

## **REPORT ON THE COMPANY'S REMUNERATION SYSTEM (REMUNERATION REPORT UNDER STOCK CORPORATION LAW IN ACCORDANCE WITH SECTION 162 OF THE GERMAN STOCK CORPORATION ACT (AKTG))<sup>27)</sup>**

The remuneration report prepared by the Management Board and Supervisory Board of TAG Immobilien AG (hereinafter also referred to as "TAG") in accordance with Section 162 of the German Stock Corporation Act (AktG), outlines the basic principles of the remuneration systems for the members of the Management Board and Supervisory Board and provides information on the remuneration granted and owed to current or former members of the Management Board and Supervisory Board in the 2025 financial year. The term "remuneration granted and owed" refers to the extent to which the members of the Management Board and Supervisory Board receive payments and represents the remuneration for which the underlying activity was completed in full by the end of the 2025 financial year (earnings principle).

The remuneration report was audited by the auditor. The audit focused on whether the disclosures pursuant to Section 162 (1) and (2) were made in all material respects. The audit did not extend to the content of the remuneration report.

The remuneration report for the 2024 financial year was approved by TAG's Annual General Meeting held on 16 May 2025 with a majority of 94.3% of the votes cast.

### **Remuneration scheme for the Supervisory Board**

#### **Remuneration system**

In accordance with the recommendations of the German Corporate Governance Code, the remuneration of Supervisory Board members consists exclusively of fixed remuneration components plus any attendance fees, reimbursement of expenses and insurance cover, but no variable remuneration elements. The remuneration system for the Supervisory Board reflects this and is structured as follows:

The members of the Supervisory Board receive a fixed remuneration of TEUR 40 per annum for each full financial year of their membership. The Deputy Chairman receives 1.5 times this basic remuneration (TEUR 60 per annum), while the Chairman of the Supervisory Board receives a fixed remuneration of TEUR 175 per annum.

In addition, separate fixed remuneration is provided for individual committee activities: In the Audit Committee, this amounts to TEUR 75 per annum for the Chairman and TEUR 10 per annum for each of the other members. The members of the Nomination/Personnel Committee do not receive a fixed remuneration, but rather a remuneration of EUR 500.00 per meeting, unless, as has been the case in the past, they waive this remuneration. For activities in other committees that do not currently exist, the chairperson would receive TEUR 7.5 and the other members TEUR 5. The chairperson of the Supervisory Board does not receive any additional fixed remuneration for his activities in committees, but does receive a meeting allowance of EUR 500.00 for his activities in the Nomination/Personnel Committee.

The Company also takes out directors' and officers' liability insurance (D&O insurance) for the members of the Supervisory Board and pays the premium. Expenses incurred in connection with Supervisory Board activities, in particular travel expenses and VAT attributable to the respective remuneration, are reimbursed by the Company.

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<sup>27)</sup> Unaudited information

The existing system strengthens the independence of the members of the Supervisory Board and thus makes an indirect contribution to the long-term development of the Company. At the same time, the remuneration system incentivises members of the Supervisory Board to proactively promote the business strategy.

### Remuneration of the Supervisory Board in the reporting year

The remuneration of the Supervisory Board in the past financial year is broken down as follows:

<b>Supervisory Board Member</b>	<b>2025 in TEUR</b>	<b>2024 in TEUR</b>
<b>Remuneration for Supervisory Board activities</b>		
Olaf Borkers	175	175
Eckhard Schultz	60	48
Gabriela Gryger (since 28 May 2024)	40	24
Beate Schulz	40	32
Björn Eifler	40	32
Prof. Dr. Kristin Wellner	40	32
Dr. Philipp K. Wagner (until 28 May 2024)	0	8
<b>Total remuneration for Supervisory Board activities</b>	<b>395</b>	<b>351</b>
<b>Remuneration for committee work</b>		
Eckhard Schultz	75	75
Prof. Dr. Kristin Wellner	10	8
Gabriela Gryger	1	0
<b>Total remuneration for committee work</b>	<b>86</b>	<b>83</b>
<b>Total remuneration</b>	<b>481</b>	<b>434</b>

## **Remuneration scheme for the Management Board**

### **Regular review of the remuneration system**

On 16 May 2025, TAG's Annual General Meeting approved the remuneration system for the Management Board, which was up for regular review, by a large majority (80.0% of the votes). The changes are based, among other things, on aspects discussed during an extensive corporate governance roadshow by the Management Board and Supervisory Board, in which key national and international proxy advisors and TAG's 25 largest shareholders, who at that time represented approximately 65% of the voting rights, were addressed. The Supervisory Board was supported in this process by a highly experienced consulting firm specialising in remuneration systems. The system is described below and complies with the requirements of Section 87 (1) of the German Stock Corporation Act (AktG) and the German Corporate Governance Code in the version applicable in the reporting year and currently in force as of 27 June 2022.

The following overview shows the key changes to the remuneration system approved in 2025 compared with the previous remuneration system approved in 2021:

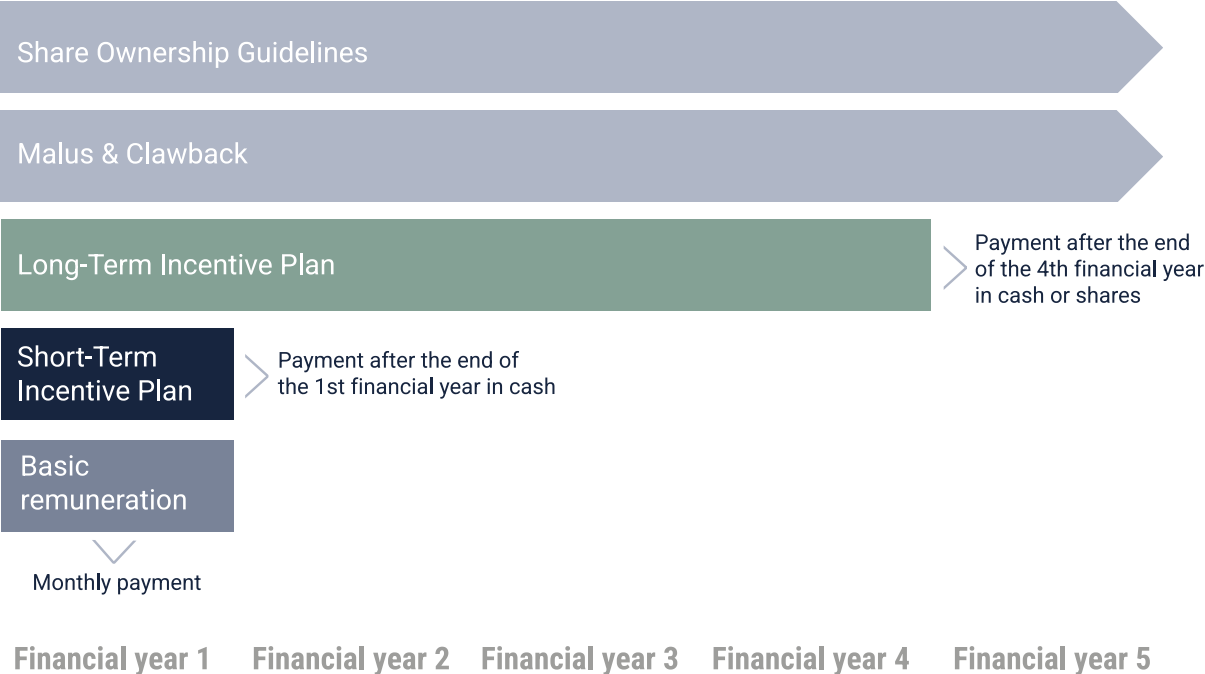
## Comparison of remuneration systems and material changes

Remuneration component	Previous organisation	Structure in the remuneration system 2025	Background	
<b>Remuneration structure</b>	<ul style="list-style-type: none"> <li>Basic remuneration: c.50%</li> <li>STIP: c. 20%</li> <li>LTIP: c. 30%</li> </ul>	<ul style="list-style-type: none"> <li>Basic remuneration: 35-45%</li> <li>STIP: 20-30%</li> <li>LTIP: 30-40%</li> </ul>	<ul style="list-style-type: none"> <li>Promotion the sustainable and long-term development of TAG and pay-for-performance by increasing the proportion of performance-related remuneration</li> </ul>	
<b>Basic remuneration</b>	<ul style="list-style-type: none"> <li>Fixed annual remuneration, which is paid out monthly in cash</li> </ul>			
<b>Fringe benefits</b>	<ul style="list-style-type: none"> <li>Provision of a company car, railcard, insurance benefits, private use of means of communication</li> </ul>			
<b>Pension commitments</b>	<ul style="list-style-type: none"> <li>Not planned</li> </ul>			
<b>Short-Term Incentive Plan (STIP)</b>	<b>Plan type</b>	<ul style="list-style-type: none"> <li>Target bonus</li> </ul>		
	<b>Runtime</b>	<ul style="list-style-type: none"> <li>1 year performance period</li> </ul>		
	<b>Performance criteria</b>	<ul style="list-style-type: none"> <li>FFO I per share</li> <li>NTA per share</li> <li>ESG targets</li> </ul>	<ul style="list-style-type: none"> <li>45% FFO I per share</li> <li>30% EBITDA Rental business Total per share</li> <li>25% Earnings per share in Poland</li> </ul>	<ul style="list-style-type: none"> <li>Linking the corporate strategy and business activities in Poland with strategically relevant performance criteria</li> <li>Ex-ante determination of the weighting of the individual performance criteria for greater transparency</li> </ul>
	<b>Modifier</b>	<ul style="list-style-type: none"> <li>Individual targets</li> <li>Range of modifier from 0.9 – 1.1</li> </ul>	<ul style="list-style-type: none"> <li>Individual and collective performance of the Management Board members and extraordinary developments</li> <li>Range of modifier from 0.8 – 1.2</li> </ul>	<ul style="list-style-type: none"> <li>Transparent disclosure of the defined targets and explanations of measurement and target achievement in the remuneration report</li> <li>Adjustment of the range of modifier to +/- 20% in line with market practice</li> <li>If the target achievement of the three financial performance criteria is 0%, the modifier does not result in any increase in the payout.</li> </ul>
	<b>Cap</b>	<ul style="list-style-type: none"> <li>No limit on the achievement of targets for the individual performance criteria</li> <li>Maximum payout: 133% of the target amount</li> </ul>	<ul style="list-style-type: none"> <li>Maximum target achievement of 150% per performance criterion</li> <li>Maximum payout: 150% of the target amount</li> </ul>	<ul style="list-style-type: none"> <li>Maximum target achievement per performance criterion to ensure a balanced incentive effect</li> <li>Increase in the maximum possible payout in line with market practice</li> </ul>
<b>Long-Term Incentive Plan (LTIP)</b>	<b>Plan type</b>	<ul style="list-style-type: none"> <li>Performance cash plan with subsequent payment in shares</li> </ul>	<ul style="list-style-type: none"> <li>Performance share plan with subsequent servicing in shares until to 200% of gross basic remuneration is held in shares</li> </ul>	<ul style="list-style-type: none"> <li>Increased share orientation via the performance of virtual shares already during the performance period</li> </ul>
	<b>Runtime</b>	<ul style="list-style-type: none"> <li>4-year performance period</li> <li>4-year holding period for the shares paid out</li> </ul>	<ul style="list-style-type: none"> <li>4-years performance period</li> </ul>	<ul style="list-style-type: none"> <li>Long-term nature over a 4-year performance period and Share Ownership Guidelines sufficient from the perspective of the Supervisory Board</li> </ul>
	<b>Performance criteria</b>	<ul style="list-style-type: none"> <li>At least 80% absolute TSR development</li> <li>Max. 20% ESG targets</li> <li>Relative TSR as a modifier with a range of 0.75-1.25 (peer group: Vonovia, Deutsche Wohnen, LEG Immobilien, Grand City Properties, Adler Group)</li> </ul>	<ul style="list-style-type: none"> <li>25% NTA per share</li> <li>25% ESG targets</li> <li>50% Relative TSR (peer group: FTSE EPRA/NAREIT Developed Europe Index)</li> </ul>	<ul style="list-style-type: none"> <li>Promotion of the successful implementation of the corporate and sustainability strategy by implementation of a financial performance criterion and an increased weighting of ESG targets</li> <li>Larger peer group enables more stable performance measurement with relevant competitors</li> </ul>
	<b>Cap</b>	<ul style="list-style-type: none"> <li>No limit on the achievement of targets for the performance criteria</li> <li>Maximum payout: 200% of the target amount</li> </ul>	<ul style="list-style-type: none"> <li>Maximum target achievement of 200% per performance criterion</li> <li>Maximum payout: 200% of the target amount</li> </ul>	<ul style="list-style-type: none"> <li>Maximum target achievement per performance criterion to ensure a balanced incentive effect</li> </ul>
<b>Maximum remuneration</b>	<ul style="list-style-type: none"> <li>€ 1,200,000 per member of the Management Board</li> </ul>	<ul style="list-style-type: none"> <li>€ 2,000,000 per member of the Management Board</li> </ul>	<ul style="list-style-type: none"> <li>Increase in theoretical maximum remuneration in line with market practice in Germany</li> </ul>	
<b>Malus &amp; Clawback</b>	<ul style="list-style-type: none"> <li>Reduction or repayment of variable remuneration in the event of severe compliance violations or incorrect consolidated financial statements</li> </ul>			
<b>Share Ownership Guidelines (SOG)</b>	<ul style="list-style-type: none"> <li>Management Board obligation to purchase shares totalling at least 100% of gross basic remuneration</li> </ul>	<ul style="list-style-type: none"> <li>Management Board obligation to purchase shares totalling at least 200% of the gross basic remuneration</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of the Management Board members' long-term involvement in the company and linking the interests of the Management Board with those of the shareholders</li> </ul>	

**Overview of the remuneration system**

The remuneration system presented to and approved by the Annual General Meeting on 16 May 2025 has been in effect since the 2025 financial year. It consists of non-performance-related and performance-related remuneration components. The non-performance-related remuneration components comprise the basic remuneration and fringe benefits. The performance-related remuneration components consist of the Short-Term Incentive Plan (STIP) and the Long-Term Incentive Plan (LTIP). The payout amounts of the STIP and LTIP are subject to clearly defined malus and clawback rules. The payment of the sum of the individual remuneration components is limited by the maximum remuneration pursuant to Section 87a (1) sentence 2 no. 1 of the German Stock Corporation Act (AktG). In addition, the members of the Management Board are obliged to hold a significant number of TAG shares during their term of office.

**Timing profile of Management Board remuneration for one financial year**



The **basic remuneration (fixed remuneration)** amounted to TEUR 480 p.a. as of the reporting date, compared to TEUR 480 p.a. at the end of the previous year.

The **target remuneration for the STIP** amounted to TEUR 300 p.a. in the past financial year (previous year: TEUR 150 p.a.) and was capped at a maximum of TEUR 450 p.a. (previous year: TEUR 200 p.a.).

The **target remuneration for the LTIP** amounted to TEUR 400 p.a. in the past financial year (previous year: TEUR 250 p.a.) and was capped at a maximum of TEUR 800 p.a. (previous year: TEUR 500 p.a.).

The **total target remuneration** for a member of the Management Board thus amounted to TEUR 1,180 p.a. in the past financial year (previous year: TEUR 880 p.a.), with the **maximum remuneration** amounting to TEUR 1,730 p.a. (previous year: TEUR 1,180 p.a.).

The **maximum remuneration within the meaning of Section 87a (1) sentence 2 no. 1 AktG** was defined as TEUR 2,000 p.a. (previous year: TEUR 1,200 p.a.) in the past financial year.

#### **Fixed remuneration**

Remuneration that is not performance-related takes the form of a fixed annual salary, which is paid in twelve equal monthly instalments. The amounts paid to the members of the Management Board in the reporting year are listed below:

#### **in TEUR**

<b>Name</b>	<b>2025</b>	<b>2024</b>	<b>Change (%)</b>
Claudia Hoyer	480	480	0.0
Martin Thiel	480	480	0.0

In addition, members of the Management Board receive fringe benefits, such as private use of a company car. The expense for fringe benefits is subject to annual fluctuations and generally does not exceed TEUR 20 p.a.

## **Variable remuneration**

### **Contribution of remuneration to promoting corporate strategy and long-term development**

The remuneration system for the Management Board serves as a key management tool for aligning the remuneration of Management Board members with the implementation of corporate strategy and the interests of shareholders and other stakeholders. Against this backdrop, the majority of Management Board remuneration is performance- and success-based.

Performance-related remuneration reflects the financial key performance indicators from corporate management, which are measured over both a one-year and a multi-year period. In addition, TAG ESG (environmental, social, governance) targets are taken into account in the long-term incentive plan in the interests of sustainable development. The majority of performance-related remuneration is share-based, which aligns the interests of the Management Board and shareholders and promotes a strong share culture. TAG's success on the capital market is assessed both in absolute terms and relative to the competition. In addition, the remuneration and employment conditions of employees are taken into account by the Supervisory Board and Management Board working closely together to ensure that comparable incentives in performance-related remuneration are also set for management levels below the Management Board.

The performance criteria for the STIP and LTIP are largely linked to TAG's corporate strategy. Different financial and non-financial performance criteria are applied for the STIP and LTIP, which are designed to consistently promote the corporate strategy in line with TAG's long-term and sustainable development.

## Overview of the performance criteria for performance-based remuneration

	Performance criterion	Definition of	Strategy reference
STIP	FFO I per share	Calculated from the consolidated net income, adjusted for non-cash components such as valuation results, depreciation and amortisation, impairments (without an adjustment for impairments on rent receivables), non-cash interest expenses and without non-recurring special effects and after deduction of actual income taxes. FFO I calculated according to these criteria is divided by the weighted number of shares during the financial year.	FFO I is a material performance indicator in the property industry and for TAG, and incentivises a strengthening of cash flow in the operation business.
	EBITDA rental business Total per share	Determines the earnings in the rental business before interest, taxes, depreciation and amortisation of property, plant and equipment and intangible assets. The total EBITDA rental business calculated according to these criteria is divided by the weighted number of shares during the financial year.	EBITDA serves TAG as a material operation earnings indicator and incentivises profitability in the rental business.
	Earnings per share in Poland	Reflects the profitability of the sales business in Poland. The sales result for Poland is divided by the weighted number of shares during the financial year.	Sales result Poland promotes the expansion and focus on the profitability of the sales business in Poland.
LTIP	Absolute Total Shareholder Return (via virtual shares)	Reflects the development of TAG's share price during the performance period, supplemented by the gross dividends per share distributed and notionally reinvested during this period.	Aligning the interests of the Management Board and shareholders and incentivising an increase in company value.
	Relative TSR	Measured as the difference in percentage points between the total shareholder return of TAG and the FTSE EPRA/NAREIT Developed Europe Index during the performance period.	Incentivises long-term outperformance of relevant competitors on the capital market.
	NTA per share	Reflects the value of the tangible property assets. The calculation of the NTA per share is based on the derivation of the NTA in accordance with EPRA's Best Practice Recommendations. The NTA calculated in accordance with these guidelines is divided by the number of shares on the reporting date.	Promotes long-term growth in property assets as a material metric for Group management.
	ESG Targets	Corresponds to an environmental, social or governance targets derived from the materiality assessment.	Focuses on harmonising economic, ecological and social interests and promoting the implementation of sustainable corporate development.

### Short-Term Incentive Plan (STIP)

In line with the remuneration system presented and approved at the Annual General Meeting on 16 May 2025, the STIP is designed as a target bonus system and incentivises the implementation of operational targets whose achievement is essential for the long-term development of TAG. The achievement of STIP targets is measured on the basis of three financial performance criteria:

- FFO I per share (45% weighting)
- Adjusted EBITDA from rentals per share (30% weighting)
- Adjusted sales result in Poland per share (25% weighting).

The STIP payout amount is calculated by multiplying an individually agreed target amount by the weighted total target achievement of the performance criteria and a modifier in a range of 0.8 to 1.2. The STIP is paid out in cash at the end of each financial year and can range from 0% to 150% of the individual target amount.



At the end of the financial year, the Supervisory Board evaluates the achievement of targets for each member of the Management Board and sets a factor in the range of 0.8 to 1.2. Taking these targets into account via a multiplicative factor ensures that the payout amount from the STIP is primarily based on the achievement of the three financial performance criteria. If the weighted overall target achievement of the three financial performance criteria is 0%, the payout is also zero euro. The modifier can only reduce or increase the payout by a maximum of 20%. If no targets are set for a financial year, the modifier is 1.0.

The following collective target was set for the entire Management Board for the 2025 financial year:

- “Further establish TAG as a socially responsible landlord in Germany that combines affordable housing with the generation of returns

In assessing the achievement of objectives, the Supervisory Board considered, among other things, the awards received in the past financial year for TAG's social and community commitment, took into account ongoing and newly launched social and community activities, and assessed the public perception of TAG. It also considered the financial targets achieved in the German rental business (e.g. like-for-like rental growth, vacancy rates in the residential portfolio and adjusted EBITDA from rentals). As a result, the Supervisory Board considered the collective target to have been exceeded, as TAG not only established numerous new social and community commitments and received awards in the 2025 financial year, but also exceeded the financial targets in the German rental business almost across the board. The modifier was subsequently set at a uniform 1.2 for Claudia Hoyer and Martin Thiel.

#### Target achievement for the 2025 financial year in the STIP

On this basis, the following target achievements and payout amounts for the STIP resulted for the past financial year:

Metric	Actual	Target achievement	Remuneration (in TEUR)
FFO I per share	EUR 1.00	101%	149
EBITDA rental business total per share	EUR 1.37	99%	83
Adjusted sales result Poland per share	EUR 0.38	105%	113
Modifier	1.2		69
<b>Total</b>			<b>413</b>

#### Long-Term Incentive Plan (LTIP)

In the 2025 financial year, allocations were made for the first time in accordance with the remuneration system presented and approved at the Annual General Meeting on 16 May 2025. In addition, the performance period for the 2022–2025 LTIP tranche, which is still based on the remuneration system presented and approved at the Annual General Meeting on 11 May 2021, ended in the 2025 financial year.

**LTIP tranches from 1 January 2025**

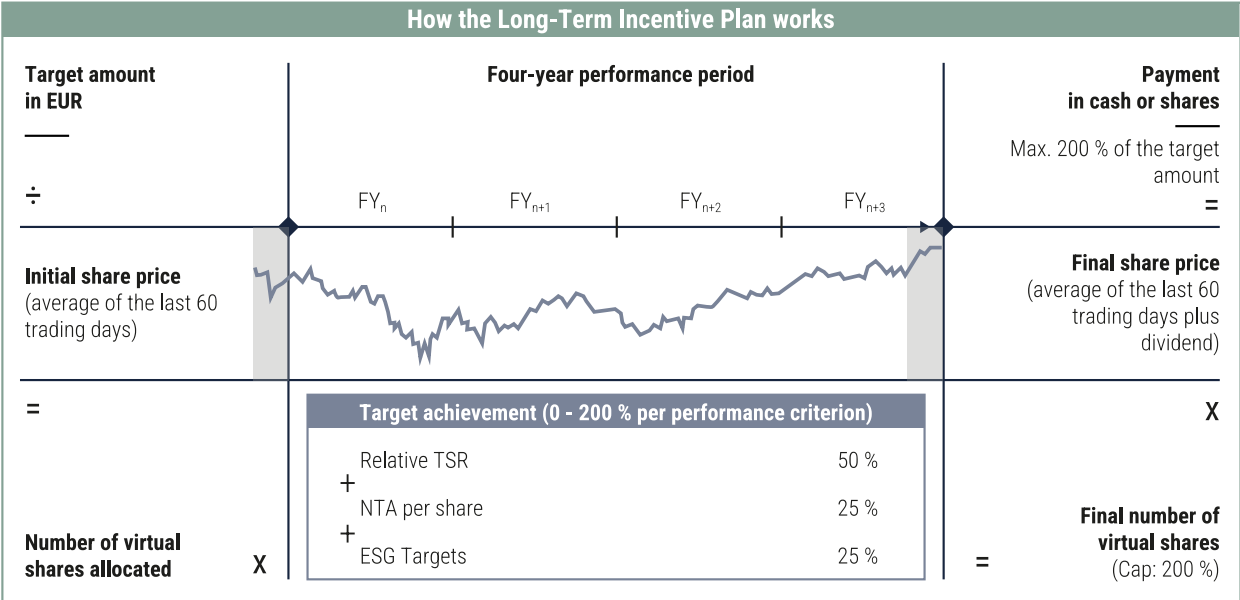
Since the 2025 financial year, the LTIP has been structured as a virtual performance share plan with a four-year performance period. The LTIP is allocated in annual tranches. To determine the provisionally allocated number of virtual shares, an individually agreed target amount is divided by the initial share price. The initial share price is calculated based on the average closing price of TAG shares on the last 60 trading days prior to the start of the performance period.

At the end of the four-year performance period, the achievement of the performance criteria

- relative total shareholder return (50% weighting),
- EPRA net tangible assets per share (25% weighting) and
- ESG targets (25% weighting)

will be determined. The target achievement for each performance criterion can range from 0% to 200%. The final number of virtual shares is calculated by multiplying the provisionally allocated number of virtual shares by the weighted total target achievement.

Payment is made at the end of the four-year performance period by multiplying the final number of virtual shares by the closing share price. The final share price is the average closing price of the TAG share on the last 60 trading days before the end of the performance period. This is increased by the dividends paid during the performance period in order to reflect the functioning of real shares and to make the members of the Management Board dividend-neutral. There is no guaranteed or early payment of dividends.



Based on a target remuneration for the LTIP of EUR 400,000 p.a. and an initial price of the TAG share of EUR 15.35 (average closing price of TAG shares on the last 60 trading days prior to 1 January 2025), a preliminary allocation of 26,058 virtual TAG shares per Management Boardmember was determined for the 2025 financial year.

Payment from the LTIP will be made entirely in shares until the Management Board members hold at least 200% of their gross basic remuneration in TAG shares (see Share Ownership Guidelines). Thereafter, the LTIP will be paid out in cash. As with the previous remuneration system, each member of the Management Board may request payment of the LTIP remuneration in cash up to the amount of the personal tax burden resulting from the share allocation. In this case, TAG has the right to offset the Management Board member's payment obligation arising from the payment of taxes directly against this cash payment claim.

### **Relative total shareholder return (TSR)**

The relative TSR is measured based on the difference in percentage points between TAG's TSR and the TSR of the FTSE EPRA/NAREIT Developed Europe Index. The FTSE EPRA/NAREIT Developed Europe Index includes the largest European real estate companies and thus TAG's most relevant competitors, making it a suitable peer group.

- If TAG's TSR corresponds exactly to that of the peer group (equal performance), the target achievement is 100%.
- If TAG's TSR is 20 percentage points or more below the TSR of the peer group, the target achievement is 0%.
- If TAG's TSR is 20 percentage points or more above the TSR of the peer group, this results in a target achievement of 200% (cap).

Target achievements between these points are determined by linear interpolation.

### **EPRA Net Tangible Assets (EPRA NTA) per share**

The range of possible target achievement for EPRA NTA per share is between 0% and 200%. To this end, the Supervisory Board sets a target value and minimum and maximum values (together the target achievement curve) for each four-year performance period based on the capital market forecast and medium- to long-term planning. If the EPRA NTA per share exactly reaches the specified target value, this corresponds to a target achievement of 100%. If the actual value achieved is at or below the minimum value, the target achievement is 0%. If the maximum value is reached or exceeded, this corresponds to a target achievement of 200% (cap). Between the above values, the target achievement is interpolated linearly.

For the LTIP tranche 2025–2028, which runs from 1 January 2025, these values for EPRA NTA per share have been set as follows:

- Minimum value: 0% p.a. average growth
- Target value: 2.5% p.a. average growth
- Maximum value: 5% p.a. average growth

**ESG targets**

Sustainability is a key aspect of our business decisions and is therefore an integral part of TAG's corporate strategy. The focus is on balancing economic, environmental and social interests and promoting sustainable corporate development.

The Supervisory Board sets measurable and quantifiable ESG targets at the beginning of each tranche. The ESG targets are derived from the corporate strategy and the sustainability targets that are essential for TAG. If several ESG targets are selected, the Supervisory Board also determines their relative weighting before the start of the performance period. The ESG targets come from one or more of the following categories:



The range of possible ESG target achievement is between 0% and 200%. At the beginning of each performance period, the Supervisory Board defines a target value as well as minimum and maximum values for each ESG target. If the ESG target is achieved exactly, this corresponds to 100% target achievement. If the actual value achieved is at or below the minimum value, the target achievement is 0%. If the maximum value is reached or exceeded, this corresponds to a target achievement of 200% (cap). Between the values, the target achievement is interpolated linearly.

For the LTIP tranche 2025–2028, which runs from 1 January 2025, the following non-financial targets (ESG targets) have been set, which were also included in previous LTIP tranches of the remuneration system valid until 1 January 2025:

Metric	Weight (%)	Min	Target	Max
CO <sub>2</sub> emissions per square metre in the German property portfolio at the end of the performance period	40	28.2 kg p.a.	25.6 kg p.a.	23.0 kg p.a.
Tenant satisfaction rated as 'very satisfied' or 'satisfied' on average during the performance period	40	63%	70%	77%
Funding for social projects provided by the TAG Miteinander Foundation, on average per annum during the performance period	20	TEUR 135	TEUR 150	TEUR 165

The target values were determined by the Supervisory Board on the basis of TAG's corporate strategy and sustainability goals. The minimum values are 10% below these values, while the maximum values are 10% above them. If the target is achieved between these values, linear interpolation is applied.

These ESG targets were selected by the Supervisory Board because they play an important role in connection with TAG's strategic sustainability targets. The decarbonisation of the German portfolio, which comprises the majority of TAG's real estate assets, is one of the most important challenges in the environmental ("E") area. High tenant satisfaction and continuous community engagement through social projects in the regions managed by TAG are key components in the social ("S") area.

#### **LTIP tranches that commenced before 1 January 2025**

LTIP tranches that commenced before the new remuneration system came into effect, i.e. before 1 January 2025, will continue to be governed by the provisions of the previous remuneration system, which was approved at the Annual General Meeting on 11 May 2021. This applies to the four-year performance periods ending on 31 December 2025, 2026 and 2027.

For the **LTIP tranche 2022–2025** ending on 31 December 2025, only the total shareholder return (TSR, sum of share price increase and dividends paid during the four-year performance period) was relevant. This TSR performance (100% weighting) was measured according to:

- the absolute TSR performance of the TAG share and
- the relative TSR performance (performance of the TAG share in relation to the performance of a selected group of competitors (peer group) during this period)

The basis for measuring share price performance is the volume-weighted average price (VWAP) of TAG shares or the shares of the peer group over a period of two months prior to the reporting date of the financial year at the beginning and end of the performance period. The target TSR was set at 40% for the four-year performance period (i.e. approx. 10% target TSR on an annual basis) and results in the following remuneration:

- If the actual TSR corresponds to the target TSR, the LTIP remuneration is equal to the target remuneration for the LTIP.
- If the actual TSR is above or below the target TSR, the amount is interpolated.
- If the actual TSR is negative, no LTIP remuneration is paid.

The actual TSR is compared with the peer group's result and, if the actual TSR is at least 2% better or worse, this is taken into account by means of bonuses or deductions:

- If the actual TSR is better than the peer group's performance, a bonus of 25% is applied.
- If performance is worse than the peer group's, a deduction of 25% is applied.

The peer group consists of listed real estate companies that hold a significant share of residential properties in Germany. The peer group currently includes the following companies: Vonovia SE, Deutsche Wohnen SE, LEG Immobilien SE, Grand City Properties S.A. and Adler Group S.A. The companies listed are weighted equally.

**Target achievement for the LTIP tranche 2022–2025 ending on 31 December 2025**

For the LTIP tranche 2022–2025, the absolute TSR of the TAG share was calculated at -40%. Against this background, it was not necessary to measure the relative TSR, as no remuneration is paid if the absolute TSR is negative, regardless of the TSR performance of the peer group.

### Remuneration of the Management Board in the reporting year

The remuneration granted and owed in the past financial year is shown in the table below. The total remuneration for both members of the Management Board amounts to TEUR 1,824 (previous year: TEUR 1,136) and is composed as follows:

in TEUR	Claudia Hoyer COO, Co-CEO		Martin Thiel CFO, Co-CEO	
	2024 (Act.)	2025 (Act.)	2024 (Act.)	2025 (Act.)
<b>Fixed remuneration components</b>				
Fixed remuneration	480	480	480	480
Ancillary benefits	15	15	7	7
<b>Total</b>	<b>495</b>	<b>495</b>	<b>487</b>	<b>487</b>
One-year variable remuneration (STIP)	77	413	77	413
One-year variable remuneration (STIP) - previous year	0	8	0	8
Multi-year variable remuneration (LTIP) - previous remuneration scheme	0	0	0	0
Multi-year variable remuneration (LTIP) - new remuneration scheme	0	0	0	0
<b>Total</b>	<b>77</b>	<b>421</b>	<b>77</b>	<b>421</b>
Utility expenses	0	0	0	0
<b>Total remuneration</b>	<b>572</b>	<b>916</b>	<b>564</b>	<b>908</b>
Share of fixed remuneration	87%	54%	86%	54%
Share of variable remuneration	13%	46%	14%	46%
<b>Number of shares</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The STIP remuneration of TEUR 8 per Management Board member, which was granted in the 2025 financial year for the previous year, results from the achievement of individual targets for Management Board members for the 2024 financial year, which was only determined at the Supervisory Board meeting to approve the balance sheet, which took place after the remuneration report for the 2024 financial year had been prepared. This led to a 10% modification of the STIP remuneration from the original TEUR 77, i.e. by TEUR 8. The individual targets for the 2024 financial year related to the implementation of a personnel development system for TAG employees and the refinancing of completed rental portfolios in Poland. These targets were considered to have been exceeded.

In the consolidated income statement, an amount of TEUR 5 (previous year: TEUR 0) per Management Board member was recognised in the past financial year for the fair value of a possible remuneration from the LTIP from the previous remuneration system, which is determined at the beginning of each financial year and is then no longer adjusted to the actual value at the end of the year. For the LTIP in the new remuneration system, a provision of TEUR 254 (previous year: TEUR 0) per member of the Management Board was recognised based on the valuation by an external expert on the reporting date.

As in the previous year, the maximum remuneration pursuant to Section 87a of the German Stock Corporation Act (AktG) was complied with in the past financial year.

## **Other remuneration and additional provisions**

### **Fringe benefits**

Some members of the Management Board use a company car, which is taxed as a benefit in kind. In addition, the members of the Management Board receive other benefits, some of which are classified as benefits in kind and taxed accordingly. These include, in particular, subsidies for private health and pension insurance, accident and liability insurance, the private use of communication devices and expense allowances for business trips.

### **Pensions**

The contracts with the members of the Management Board do not provide for any pension entitlements. One member of the Management Board still has pension entitlements from before joining TAG. Although these are vested, they do not give rise to any new entitlements since then.

### **Entitlements upon termination of employment**

In accordance with recommendation G.13 of the German Corporate Governance Code, in the event of premature termination of the service contract, any payments may not exceed the value of two years' remuneration (basic remuneration, STIP and LTIP) and may not exceed the value for the remaining term of the service contract (severance payment cap).

Outstanding payments from the STIP and LTIP should be made in accordance with recommendation G.12 DCGK according to the originally agreed dates and performance conditions. There should be no early settlement or payment. An exception to this should apply in accordance with the reasoning behind recommendation G.12 DCGK in cases of permanent incapacity to work or the death of the Management Board member.

In the event of a change of control (i.e. acquisition of at least 30% of the voting rights in the company by a third party, merger/transfer of the Company's significant assets to third parties or conclusion of a control and/or profit transfer agreement by the Company as a dependent company with a third party), the members of the Management Board shall have the right to terminate their service contract with up to three months' notice (special right of termination).

If this special right of termination is exercised, the Company shall pay a gross severance payment due at the time of departure in the amount of a gross basic remuneration (fixed remuneration), provided that the service contract still has a term of at least 24 months at the time of departure. If the term is shorter at the time of termination of the Management Board contract, the Management Board contracts contain provisions that either provide for a gross severance payment in the amount that would be due as gross basic remuneration for the remaining term or a gross severance payment that is reduced pro rata temporis in relation to full gross basic remuneration over the last 24 months.

### **Post-contractual non-competition clause**

There is currently no post-contractual non-competition clause in the service contracts. However, it may be agreed in individual cases. In the event of a post-contractual non-competition clause, the severance payment shall be offset against the compensation for non-competition in accordance with Recommendation G.13.

### **Mandate remuneration**

Members of the Management Board do not receive any additional remuneration for simultaneously holding a Management Board or Supervisory Board mandate in management or supervisory board positions in other Group companies. Secondary activities outside the Group are generally subject to approval. In this case, the Supervisory Board decides whether and to what extent remuneration is to be offset.

### **Shareholding obligation and possible dilution of shareholders**

Each member of the Management Board is generally obliged to hold TAG shares with a market value of at least two gross annual salaries of the fixed remuneration during the term of their appointment to the Management Board.

If the market value of TAG shares during the term of appointment to the Management Board is less than two gross annual salaries of the fixed remuneration, the Management Board member is not obliged to acquire further TAG shares outside the variable Management Board remuneration as long as the market value of the TAG shares held by the Management Board member reaches at least one gross annual salary of the fixed remuneration. In this case, the LTIP will be paid out in full in TAG shares until the members of the Management Board hold shares with a market value of at least two gross annual salaries of the fixed remuneration.

The TAG shares earned under the LTIP are fulfilled by the delivery of own TAG shares previously acquired on the market. In this respect, there is no risk of dilution for shareholders from the remuneration of the Management Board.

### **Receivables and liabilities to members of the Management Board and Supervisory Board**

As in the previous year, there were no receivables and liabilities to members of the Management Board and Supervisory Board or to companies closely associated with them as at the balance sheet date. No loans were granted to or taken out by these bodies during the year either.

### **Reclaiming variable remuneration in the event of negative performance (“clawback” and “malus”)**

In the event of objectively ascertainable, serious, grossly negligent or intentional violations of laws or internal compliance regulations in a financial year for which individual members of the Management Board or the entire Management Board are responsible, they must repay or transfer back the variable remuneration (cash remuneration or shares allocated under the LTIP) for the year in which the violations were committed in full or in part.

If errors are subsequently discovered in the IFRS consolidated financial statements of TAG approved by the Supervisory Board which formed the basis for the calculation of the variable remuneration or which affected the underlying key figures, the obligation to repay or retransfer the variable remuneration in full or in part shall also apply to the year or years in which the consolidated financial statements were prepared incorrectly. In such cases, the fault of the Management Board members shall not be relevant.

The obligation to repay also applies if the office or employment relationship with the Management Board has already ended at the time the repayment claim is asserted. Claims after termination of employment expire 14 months after leaving the Management Board.

### Comparative presentation in accordance with Section 162 (1) sentence 2 no. 2 AktG

For the comparative presentation, all operational and central areas of TAG Immobilien AG were included in the calculation of average employee remuneration. All active employees (excluding apprentices) were taken into account as the basis for the average FTEs (full-time equivalents). Craftsmen and caretakers are employed exclusively in the service companies and are therefore not included in the comparative presentation of TAG Immobilien AG's earnings development.

The remuneration granted and owed in the respective financial year was used to calculate the remuneration of the Management Board members.

	2025	2024	2023	2022	2021
<b>Earnings performance</b>					
Net income TAG AG in TEUR	26,229	129,818	80,461	-525	104,597
<i>relative change in %</i>	-79.80%	61.34%	>100%	>100%	199.62%
<i>FFO I per share: relative change in %</i>	0.20%	2.04%	-17.95%	-3.87%	5.08%
<i>NTA per share: relative change in %</i>	9.57%	4.59%	-11.73%	-19.57%	17.49%
<b>Average employee remuneration</b>					
<i>relative change in %</i>	6.35%	3.24%	6.67%	6.41%	2.38%
<b>Management Board remuneration</b>					
Claudia Hoyer <i>relative change in %</i>	75.14%	8.96%	-51.66%	-40.25%	119.26%
Martin Thiel <i>relative change in %</i>	76.31%	9.11%	-52.08%	-40.45%	120.53%
<b>Advisory Board remuneration</b>					
Olaf Borkers, Chairman (since May 2023) <i>relative change in %</i>	0.00%	59.09%	-	-	-
Eckhard Schultz, Deputy Chairman (since Oct 2023) <i>relative change in %</i>	9.76%	668.75%	-	-	-
Gabriela Gryger (since May 2024) <i>relative change in %</i>	70.83%	-	-	-	-
Beate Schulz (since September 2023) <i>relative change in %</i>	25.00%	540.00%	-	-	-
Björn Eifler (since September 2023) <i>relative change in %</i>	25.00%	540.00%	-	-	-
Prof. Dr. Kristin Wellner (since May 2018) <i>relative change in %</i>	25.00%	53.85%	4.00%	0.00%	-

## **TAG Immobilien AG Hamburg/Germany**

Report of the independent auditor  
on the audit of the remuneration report  
in accordance with Section 162 (3) AktG  
for the financial year  
from 1 January to 31 December 2025

<b>TRANSLATION</b>
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– German version prevails –
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## Appendices

**Report of the Independent Auditor on the Audit of the Remuneration Report in Accordance with Section 162 (3) AktG**

**Remuneration Report in Accordance with Section 162 AktG**

**General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)**

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**REPORT OF THE INDEPENDENT AUDITOR ON THE AUDIT OF THE REMUNERATION REPORT IN  
ACCORDANCE WITH SECTION 162 (3) AKTG**

To TAG Immobilien AG, Hamburg/Germany

**Audit Opinion**

We conducted a formal audit of the remuneration report of TAG Immobilien AG, Hamburg/Germany, for the financial year from 1 January to 31 December 2025 to assess whether the disclosures required under Section 162 (1) and (2) German Stock Corporation Act (AktG) have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not audited the content of the remuneration report.

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

**Basis for the Audit Opinion**

We conducted our audit of the remuneration report in accordance with Section 162 (3) AktG and in compliance with the *IDW Auditing Standard: Audit of the Remuneration Report pursuant to Section 162 (3) AktG (IDW AuS 870 (09.2023))*. Our responsibilities under those requirements and this standard are further described in the “Auditor’s Responsibilities” section of our report. Our audit firm has applied the requirements of the IDW Quality Management Standards. We have fulfilled our professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Charter for German Public Auditors and German Sworn Auditors (BS WP/vBP) including the requirements on independence.

**Responsibilities of the Executive Board and the Supervisory Board**

The executive board and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. In addition, they are responsible for such internal control as they have determined necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

**Auditor’s Responsibilities**

Our objective is to obtain reasonable assurance about whether the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report, and to express an audit opinion on this in a report on the audit.

We planned and conducted our audit in such a way to be able to determine whether the remuneration report is formally complete by comparing the disclosures made in the remuneration report with the disclosures required under Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have neither audited the correctness of the content of the disclosures, nor the completeness of the content of the individual disclosures, nor the adequate presentation of the remuneration report.

### **Handling of Possible Misrepresentations**

In connection with our audit, our responsibility is to read the remuneration report taking into account our knowledge obtained in the financial statement audit while remaining attentive to any signs of misrepresentations in the remuneration report regarding the correctness of the contents of the disclosures, the completeness of the content of the individual disclosures or the adequate presentation of the remuneration report.

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

Hamburg/Germany, 17 March 2026

**Deloitte GmbH**  
Wirtschaftsprüfungsgesellschaft

Signed:  
Annika Deutsch  
Wirtschaftsprüferin  
(German Public Auditor)

Signed:  
Maximilian Freiherr v. Perger  
Wirtschaftsprüfer  
(German Public Auditor)