment of the Board member is revoked due to a gross breach of duty and/or the appointment of the Board member ends as a result of resignation without the resignation being caused by a breach of duty by the Company or health impairments of the Board member or health impairments of a close family member (“bad leaver cases”). In the event of extraordinary events or developments, the acquisition or sale of a part of a company, for example, the Supervisory Board is entitled to temporarily and appropriately adjust the plan conditions of the STI at its reasonable discretion. The same applies if changes in the accounting regulations applicable to the Company have a significant impact on the parameters used to calculate the STI and in the event that a fiscal year comprises less than twelve months (short fiscal year).

Figure G040 provides a detailed overview of the calculation of the target amount of the STI for fiscal year 2023:



The TSR factor for the fiscal year 2023 is 0.84 because the 29th percentile was reached in 2023.

For fiscal year 2023, NORMA Group generated an adjusted average EBIT of EUR 103.4 million. In combination with the achieved TSR factor of 0.84, this results in a payout amount for the STI 2023 of EUR 167 thousand for CEO Guido Grandi, who has been in office since June 1, 2023. For the COO in office since May 1, 2023, Dr. Daniel Heymann, this results in a payout amount

for the STI 2023 of EUR 127 thousand and for CFO Annette Stieve a payout amount for the STI 2023 of EUR 191 thousand¹. The payout amounts comply with the payout cap of 180% of the fixed annual salary.

Long-term variable compensation (Long-Term Incentive, LTI)

The long-term variable remuneration consists of two components, the NORMA Value Added-LTI (NOVA-LTI for short) and the Environmental, Social and Governance-LTI (ESG-LTI for short).

NOVA LTI

The NOVA-LTI is granted in the form of a backward-looking performance cash plan in annual tranches, which is supplemented by a forward-looking share purchase and share retention obligation. The members of the Management Board are granted a tranche from the performance cash plan on January 1 of each grant fiscal year. Each tranche of the performance cash plan has a term of three years and considers the granting fiscal year and the two fiscal years preceding the granting fiscal year (“performance period”). The main success criterion for the LTI is the average NORMA Value Added (“NOVA”) during the three-year performance period. The payout amount from the LTI is calculated by multiplying the LTI percentage by the average adjusted NOVA during the performance period. The LTI percentage for the CEO is 1.5% and for full Board members 1.0%.

The annual increase in value is calculated using to the following formula:

$$\text{NORMA Value Added} = (\text{adjusted EBIT} \times (1 - s)) - (\text{WACC} \times \text{invested capital})$$

The calculation of the first component is based on the adjusted Group earnings before interest and taxes (adjusted NORMA Group EBIT) for the fiscal year and the average corporate tax rate. The second component is calculated from NORMA Group’s cost of capital (WACC) multiplied by the capital employed. The assumptions for the Group’s cost of capital (WACC) are shown in the table below.

Assumptions for the calculation of the weighted average cost of capital		T052	
in %	2023	2022	
Risk-free interest rate	2.75	2.00	
Market risk premium	7.50	7.50	
Beta factor of NORMA Group	1.65	1.65	
Cost of equity	16.04	15.41	
Borrowing cost rate after taxes	3.04	2.80	
Weighted average cost of capital after taxes	9.55	9.25	

The base interest rate is derived from the interest rate structure data of Deutsche Bundesbank (three-month average: October 1 to December 31, 2023). The market risk premium represents the difference between the expected return on a risky market portfolio and the risk-free interest rate. NORMA Group uses the recommendation of the Institute of Public Auditors in Germany (IDW)

¹ Miguel Ángel López Borrego served as interim CEO in the period from January 1, 2023 to May 31, 2023. This results in a payout amount for the STI 2023 of EUR 119 thousand. Dr. Friedrich Klein was COO of NORMA Group until April 30, 2023. The amount paid out for the STI 2023 in relation to this period is EUR 64 thousand; EUR 127 thousand relate to the period from May 1, 2023 until December 31, 2023. In addition, a former member of the Management Board whose contract ended on June 30, 2023, is entitled to a payment of EUR 143 thousand with regard to the STI 2023.

to determine this. The beta factor represents the individual risk of a share compared to a market index. It is first determined as the average value of the unindebted beta factors of the peer group and subsequently adjusted to NORMA Group’s individual capital structure. The cost of equity is the sum of the following three components: the risk-free interest rate, the weighted country risk of NORMA Group, the product of the market risk premium and leveraged beta factor of the peer group. The credit spread used to calculate the cost of debt was determined on the basis of the terms of the current external financing of NORMA Group. Invested capital is calculated from consolidated equity plus net financial liabilities as of January 1 of the fiscal year.

Figure G041 clarifies the timing of the NOVA-LTI, in particular the performance period and the obligation to purchase and retain shares of four years.



The NOVA-LTI is limited to a maximum of 200% of the fixed annual salary for all Management Board members. The Company may pay the payout amount in cash or in shares of NORMA Group SE. In the case of a cash payment, the members of the Management Board are obliged to purchase shares of the Company for an amount equal to 75% of the net amount paid out and to retain ownership of these for a period of four years (obligation to purchase and retain shares). The Company’s Supervisory Board may decide at its reasonable discretion to issue shares in the Company in whole or in part in lieu of a cash payment. If the Company issues shares in the Company in lieu of a cash payment, the members of the Management Board are also required to retain ownership of 75% of the shares issued for a period of four years. Independently of, whether the Company makes the payout amount in cash or in shares, 75% of the net payout amount from the NOVA-LTI must be invested in shares of the Company and be held for a period of four years. Irrespective of the type of payment (cash or in shares in the Company), the NOVA-LTI is paid out in the following year after approval of the Consolidated Financial Statements by the Supervisory Board. After the end of the employment contract, the retention obligation generally lasts for a period of twelve months after the legal end of the employment contract, unless the four-year retention period has expired earlier.

The cases described with regard to the STI for a resignation during an ongoing performance period apply accordingly. In the event of extraordinary events or developments, the acquisition or sale of a part of a company, for example, the Supervisory Board is entitled to temporarily and appropriately adjust the plan conditions of the LTI at its reasonable discretion. The same applies if changes in the accounting regulations applicable to the Company have a significant impact on the parameters used to calculate the LTI and in the event that a fiscal year is less than twelve months long (short fiscal year).

Figure G042 provides an overview of the target amounts and payout amounts of the NOVA-LTI for fiscal year 2023:

G042

Target amounts and payout amounts of the NOVA-LTI					
		NOVA-LTI percentage			
Mechanism for calculating the NOVA-LTI	Average NOVA of the last three years	×	1.50% (Chairman of the Management Board) 1.00% (other Management Board members)	=	NOVA-LTI target amount or NOVA-LTI payout amount
Calculation of the NOVA-LTI target amount	Target amount for average NOVA: EUR 57.49 million	×	1.50% (Chairman of the Management Board)	=	NOVA-LTI target amount: EUR 862,360
			1.00% (other Management Board members)	=	NOVA-LTI target amount: EUR 574,907
Calculation of the NOVA-LTI payout amount	Realised average NOVA: EUR 0.0	×	1.50% (Chairman of the Management Board)	=	NOVA-LTI payout amount: EUR 0.0
			1.00% (other Management Board members)	=	NOVA-LTI payout amount: EUR 0.0

The calculation of the NOVA figure is explained in the following table:

T049

Calculation of the NOVA figure					
Year	Adjusted EBIT in EUR thousand	Tax rate in %	WACC in %	Invested capital in EUR thousand	Annual increase in value in EUR thousand
2021	113,760	28.6	7.03	927,868	15,696
2022	98,964	35.2	9.25	987,069	-27,142
2023	97,481	41.3	9.55	1,055,128	-43,607
∅					-18,351

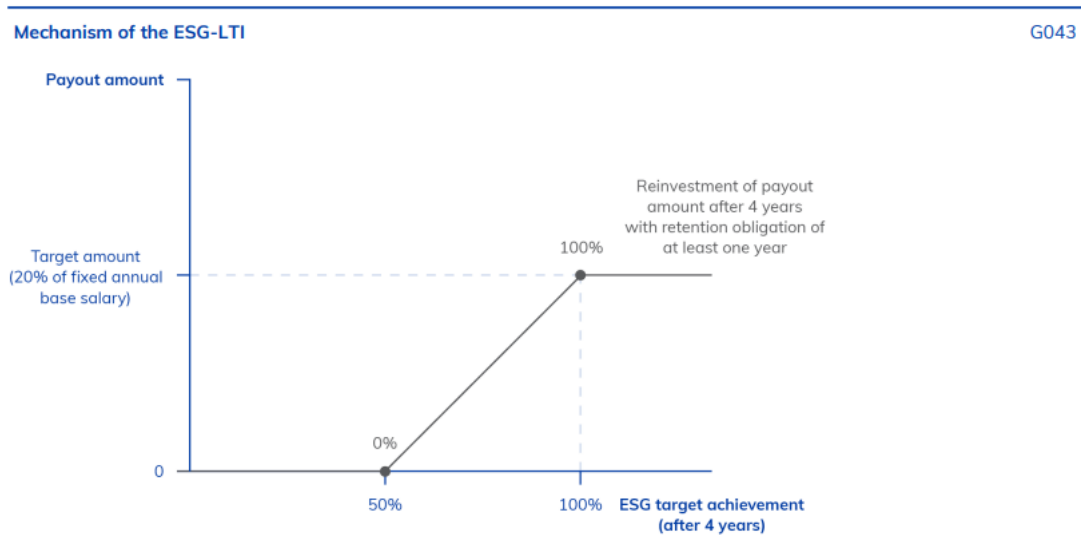
The amount paid out for the NOVA-LTI 2023 for the CEO and other members of the Management Board is EUR 0.00. The payout amounts maintain the payout cap of 200% of the fixed annual salary.

ESG-LTI

In addition to the NOVA-LTI, the ESG-LTI represents the second component of long-term variable remuneration. The ESG-LTI is a variable remuneration element in the form of a forward-looking performance cash plan in annual tranches, which is supplemented by an obligation of Board members to purchase and hold shares. Each tranche of the ESG-LTI has a term of four years. A tranche begins on January 1 of the granting fiscal year and ends at the end of December 31 of the third year following the granting fiscal year (“ESG performance period”). The amount paid out from the ESG-LTI depends on the achievement of environmental, social and prudent corporate governance goals, so-called “ESG goals.” ESG objectives can be, for example: Reducing greenhouse gas emissions, increasing workforce satisfaction, increasing customer satisfaction, reducing workplace accidents, and increasing sustainability.

The target amount of the ESG-LTI is 20% of the fixed annual salary. The payout amount is limited to a maximum of 100% of the target amount. The payout amount from the ESG-LTI is due for payment at the end of the month following the month in which the Supervisory Board approved the Company’s Consolidated Financial Statements for the granting fiscal year. The Company can pay out the payout amount from the ESG-LTI in cash or in shares in the Company. In the case of a cash payment, the members of the Management Board are obliged to purchase shares in the Company for the entire net amount paid out and to retain ownership of these for a period of one year (“obligation to purchase and retain shares”). The Company’s Supervisory Board may decide at its reasonable discretion to issue shares in the Company in whole or in part in lieu of a cash payment. In this case, the members of the Management Board are also obliged to hold 100% of the shares issued for a period of one year. As a result, 100% of the net payout amount from the

ESG bonus must be invested in shares of the Company and be held for a period of one year. Figure G043 clarifies the mechanism of the ESG-LTI.



The cases described with regard to the STI for a resignation during an ongoing performance period apply accordingly. In the event of extraordinary events or developments, the acquisition or sale of a part of a company, for example, the Supervisory Board is entitled to temporarily and appropriately adjust the plan conditions of the ESG-LTI at its reasonable discretion. The same applies if changes in the accounting regulations applicable to the Company have a significant impact on the parameters relevant for the calculation of the ESG-LTI and in the event that a fiscal year is less than twelve months long (short fiscal year).

Information on the shares and stock options granted or promised within the meaning of Section 162 (1) No. 3 AktG as part of the Long-Term Incentives (LTI)

The following table provides an overview of the shares granted:

NOVA-Bonus / LTI T050

		Balance at the beginning of the fiscal year	Shares granted in the fiscal year	Retention period expired in the fiscal year	Balance at the end of the fiscal year	Duration of the existing holding period until
Annette Stieve	NOVA-LTI 2018–2020 (payout in 2021)	153	–	–	153	July 2025
	NOVA-LTI 2019–2021 (payout in 2022)	–	–	–	–	–
	NOVA-LTI 2020–2022 (payout in 2023)	–	–	–	–	–
Dr. Michael Schneider	NOVA-LTI 2016–2018 (payout in 2019)	1,784	–	1,784	0	–
	NOVA-LTI 2017–2019 (payout in 2020)	2,158	–	–	2,158	March 2024
	NOVA-LTI 2018–2020 (payout in 2021)	852	–	–	852	May 2025
	NOVA-LTI 2019–2021 (payout in 2022)	–	–	–	–	–
	NOVA-LTI 2020–2022 (payout in 2023)	–	–	–	–	–
Dr. Friedrich Klein	NOVA-LTI 2016–2018 (payout in 2019)	500	–	500	0	–
	NOVA-LTI 2017–2019 (payout in 2020)	1,175	–	–	1,175	May 2024
	NOVA-LTI 2018–2020 (payout in 2021)	810	–	–	810	May 2025
	NOVA-LTI 2019–2021 (payout in 2022)	–	–	–	–	–
	NOVA-LTI 2020–2022 (payout in 2023)	–	–	–	–	–

The acquisition of shares from the ESG-LTI will only take place in the future; therefore these shares will only be shown in the future.

Maximum Remuneration and Compliance with Maximum Remuneration

The total remuneration to be granted for a fiscal year (total of all remuneration amounts granted for the fiscal year in question, including the fixed annual salary, variable remuneration components, pension expenses (service costs) and fringe benefits) of the members of the Management Board – regardless of whether it is paid out in this fiscal year or at a later date – is capped in absolute terms (“maximum remuneration”). The maximum remuneration pursuant to Section 87a (1) sentence 2 No. 1 AktG is EUR 3,900,000 for the Chairman of the Management Board and EUR 2,500,000 for each of the other Management Board members. If the total remuneration calculated for a fiscal year exceeds the maximum remuneration, the payout amount from the LTI is reduced so that the maximum remuneration is observed. If necessary, the Supervisory Board is permitted, at its due discretion, to reduce other remuneration components or demand reimbursement of remuneration already paid. Irrespective of the specified maximum remuneration, the payment amounts of the individual variable remuneration components are also limited in relation to the fixed annual salary.

The remuneration granted for fiscal year 2023 remained within the target and the maximum payout is below the maximum remuneration.

Severance Payments and Change of Control Clause

In the event of premature termination of the service contract without good cause, a possible severance payment is limited to a maximum of two annual salaries in accordance with the recommendations of the German Corporate Governance Code and may not exceed the contractual remuneration for the remaining term, if the remaining term of the service contract is less than two years (severance payment cap). The calculation of the severance payment cap is generally based on the total remuneration for the past fiscal year and, if applicable, also on the expected total remuneration for the current fiscal year.

In accordance with the recommendations of the GCGC, NORMA Group does not grant the members of the Management Board any special compensation in the event of a change of control; no severance payment is due if a special right of termination is exercised in the event of a change of control or due to conversions.

Opportunities for the company to reclaim variable remuneration components

The Company is entitled to adjust and reclaim the payment amounts from the variable remuneration at its due discretion if the audited Consolidated Financial Statements and/or the basis for determining other targets on which the calculation of the variable remuneration is based need to be corrected retrospectively because they prove to be objectively incorrect, and the error has led to an incorrect calculation of the variable remuneration. The claim for repayment consists of the difference between the payment amounts actually paid by the Company and the payment amounts that should have been paid out according to the regulations on variable remuneration based on the corrected calculation bases. In the event of a grossly negligent or intentional breach by a member of the Management Board of one of his material duties of care within the meaning of Section 93 of the German Stock Corporation Act (AktG) or a material principle of action of an internal guideline issued by the Company and a resulting risk to the business success or reputation of NORMA

Group or one of its companies, the Supervisory Board may reduce the variable remuneration components in part or in full (down to zero).

If the correction of the basis for calculating variable remuneration affects several variable remuneration components that have been paid out, payment amounts for all variable remuneration components can be reclaimed. The entitlement to repayment exists for a period of three years after payment of the respective variable remuneration component.

In fiscal year 2023, the Supervisory Board did not make use of the option to withhold or reclaim variable remuneration components.

Remuneration of the Management Board in fiscal year 2023

Management Board remuneration for fiscal year 2023 is reported in accordance with Section 162 AktG and, for reasons of continuity and transparency, in accordance with the recommendations of the German Corporate Governance Code (GCGC).

Management Board remuneration for fiscal year 2023 in accordance with Section 162 AktG

The variable remuneration (STI, NOVA-LTI and ESG-LTI) is shown as remuneration granted and owed in accordance with Section 162 (1) sentence 2 No. 1 AktG in the fiscal year in which the activity on which the remuneration is based was performed in full. For example, the NOVA-LTI for the 2021-2023 performance period is reported as granted and owed in fiscal year 2023 (however, due to a negative NOVA value, no NOVA-LTI was granted in fiscal years 2022 and 2023).

The remuneration granted and owed to the members of the Management Board is made up as follows:

Management Board remuneration granted and owed pursuant to Sec. 162 (1) sentence 2 no. 1 German Stock Corporation Act (AktG)												T055	
Type of remuneration	Guido Grandi (since June 1, 2023)				Dr. Daniel Heymann (since May 1, 2023)				Annette Stieve				
	2023		2022		2023		2022		2023		2022		
	in EUR thousa nds	in %	in EUR thousa nds	in %	in EUR thousa nds	in %	in EUR thousa nds	in %	in EUR thousa nds	in %	in EUR thousa nds	in %	
Fixed remuneration	321		n/a		240		n/a		410		396		
Fringe benefits	17		n/a		18		n/a		26		14		
Total	338	66.9	n/a	n/a	258	67.0	n/a	n/a	436	63.1	410	73.0	
One-year variable remuneration (STI)	167		n/a		127		n/a		191		151		
Multi-year variable remuneration:													
NOVA-LTI	0		n/a		0		n/a		0		0		
ESG-LTI	-		n/a		-		n/a		64		-		
Total	167	33.1	n/a	n/a	127	33.0	n/a	n/a	255	36.9	151	27.0	
Total remuneration	505	100.0	n/a	n/a	385	100.0	n/a	n/a	691	100.0	562	100.0	

Type of remuneration	Miguel Ángel López Borrego (January 1 until May 31, 2023) ¹				Dr. Friedrich Klein (until April 30, 2023) ²				Dr. Michael Schneider (until December 31, 2022)				Total	
	2023		2022		2023		2022		2023		2022		2023	2022
	in EUR thousa nds	in %	in EUR thousa nds	in %	in EUR thousa nds	in %	in EUR thousa nds	in %	in EUR thousa nds	in %	in EUR thousa nds	in %	in EUR thousa nds	in EUR thousa nds
Fixed remuneration	250		n/a		132		396		n/a		600		1,353	1,392
Fringe benefits	12		n/a		3		11		n/a		30		76	55
Total	262	68.8	n/a	n/a	135	50.9	407	72.8	n/a	n/a	630	73.4	1,429	1,447
One-year variable remuneration (STI)	119		n/a		64		151		n/a		227		668	529
Multi-year variable remuneration:														
NOVA-LTI	0		n/a		0		0		n/a		0		0	0
ESG-LTI	-		n/a		66		-		n/a		-		130	-
Total	119	31.2	n/a	n/a	130	49.1	151	27.2	n/a	n/a	227	26.6	798	529
Total remuneration	381	100.0	n/a	n/a	265	100.0	559	100.0	n/a	n/a	858	100.0	2,227	1,976

¹ Interim CEO activity from January 1 to May 31, 2023; the office of Supervisory Board member was suspended during this period.

² Dr. Klein: the figure above includes the remuneration for the period from January 1, 2023 to April 30, 2023; for the period from May 1, 2023 to December 31, 2023, the total remuneration amounts to EUR 410 thousand and is broken down as follows: Fixed remuneration EUR 264 thousand, fringe benefits EUR 6 thousand, one-year variable remuneration EUR 127 thousand and multi-year variable remuneration EUR 13 thousand.

Departure of the Chairman of the Management Board

Dr. Michael Schneider, former Chairman of the Management Board of NORMA Group SE, stepped down from the Management Board effective December 31, 2022 (“departure date”). The settlement agreement concluded provides for the remuneration after the date of departure to be paid during the release phase in accordance with the provisions in the employment contract up until June 30, 2023 (termination date). There are no further severance payment claims. Pension entitlements remain unchanged (pension agreement). In accordance with the agreement, Dr. Schneider will not acquire any further pension entitlements after the termination date.

Remuneration for the period up until December 31, 2022, is shown in the following tables. The benefits promised or granted for the period after December 31, 2022, amount to EUR 800 thousand in total and are composed as follows: non-performance-dependent component: EUR 324 thousand, performance-dependent component: EUR 261 thousand, long-term incentive component: EUR 0 thousand and pension expense: EUR 215 thousand.

The benefits that have been promised to the members of the Management Board in the event of the regular termination of their activity (cf. Section 162 (2) No. 3 AktG) are distributed among the individual Management Board members as shown in the following table.

Overview of the promised pensions of the Board members

T052

in EUR thousands	Guido Grandi (since June 1, 2023)		Dr. Daniel Heymann (since May 1, 2023)		Annette Stieve		Miguel Ángel López Borrego (January 1 until May 31, 2023) ¹	
	2023	2022	2023	2022	2023	2022	2023	2022
Present value of pension	0	n/a	–	n/a	–	–	–	n/a
Expended amount	105	n/a	80	n/a	165	165	0	n/a

¹ Interim CEO activity from January 1 to May 31, 2023; the office as a member of the Supervisory Board was suspended during this period.

in EUR thousands	Dr. Friedrich Klein (until April 30, 2023)		Dr. Michael Schneider (until Dec. 31, 2022)		Total	
	2023	2022	2023	2022	2023	2022
Present value of pension	n/a	1,561	n/a	4,621	n/a	6,182
Expended amount	69	450	n/a	901	419	1,516

The present value of all pension commitments to prior members of the Management Board and their dependents was EUR 7,186 thousand as of December 31, 2023 (2022: EUR 1,014 thousand).

Management Board remuneration for fiscal year 2023 in accordance with the German Corporate Governance Code

For reasons of a continuous presentation and to ensure the best possible transparency, this Remuneration Report is based on the model tables of the German Corporate Governance Code in the version dated February 7, 2017 (in short: GCGC 2017), even if this presentation is no longer mandatory. In deviation from Section 162 of the German Stock Corporation Act (AktG), the remuneration of the Management Board is broken down according to whether it was granted for the reporting year or received in or for the reporting year and is as follows:

GCGC: Remuneration granted

T053

Grants awarded (in EUR thousand)	Guido Grandi (since June 1, 2023)				Dr. Daniel Heymann (since May 31, 2023)				Annette Stieve			Miguel Ángel López Borrego (January 1 until May 31, 2023) ¹				
	2023	2023 (Min.)	2023 (Max.)	2022	2023	2023 (Min.)	2023 (Max.)	2022	2023	2023 (Min.)	2023 (Max.)	2022	2023	2023 (Min.)	2023 (Max.)	2022
Fixed remuneration	321	321	321	n/a	240	240	240	n/a	410	410	410	396	250	250	250	n/a
Fringe benefits	17	17	17	n/a	18	18	18	n/a	26	26	26	14	12	12	12	n/a
Total	338	338	338	n/a	258	258	258	n/a	436	436	436	410	262	262	262	n/a
One-year variable remuneration (STI)	312	0	578	n/a	237	0	432	n/a	356	0	810	356	223	0	450	n/a
Multi-year variable remuneration	567	0	706	n/a	431	0	528	n/a	654	0	871	575	409	0	550	n/a
Total	879	0	1,284	n/a	668	0	960	n/a	1,010	0	1,681	931	632	0	1,000	n/a
Pension expenses	105	105	105	n/a	80	80	80	n/a	165	165	165	165	0	0	0	n/a
Total remuneration	1,322	443	1,727	n/a	1,006	338	1,298	n/a	1,611	601	2,282	1,506	894	262	1,262	n/a

¹ Interim CEO activity from January 1 to May 31, 2023; the office as a member of the Supervisory Board was suspended during this period.

Grants awarded (in EUR thousand)	Dr. Friedrich Klein (until April 30, 2023)				Dr. Michael Schneider (until Dec. 31, 2022)				Total			
	2023	2023 (Min.)	2023 (Max.)	2022	2023	2023 (Min.)	2023 (Max.)	2022	2023	2023 (Min.)	2023 (Max.)	2022
Fixed remuneration	132	132	132	396	n/a	n/a	n/a	600	1,353	1,353	1,353	1,392
Fringe benefits	3	3	3	11	n/a	n/a	n/a	30	76	76	76	55
Total	135	135	135	407	n/a	n/a	n/a	630	1,429	1,429	1,429	1,447
One-year variable remuneration (STI)	119	0	238	356	n/a	n/a	n/a	534	1,247	0	2,508	1,246
Multi-year variable remuneration	258	0	330	575	n/a	n/a	n/a	862	2,319	0	2,985	2,012
Total	377	0	568	931	n/a	n/a	n/a	1,396	3,566	0	5,493	3,258
Pension expenses	80	80	80	369	n/a	n/a	n/a	619	430	430	430	1,153
Total remuneration	592	215	783	1,707	n/a	n/a	n/a	2,645	5,425	1,859	7,352	5,858

The award table does not reflect actual remuneration paid. It specifies the target values of the respective remuneration components as well as their theoretically possible minimum and maximum values for the year 2023. The defined expected or target values give the indication required by the GCGC as to what would be paid out if the target values (EBIT, NOVA and ESG) were

planned or typically expected to be achieved. If the target figures are not actually achieved, the payout is correspondingly lower. This is shown in the table below.

GCGC - Inflow							T054	
	Guido Grandi (since June 1, 2023)		Dr. Daniel Heymann (since May 1, 2023)		Annette Stieve		Miguel Ángel López Borrego (January 1, until May 31, 2023) ¹	
in EUR thousand	2023	2022	2023	2022	2023	2022	2023	2022
Fixed remuneration	321	n/a	240	n/a	410	396	250	n/a
Fringe benefits	17	n/a	18	n/a	26	14	12	n/a
Total	338	n/a	258	n/a	436	410	262	n/a
One-year variable remuneration	167	n/a	127	n/a	191	151	119	n/a
Multi-year variable remuneration								
NOVA-LTI	0	n/a	0	n/a	0	0	0	n/a
ESG-LTI	0	n/a	0	n/a	64	0	0	n/a
Total	167	n/a	127	n/a	255	151	119	n/a
Pension expenses	105	n/a	80	n/a	165	165	0	n/a
Total remuneration	610	n/a	465	n/a	856	727	381	n/a

¹ Interim CEO activity from January 1 to May 31, 2023; the office as a member of the Supervisory Board was suspended during this period.

	Dr. Friedrich Klein (until April 30, 2023)		Dr. Michael Schneider (until Dec. 31, 2022)		Total	
in EUR thousand	2023	2022	2023	2022	2023	2022
Fixed remuneration	132	396	n/a	600	1,353	1,392
Fringe benefits	3	11	n/a	30	76	55
Total	135	407	n/a	630	1,429	1,447
One-year variable remuneration	64	151	n/a	227	668	529
Multi-year variable remuneration						
NOVA-LTI	0	0	n/a	0	0	0
ESG-LTI	66	0	n/a	0	130	0
Total	130	151	n/a	227	798	529
Pension expenses	80	369	n/a	619	430	1,153
Total remuneration	345	928	n/a	1,477	2,657	3,129

Verification of the appropriateness of Management Board remuneration

In fiscal year 2023, the Supervisory Board carried out a review of the Management Board remuneration and came to the conclusion that the amount of Management Board remuneration is appropriate from a legal point of view within the meaning of Section 87 (1) AktG. The Supervisory Board also regularly seeks external advice to assess the appropriateness of Management Board remuneration and pensions. From a company-external perspective, the relationship between the amount and structure of Management Board remuneration and the remuneration of senior management and the workforce as a whole is evaluated (vertical comparison). In addition to a status quo consideration, the vertical comparison also takes the development of remuneration ratios over time into account. On the other hand, the amount and structure of remuneration are evaluated based on the positioning of NORMA Group in a peer group (horizontal comparison). In addition to the fixed remuneration, the horizontal comparison also includes the short and long-term remuneration components as well as the amount of the fringe benefits and company pension scheme. The peer group was carefully chosen by the Supervisory Board to avoid an automatic upward trend in remuneration.

The review of the appropriateness of the remuneration of the Management Board in fiscal year 2023 showed that the Management Board remuneration is appropriate.

Management Board contracts

The Management Board contracts are concluded upon commencement of service for a period of three years.

Remuneration of the Supervisory Board

Remuneration system for the members of the Supervisory Board

The remuneration system for the members of the Supervisory Board was approved by the Annual General Meeting on May 20, 2021, in accordance with Section 113 (2) sentences 1 and 2 AktG by receiving 100.00% of the votes. The remuneration system is intended to contribute to promoting the business strategy and the long-term development of NORMA Group. The remuneration of the Supervisory Board takes both the structure and the amount of the requirements for the office of a member of the Supervisory Board of NORMA Group SE into account, in particular the associated time expenditure and the associated responsibility.

The aim of the remuneration system is to provide remuneration that is commensurate with the tasks of the Supervisory Board members and the situation of the n Group. It should also be comparable to the remuneration of Supervisory Board members of comparable listed companies. The remuneration makes it possible to find suitable and qualified candidates for the position as a member of the Supervisory Board. The remuneration of the Supervisory Board thus contributes to the Supervisory Board being able to carry out its duties of monitoring and advising the Management Board properly and competently. The restriction to fixed remuneration also takes these tasks of the Supervisory Board into account. The restriction creates an incentive for the members of the Supervisory Board to appropriately question the management by the Management Board when performing their monitoring and advisory tasks, without focusing primarily on the development of operational indicators. Together with the Management Board, the Supervisory Board thus promotes the business strategy and the long-term development of NORMA Group. The restriction to a fixed salary also corresponds to suggestion G.18 sentence 1 of the German Corporate Governance Code in the version of April 28, 2022.

Remuneration components

The members of the Supervisory Board receive fixed remuneration, attendance fees, fringe benefits (consisting of insurance coverage and tax refunds) and, if they work on Supervisory Board committees, remuneration for this committee work.

Fixed remuneration

The remuneration of the members of the Supervisory Board consists of fixed remuneration; this amounts to EUR 100,000 per fiscal year for the Chairman of the Supervisory Board, EUR 75,000 for the Deputy Chairman of the Supervisory Board and EUR 50,000 for every other member of the Supervisory Board. The fixed annual remuneration is reduced pro rata temporis if a member does not belong to the Supervisory Board for the full fiscal year or does not hold the position of Chair or Deputy Chair for the full fiscal year.

Remuneration for serving on a committee of the Supervisory Board

In addition, the chairpersons of the Audit, General and Nomination committees each receive remuneration of EUR 25,000 per fiscal year, and the chairpersons of another committee receive EUR 15,000. Members of a committee of the Supervisory Board receive an additional annual remuneration of EUR 10,000 per committee, but a maximum of additional remuneration of EUR 20,000 per fiscal year for membership in committees (“maximum amount”). This maximum amount does not take additional remuneration for chairing committees into account. Committee membership fees are in addition to any committee chair fees. Against this backdrop, the remuneration of the members of the Supervisory Board also corresponds to recommendation G. 17 of the German Corporate Governance Code in the version of April 28, 2022, according to which the higher time required for the Chairman and the Deputy Chairman of the Supervisory Board as well as the Chairman and the members of committees should be appropriately taken into account. The fixed annual remuneration is reduced pro rata temporis if a member does not serve on a committee for the full fiscal year or does not serve as chair or vice-chair for the full fiscal year.

Attendance fee

In addition, the members of the Supervisory Board receive an attendance fee of EUR 1,000 for each meeting of the Supervisory Board that they attend. Committee members also receive an attendance fee of EUR 1,000 for each meeting they attend. For several meetings of the same body (the plenary session or the respective committee of the Supervisory Board) that take place on one day, the attendance fee is only paid once.

Ancillary services (insurance coverage, VAT reimbursement)

Furthermore, the members of the Supervisory Board are included in a pecuniary damage liability insurance policy maintained by NORMA Group SE for board members and certain executives (“D&O insurance”). NORMA Group SE reimburses any sales tax that may be due on the remuneration and expenses of the members of the Supervisory Board.

Procedures for determining, implementing and reviewing the remuneration system

The Annual General Meeting determines the remuneration of the Supervisory Board based on a proposal by the Management Board and the Supervisory Board in the Articles of Association or by resolution. The remuneration of the Supervisory Board was determined by resolution of the Annual General Meeting on May 20, 2022.

Pursuant to Section 113 (3) AktG as amended by ARUG II, the Annual General Meeting must decide on the remuneration system for the members of the Supervisory Board at least every four years. In preparation for the resolution of the Annual General Meeting, the Management Board and Supervisory Board each examine whether the Supervisory Board remuneration, in particular with regard to its amount and structure, continues to be in the interest of NORMA Group SE and is appropriate. To this end, the Supervisory Board can also carry out a horizontal market comparison. If necessary, the Management Board and Supervisory Board will propose a suitable adjustment to the remuneration at the Annual General Meeting. The General and Nomination Committee can prepare the deliberations and resolutions of the Supervisory Board on Supervisory Board remuneration.

Remuneration of the Supervisory Board for fiscal year 2023

The remuneration for Supervisory Board work for fiscal year 2023 will be paid on the day after the 2024 Annual General Meeting as follows:

Remuneration granted and owed pursuant to Section 162 (1) sentence 2 No. 1 German Stock Corporation Act (AktG)																T055
Type of remuneration	Mark Wilhelms				Erika Schulte				Dr. Markus Distelhoff (since May 12, 2023)				Rita Forst			
	2023		2022		2023		2022		2023		2022		2023		2022	
	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %
Fixed remuneration	127	88.2	78	80.4	95	87.2	95	81.2	38	86.4	n/a	n/a	81	86.2	75	88.2
Fringe benefits	17	11.8	19	19.6	14	12.8	22	18.8	6	13.6	n/a	n/a	13	13.8	10	11.8
Total remuneration	144	100.0	97	100.0	109	100.0	117	100.0	44	100.0	n/a	n/a	94	100.0	85	100.0

Type of remuneration	Denise Koopmans (since May 12, 2023)				Miguel Ángel López Barrego (since June 1, 2023) ¹				Günter Hauptmann (until May 11, 2023)				Dr. Knut J. Michelberger (bis 11. Mai 2023)			
	2023		2022		2023		2022		2023		2022		2023		2022	
	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %	in EUR thousands	in %
Fixed remuneration	38	84.4	n/a	n/a	50	87.7	60	77.9	48	88.9	135	87.1	25	73.5	87	76.3
Fringe benefits	7	15.6	n/a	n/a	7	12.3	17	22.1	6	11.1	20	12.9	9	26.5	27	23.7
Total remuneration	45	100.0	n/a	n/a	57	100.0	77	100.0	54	100.0	155	100.0	34	100.0	114	100.0

¹ Interim CEO activity from January 1 to May 31, 2023; the office as a member of the Supervisory Board was suspended during this period.

Type of remuneration	Total	
	2023	2022
Fixed remuneration	502	530
Fringe benefits	79	115
Total remuneration	581	645

The figures in the “2022” columns relate to the remuneration for fiscal year 2022, which was paid in fiscal year 2023.

In fiscal year 2023, no remuneration was paid to members of the Supervisory Board for services rendered personally (in particular consulting and brokerage services). In addition, reasonable expenses and travel expenses incurred by the Supervisory Board in connection with the fulfillment of its official duties for the Company are reimbursed within the framework of the guidelines applicable at the Company. For the D&O insurance taken out for the Management Board and the Supervisory Board of NORMA Group SE, the statutory deductible of 10% of the amount of damage, up to a limit of 1.5 times annual salaries, borne privately by the members of the Supervisory Board or insured privately.

Comparative representation of the annual change within the meaning of Section 162 (1) sentence 2 no. 2 AktG (so-called vertical comparison)

The provision of Section 162 (1) sentence 2 No. 2 AktG requires a comparative presentation of the annual change in the remuneration of the Management Board and the Supervisory Board, the development of earnings of the Company and the average remuneration of the employees on a full-time equivalent basis. The annual change was determined as follows:

- The earnings development of the Company was based on the annual result according to the profit and loss account. Since NORMA Group SE is the parent company of the Group and the variable remuneration of the Management Board is based, among other aspects, on Group earnings figures (e.g. adjusted Group EBIT), this figure was also included in the comparative presentation.
- The determination of the change in the average remuneration of employees on a full-time equivalent basis was based on the entire workforce in Germany (excluding the Management Board) on the one hand and on the collectively bargained employees in Germany on the other, since this data is comparable with the other remuneration due to the legal and social security framework.
- For the sake of completeness, it should be mentioned that the remuneration data for 2020 was influenced by both short-time work and executive pay cuts.

The annual changes for the years 2019 to 2023 are as follows:

Comparative presentation of the annual change (so-called vertical comparison) pursuant to Section 162 (1) sentence 2 No. 2 German Stock Corporation Act (AktG)					T060
Group of persons / yield variables	Change from 2023 to 2022	Change from 2022 to 2021	Change from 2021 to 2020	Change from 2020 to 2019	
Members of governing bodies in office as of Dec 31, 2023					
a) Management Board					
Guido Grandi (since June 1, 2023)	n/a	n/a	n/a	n/a	
Dr. Daniel Heymann (since May 1, 2023)	n/a	n/a	n/a	n/a	
Annette Stieve (since October 1, 2020)	17.7 %	-2.0 %	243.5 %	n/a	
b) Supervisory Board					
Mark Wilhelms	48.0 %	20.2 %	29.6 %	11.4 %	
Erika Schulte	-6.8 %	12.5 %	9.5 %	4.2 %	
Dr. Markus Distelhoff (since May 12, 2023)	n/a	n/a	n/a	n/a	
Rita Forst	11.1 %	4.9 %	27.0 %	6.3 %	
Denise Koopmans (since May 12, 2023)	n/a	n/a	n/a	n/a	
Miguel Ángel López Borrego (since March 15, 2021) ¹	-26.2 %	36.5 %	n/a	n/a	
Former Board members					
a) Management Board					
Miguel Ángel López Borrego (January 1 until May 31, 2023) ¹	n/a	n/a	n/a	n/a	
Dr. Friedrich Klein (until April 30, 2023)	-66.9 %	3.1 %	-8.1 %	-13.3 %	
Dr. Michael Schneider (until December 31, 2022)	n/a	2.0 %	-20.6 %	21.2 %	
b) Supervisory Board					
Günter Hauptmann (until May 11, 2023)	-64.9 %	17.1 %	38.8 %	26.6 %	
Dr. Knut J. Michelberger (until May 11, 2023)	-70.0 %	7.2 %	11.6 %	— %	
Lars M. Berg (until August 31, 2020)	n/a	n/a	n/a	-33.3 %	
Earnings indicators					
Annual result for NORMA Group SE	-41.5 %	-46.8 %	698.9 %	-69.7 %	
Adjusted EBIT NORMA Group [Group]	-1.5 %	-13.0 %	151.3 %	-66.7 %	
Average remuneration of employees on a full-time equivalent basis					
Total workforce in Germany (excluding the Management Board)	5.3 %	5.6 %	8.4 %	-2.4 %	
Pay scale employees in Germany	7.2 %	5.6 %	8.9 %	-5.4 %	

¹ Interim CEO activity from January 1 to May 31, 2023; the office as a member of the Supervisory Board was suspended during this period.

INDEPENDENT AUDITOR'S REPORT

To NORMA Group SE, Maintal

Report on the Audit of the Consolidated Financial Statements and of the Condensed Management Report**Opinions**

We have audited the consolidated financial statements of NORMA Group SE and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the management report of the Company and the Group ("condensed management report") of NORMA Group SE including the remuneration report included in the section "Remuneration Report 2023" of the condensed management report, together with the related disclosures, for the financial year from 1 January to 31 December 2023.

In accordance with German legal requirements, we have not audited the content of those components of the condensed management report specified in the "Other Information" section of our auditor's report.

The condensed management report contains cross-references marked as unaudited that are not required by law. In accordance with German legal requirements, we have not audited these cross-references or the information to which the cross-references refer.

In our opinion, on the basis of the knowledge obtained in the audit

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2023, and of its financial performance for the financial year from 1 January to 31 December 2023, and
- the accompanying condensed management report as a whole provides an appropriate view of the Group's position. In all material respects, this condensed management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the condensed management report does not cover the content of those components of the condensed management report specified in the "Other Information" section of the auditor's report. The condensed management report contains cross-references marked as unaudited that are not required by law. Our opinion does not cover these cross-references or the information to which the cross-references refer.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the condensed management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the condensed management report in accordance with Section 317 HGB and the EU Audit Regulation No. 537/2014 (referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the Condensed Management Report” section of our auditor’s report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the condensed management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Recoverability of Goodwill

For information on the accounting policies applied, please refer to Note 3 with the subsections "Intangible assets" and "Impairment of non-financial assets" in the notes to the consolidated financial statements. The assumptions underlying the valuation and disclosures on the amount of goodwill are included in Note 18 of the notes to the consolidated financial statements. Information on the economic development of the EMEA, Americas and Asia-Pacific operating segments can be found in the condensed management report in the section "Development of sales and earnings in the segments".

THE FINANCIAL STATEMENT RISK

Goodwill amounted to EUR 394.8 million as at 31 December, 2023 and represents a significant proportion of assets at 26% of total assets.

Goodwill is tested for impairment annually at the level of the EMEA, Americas and Asia-Pacific groups of cash-generating units (CGUs), irrespective of any indications of impairment. If there are indications of a need for impairment during the year, an impairment test is also carried out on an ad hoc basis. For this purpose, the carrying amount is compared with the recoverable amount of the respective CGU. The recoverable amount is the higher of the fair value less costs of disposal and the value in use of the CGU. NORMA Group SE determines the recoverable amount as the fair value less costs of disposal on the basis of a discounted cash flow model for each CGU. If the carrying amount is higher than the fair value less costs of disposal, an impairment loss must be recognized if the carrying amount is not covered by the value in use. The reporting date for the impairment test is 30 September, 2023.

Impairment testing of goodwill is complex and is based on a number of discretionary assumptions. These include the expected business and earnings development of the respective CGU for the next five years prepared by the Board of Management of NORMA Group SE and approved by the Supervisory Board, the assumed long-term growth rate in perpetuity and the discount rates used. Based on the values determined, there was no need for impairment.

There is a risk for the consolidated financial statements that an impairment existing on the reporting date was not recognized. There is also a risk that the related disclosures in the notes are not appropriate.

OUR AUDIT APPROACH

With the involvement of our valuation specialists, we assessed, among other things, the appropriateness of the key assumptions and the Company's calculation method. For this purpose, we discussed the expected business and earnings development per CGU as well as the assumed long-term growth rate with those responsible for planning.

We also examined whether the planning on which the valuation is based is consistent with the budgets prepared by the Board of Management and approved by the Supervisory Board with regard to the expected business and earnings development. In addition, we assessed the consistency of the assumptions with external market assessments. Our audit of the appropriateness of the key assumptions of the approved budgets also included an assessment of the quality of the Company's forecasts to date by comparing forecasts from previous financial years with the results actually achieved and analyzing deviations. Based on forecast deviations in the past, we examined how those responsible for planning reacted to the forecast deviations when preparing the budget.

We compared the assumptions and data underlying the discount rate, in particular the risk-free interest rate, the market risk premium and the beta factor, with our own assumptions and publicly available data. In order to assess the methodologically and mathematically appropriate implementation of the valuation method, we verified the valuation performed by the company using our own calculations and analyzed deviations.

In order to take into account the existing and, due to the economic environment, increased forecasting uncertainty, we also examined the effects of possible changes in the discount rate and the expected cash flows on the recoverable amount by calculating alternative scenarios and comparing them with the Company's values (sensitivity analysis).

Finally, we assessed whether the disclosures in the notes on the recoverability of goodwill are appropriate.

OUR OBSERVATIONS

The procedure underlying the goodwill impairment testing is appropriate and in line with the valuation principles.

The assumptions and data of the Company on which the valuation is based are appropriate. The related disclosures in the notes are appropriate.

Other Information

The Board of Management respectively Supervisory Board are responsible for the other information. The other information comprises the following components of the condensed management report, whose content was not audited:

- the separate combined nonfinancial report of the Company and the Group which is referred to in the condensed management report,
- the combined corporate governance statement for the Company and the Group which is referred to in the condensed management report, and,
- the information extraneous to management reports and marked as unaudited.

The other Information includes also the remaining parts of the annual report. The other Information does not include the consolidated financial statements, the condensed management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the condensed management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the above-mentioned other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the condensed management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Board of Management and of the Supervisory Board for the Consolidated Financial Statements and the Condensed Management Report

The Board of Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Board of Management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Board of Management is responsible for the preparation of the condensed management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Board of Management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a condensed management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the condensed management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the condensed management report.

Furthermore, the Board of Management and the Supervisory Board are responsible for the preparation of the remuneration report included in a separate section of the condensed management report, including the related disclosures, in accordance with the requirements of Section 162 German Stock Corporation Act (AktG). In addition, they are responsible for the internal controls that they deem necessary, in order to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Condensed Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the condensed management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the condensed management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this condensed management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the condensed management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the condensed management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the Board of Management and the reasonableness of estimates made by the Board of Management and related disclosures.
- Conclude on the appropriateness of the Board of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the condensed management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the condensed management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the condensed management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the Board of Management in the condensed management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Board of Management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless laws or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Condensed Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the condensed management report (hereinafter the “ESEF documents”) contained in the electronic file „normagroup-2023-12-31-de.zip“ (SHA256-Hashwert: baa1aa0152c1d927a24d5a271a1ebec7fc5947f246fa7ad3e117273dd001fcef) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format (“ESEF format”). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the condensed management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the condensed management report contained in the aforementioned electronic file and made available, for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying condensed management report for the financial year from 1 January to 31 December 2023 contained in the “Report on the Audit of the Consolidated Financial Statements and the Condensed Management Report” above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the consolidated financial statements and the condensed management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1(09.2022)).

The Company’s Board of Management is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the condensed management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the company's Board of Management is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited condensed management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, as amended as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor at the annual general meeting on 11 May 2023. We were engaged by the Supervisory Board on 15 September 2023. We have been the group auditor of the NORMA Group SE since financial year 2023.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited condensed management report as well as the examined ESEF documents. The consolidated financial statements and condensed management report converted to the ESEF format – including the

versions to be entered in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited condensed management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Matthias Forstreuter.

Frankfurt am Main, 13 March 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Forstreuter
Wirtschaftsprüfer
[German Public Auditor]

Klinke
Wirtschaftsprüferin
[German Public Auditor]