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# REMUNERATION REPORT

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# REMUNERATION REPORT

**This report presents the remuneration for the Management Board and the Supervisory Board members of Springer Nature AG & Co. KGaA (Springer Nature or the company) as at the date of the IPO, so the period from 5 October to 31 December 2024.**

We have provided information on the remuneration awarded and due to the Management Board and the Supervisory Board members as at the date of the Initial Public Offering (IPO) on 5 October 2024. The Management Board and Supervisory Board prepared this remuneration report according to the requirements of Section 162 of the German Stock Corporation Act (Aktiengesetz or AktG).

Springer Nature is organised as a German partnership limited by shares (Kommanditgesellschaft auf Aktien, KGaA) which combines elements of a German stock corporation (Aktiengesellschaft) and elements of a German limited partnership (Kommanditgesellschaft). The management of the KGaA is undertaken by a general partner (or GP) (persönlich haftenden Gesellschafterin). The GP, Springer Nature Management AG, is managed by the Management Board (Vorstand), which thereby indirectly manages the Springer Nature AG & Co. KGaA.

It should be noted that the legislation and regulations regarding the remuneration report are geared to the situation in stock corporations (AG) and do not take into account the special features of a partnership limited by shares (KGaA). This remuneration report is presented accordingly.

EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft (EY) has audited the remuneration report beyond the requirements of Section 162 (3) of the AktG. The remuneration report and the accompanying audit report can be found on our [website](#). The remuneration report has been prepared in German and English.

The values and percentages presented in the tables of the remuneration report may not add up precisely because of rounding.

## REVIEW OF FINANCIAL YEAR 2024 REMUNERATION

Given the IPO of Springer Nature on 5 October 2024, this remuneration report covers the period from 5 October to 31 December 2024 – so, the remuneration system that applied for financial year 2024 on the basis of existing service contracts is described in this report.

In preparing for the IPO, the Supervisory Board adopted a new remuneration system for the members of the Management Board, which is in line with regulatory requirements, market practice and capital market expectations. The remuneration system applies to all members of the Management Board in office as at the date of the IPO, with the grant of the new short-term variable remuneration (Short-Term Incentive or

STI) and the long-term variable remuneration (Long-Term Incentive or LTI) starting from the first full financial year – that is, 1 January 2025.

In accordance with Section 120a (1) of the AktG, the remuneration system – which the Supervisory Board has adopted according to the provisions of Section 87a of the AktG – will be submitted to the company's annual general meeting for approval if there is any significant change, but at least every four years. The remuneration system will be put to a vote at the AGM in 2025.

## REMUNERATION OF THE MANAGEMENT BOARD

The remuneration is intended to significantly contribute to implementing the corporate strategy and to the company's sustainable and long-term development. It is a central part of aligning the interests of the Management Board with the interests of shareholders and other stakeholders.

The current compensation and especially the STI already links compensation to individual performance as well as to the growth and profitability of Springer Nature. With the introduction of the new STI and an LTI from 2025, compensation will further incentivise both the strategic and the financial success of Springer Nature. The close alignment of the LTI with shareholder value and Springer Nature's commitment to environmental, social and governmental (ESG) targets further illustrates the contribution of compensation to the long-term value creation of the company.

### Elements of the Management Board's remuneration

The remuneration system is composed of fixed and variable components, which together make up the total remuneration for members of the Management Board. The remuneration system also contains additional provisions, such as around malus and clawback, holding obligations for shares (Share Ownership Guidelines) and maximum remuneration, in accordance with Section 87a (1) No. 1 of the AktG.

### Establishing, implementing and reviewing the remuneration system and levels

The Supervisory Board of Springer Nature AG & Co. KGaA decides on the remuneration system for the members of the Management Board and is advised by the Remuneration Committee of the General Partner. If necessary, the Supervisory Board can also seek support from external independent experts, ensuring its independence from the Management Board and the company.

The remuneration system adopted by the Supervisory Board will be submitted to the AGM for approval, in accordance with Section 120a of the AktG. The Supervisory Board regularly reviews the remuneration system and resubmits it to the AGM for approval whenever a material change is made, but at least every four years.

**REMUNERATION OF THE MANAGEMENT BOARD**

continued

The remuneration of the members of the Management Board is determined by the Supervisory Board on the basis of the remuneration system. The Supervisory Board carries out a horizontal and a vertical remuneration comparison – that is, it ensures that it does not exceed the standard market remuneration without special reason, and it ensures that remuneration is appropriate in relation to the tasks and performance of a Management Board member and to the economic situation of the company.

As part of the horizontal comparison, a group consisting of companies comparable to Springer Nature is used. Most recently, these were the MDAX companies, which at the time were comparable to Springer Nature in terms of size, location and complexity.

The remuneration and employment conditions of the employees are also considered when determining and reviewing remuneration levels. As part of the vertical comparison, the Supervisory Board considers the ratio of the Management Board’s remuneration to the remuneration of senior management and the workforce as a whole, particularly in terms of its development over time.

**APPLYING THE REMUNERATION SYSTEM**

The remuneration of the Management Board consists of fixed and variable remuneration elements.

**Fixed remuneration**

The fixed remuneration elements consist of base salary, as well as lump sum allowances for fringe benefits and as a pension substitute.

**Base salary**

The base salary is a fixed remuneration each financial year, based on the area of responsibility and experience of the respective Management Board member.

**Fringe benefits**

Members of the Management Board receive a benefits allowance that covers the customary fringe benefits. The allowance for members of the Management Board in foreign locations also considers tax consultancy costs and foreign exchange fluctuations. No other benefits apart from the allowances are granted.

**Directors' and officers' insurance**

Furthermore, the Company takes out customary D&O insurance for members of the Management Board, such policy providing for a 10% deductible with respect to the damages to be borne by the members of the Management Board – in an amount not to exceed 1.5 times the individual annual base salary.

**Pension**

As at the date of the IPO, members of the Management Board receive a pension substitute payment. No company pension scheme is in place for the members of the Management Board and the company does not bear any associated risks.

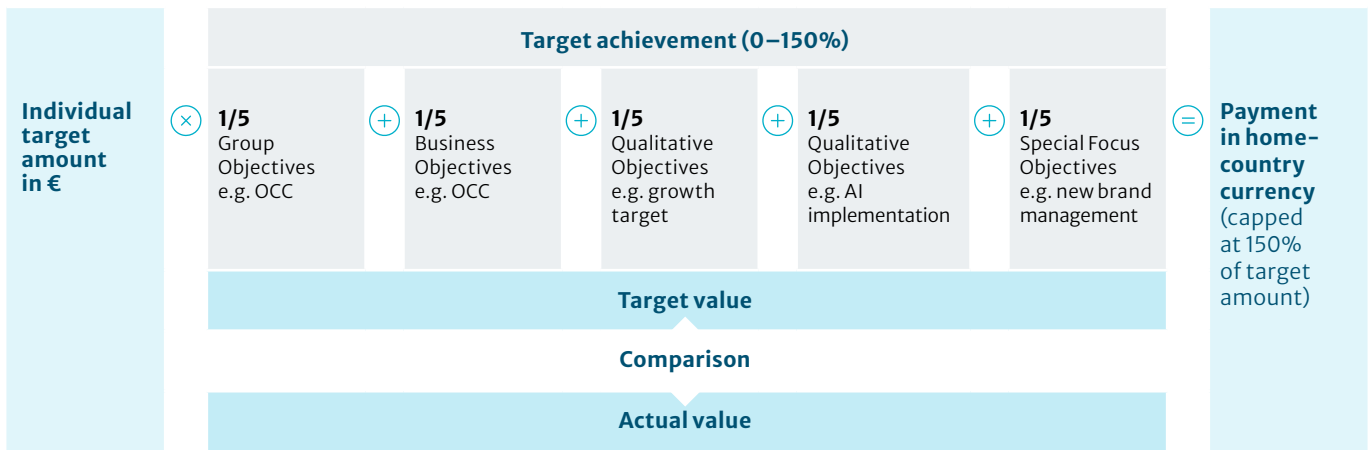
**Variable remuneration**

For 2024, a short-term incentive (bonus) plan is the only variable element in place. As at 1 January 2025, new STI and LTI plans have been introduced.

**Short-Term Incentive**

Management Board members receive currently a yearly short-term incentive based on an individually agreed target amount as well as target achievements for different objectives. The objectives for 2024 were agreed at the beginning of the 2024 financial year and continued after the IPO until the end of the financial year considering the new remuneration system as at 1 January 2025. Objectives are divided into five categories, each weighted at 20%: Group Objectives, Business Objectives, Quantitative Objectives, Qualitative Objectives and Special Focus Objectives. The last three objective categories can consist of up to two individually agreed targets. The payment of the STI is capped at 150% of the agreed target amount.

Figure 1 Illustration of the STI



## APPLYING THE REMUNERATION SYSTEM

continued

Each target has a threshold that must be exceeded to trigger a payment. The target achievement corresponds to 100% when the target value is achieved. The STI can be paid out up to the cap when the actual value corresponds to or exceeds the maximum (maximum target achievement). The threshold and maximum values are defined individually for each target. The target achievement between those values is determined by linear interpolation – the target achievement curve of the STI is exemplified by the Operating Cash Contribution (OCC) for Springer Nature, which is defined as a uniform group objective for the entire Management Board. Other targets collectively shared by the Management Board are related to Growth, Efficiency and Process Improvements.

**Table 1 Target achievement for OCC**

Target	Group objective
	Operating Cash Contribution (OCC) Springer Nature
<b>Threshold</b>	465.9
<b>Target value</b>	482.9
<b>Maximum</b>	499.7
<b>Actual value</b>	505.9
<b>Target achievement</b>	150%

The targets for the other categories are agreed on an individual basis and differ in 2024 between the members of the Management Board. Given that this short-term incentive is based on pre-IPO agreement, this is not yet fully aligned to the requirement of the remuneration of the board of a listed company. Shown in the next table are the total target achievements of the STI 2024 and the resulting payouts for each member of the Management Board for the relevant period (5 October to 31 December 2024):

**Table 2 Total target achievement and payout of the STI (prorated for period 5 October to 31 December 2024)**

Name, position	Target	Weight %	Target achievement %	Total target achievement %	Payout amount in €'000	
<b>Franciscus Vrancken Peeters</b> Chief Executive Officer	<b>Group Objectives</b> Operating Cash Contribution (OCC) Springer Nature	€482.8m	20	150	<b>124</b>	<b>153</b>
	<b>Business Objectives</b> OCC of the respective business unit	€424.6m	20	150		
	<b>Quantitative Objectives</b> Growth and efficiency targets	Full OA revenue growth and improved turn around time	20	90		
	<b>Qualitative Objectives</b> Market Share and AI implementation	Market share in OA and manuscripts processed via AI tool	20	150		
	<b>Special Focus Objectives</b> Increase productivity and integration of new hires	New senior leaders successfully onboarded and publishing volumes increased in key regions	20	78.1		
<b>Alexandra Dambeck</b> Chief Financial Officer	<b>Group Objectives</b> Operating Cash Contribution (OCC) Springer Nature	€482.8m	20	150	<b>128</b>	<b>62</b>
	<b>Business Objectives</b> OCC of the respective business unit	€424.6m	20	150		
	<b>Quantitative Objectives</b> Growth and liquidity targets	SN Group free cash flow €203.42m	20	143.77		
	<b>Qualitative Objectives</b> Process improvements and investment planning	CFO roadmap implemented	20	100		
	<b>Special Focus Objectives</b> Onboarding and engagement	Completed adjustments to organisational set-up completed	20	96		

## APPLYING THE REMUNERATION SYSTEM

continued

Name, position	Target	Weight %	Target achievement %	Total target achievement %	Payout amount in €'000	
<b>Carolyn Honour*</b> Chief Commercial Officer	<b>Group Objectives</b> Operating Cash Contribution (OCC) Springer Nature	€482.8m	20	150	<b>114</b>	<b>83</b>
	<b>Business Objectives</b> Sales target	€1,337.6m	20	115.49		
	<b>Quantitative Objectives</b> Growth targets	Full OA revenue growth and eBook revenue	20	75		
	<b>Qualitative Objectives</b> Market share and Sales targets	Transfer agreements in budget and 2025 renewals	20	146.29		
	<b>Special Focus Objectives</b> Process improvements and engagement	AI tools in marketing ; sales study, NY location	20	81.25		
<b>Rachel Jacobs*</b> Group General Counsel	<b>Group Objectives</b> Operating Cash Contribution (OCC) Springer Nature	€482.8m	20	150	<b>128</b>	<b>56</b>
	<b>Business Objectives</b> OCC of the respective business unit	€424.6m	20	150		
	<b>Quantitative Objectives</b> Growth and efficiency targets	OA revenue growth and number of automated contracts	20	150		
	<b>Qualitative Objectives</b> Sales target and AI targets	2025 renewals and evaluation of AI legal landscape	20	137.5		
	<b>Special Focus Objectives</b> DEI and internal customer satisfaction	Representation goals and customer satisfaction	20	50		
<b>Harshavardhan Jegadeesan</b> Chief Publishing Officer	<b>Group Objectives</b> Operating Cash Contribution (OCC) Springer Nature	€482.8m	20	150	<b>121</b>	<b>58</b>
	<b>Business Objectives</b> OCC of the respective business unit	€424.6m	20	150		
	<b>Quantitative Objectives</b> Growth and efficiency targets	Full OA revenue growth and improved turn around time	20	90		
	<b>Qualitative Objectives</b> Market leadership and process improvement	Market performance and usage of AI in publishing process	20	150		
	<b>Special Focus Objectives</b> Onboarding and productivity	New Senior leaders successfully onboarded and publishing volumes increased in key regions	20	65.6		

\* Due to the STI in 2024 still based on previous contract, the pay out for Carolyn Honour and Rachel Jacobs will be made in local currency (Carolyn Honour USDk 90 and Rachel Jacobs GBPk 47). For ease of reference shown here in Euro based on constant FX rates used.



## APPLYING THE REMUNERATION SYSTEM

continued

Name, position	Target	Weight %	Target achievement %	Total target achievement %	Payout amount in €'000	
<b>Marc Spenlé</b> Chief Operating Officer	<b>Group Objectives</b> Operating Cash Contribution (OCC) Springer Nature	€482.8m	20	150	<b>122</b>	<b>59</b>
	<b>Business Objectives</b> OCC of the respective business unit	€424.6m	20	150		
	<b>Quantitative Objectives</b> Growth and efficiency targets	Full OA revenue growth and improved turnaround time	20	90		
	<b>Qualitative Objectives</b> Market leadership and process improvement	Editor satisfaction and implementation of new AI tools	20	150		
	<b>Special Focus Objectives</b> Growth and productivity targets	Growth in solutions and increased efficiency through process automation	20	68.75		

As at financial year 2025, and for all members of the Management Board, the STI will consider the same financial targets – adjusted operating profit (AOP), free cash flow (FCF) and underlying revenue growth. We have aligned the STI targets in the new remuneration system with the final financial reporting measures decided as part of the IPO, particularly using AOP as the reporting measure rather than EBT. We will transparently disclose target setting and respective target achievement in the remuneration report.

### Long-Term Incentive

No LTI was granted for the period from 5 October to 31 December 2024. The first tranche of the new LTI will start on 1 January 2025. For this reason, the tranche for 2025 will have an increased grant value – that is, a 3/12ths grant for 2024.

The new LTI is designed as a performance share plan on the basis of virtual Springer Nature shares. Tranches with a four-year performance period are granted on an annual basis.

The final number of virtual shares depends on the degree to which the performance targets of:

- return on capital employed (ROCE)
- absolute total shareholder return (TSR)
- relative TSR against the STOXX Europe 600 Media Index
- and targets around environmental, social and governance (ESG)

were achieved – whereas the value of each virtual share is the product of share performance in absolute terms.

This means that the LTI combines internal and external performance targets and hinges to a significant degree on the performance of Springer Nature shares in the capital market.

### Malus and clawback

In certain cases, the Supervisory Board is allowed to reduce all or part of the variable remuneration not yet paid out (malus) or reclaim all or part of the variable remuneration already paid out (clawback).

For instance, in cases of a material breach of:

- a duty of care within the meaning of Section 93 of the AktG
- a duty under the service agreement
- another material principle of action of the company – for example, under the Code of Conduct or the Compliance Guidelines

the Supervisory Board is entitled to reduce the variable remuneration or demand that it be repaid (compliance malus and clawback).

The Supervisory Board may also reclaim variable remuneration already paid out, if it was paid out based on incorrect financial statements and the remuneration amount paid was excessive as a result (performance clawback).

No variable remuneration was withheld (malus) or demanded back (clawback) from the Management Board members during financial year 2024.

**APPLYING THE REMUNERATION SYSTEM**

continued

**Share Ownership Guidelines**

To further strengthen the shareholder culture and align the interests of the Management Board with those of shareholders, we have put Share Ownership Guidelines (SOG) in place for members of the Management Board. Under such guidelines, Management Board members are obliged during their tenure to acquire and hold Springer Nature shares in an amount equal to 200% of one gross annual base salary for the CEO and 100% of one gross annual base salary for other members of the Management Board (SOG Target). At least 30% of the SOG Target is to be acquired within two years, and 100% within four years.

As part of the IPO, CFO Alexandra Dambeck acquired Springer Nature shares (offered shares) at the offer price totalling €100,000. A 12-month holding period from the date of the IPO applies here according to respective lock-up agreements.

Otherwise, no shares were acquired by members of the Management Board in 2024. No shares or stock options were granted or owed as part of compensation in 2024.

**Premature termination**

The members of the Management Board are subject to market-standard non-compete clauses for the term of their respective service agreement. The members of the Management Board are also subject to market-standard post-contractual non-compete clauses after the termination of the respective service agreement, covering a period of one year following such termination. The members of the Management Board shall receive non-compete compensation equal to 50% of their most recently received contractual total remuneration. Payments agreed in conjunction with the post-contractual non-compete clause are offset against any severance payments.

In the case of a premature termination of the service agreement without good cause, any agreed payments (for example, severance payments) to be made to the member of the Management Board, including fringe benefits, will not exceed the value of 24 months' remuneration – or 18 months' remuneration if a post-contractual non-compete clause does not become effective – and will compensate for no more than the remaining term of the service agreement.

The remuneration policy provides for regulations in the event of premature termination of a mandate on the Management Board because of a change of control (CoC). A CoC event is triggered if a third party acquires at least 50% of the statutory voting rights in the company and if at least one of the following preconditions is met:

- a the appointment of the member of the Management Board is revoked by the Supervisory Board because of withdrawal of confidence by the AGM within six months of the CoC
- b the responsibilities and/or tasks of the member of the Management Board were substantially changed by the company within six months of the CoC
- c the member of the Management Board is approached by the Supervisory Board within six months of the CoC to accept a reduction in their remuneration (except for a reduction in accordance with Section 87 (2) of the AktG)
- d the member of the Management Board is approached by the Supervisory Board within six months of a change of ownership to accept a preliminary termination of their service relationship, or
- e the admission of the shares of Springer Nature to all regulated/organised markets on national stock exchanges or comparable foreign markets is revoked, without a simultaneous inclusion in a (qualified) segment of the open market.

In the case of alternatives b) to e), and generally for a period of two months following the Change of Control the member of the Management Board has the right to extraordinarily terminate the service relationship with three months' prior notice to the end of a calendar month and to resign from their function as a member of the Management Board with such a notice period. The company shall pay the Management Board member severance remuneration of the gross value of 24 months' compensation – but, at most, pay the compensation that would have been payable up to the end of the regular term of their service agreement.

In financial year 2024, neither severance payments nor remuneration for non-competition were paid.

**APPLYING THE REMUNERATION SYSTEM**

continued

**Target remuneration of the Management Board**

The members of the Management Board are contractually entitled to target remuneration based on their position and the skills relevant to their activities. The target remuneration consists of the remuneration granted for the financial year, which would be paid out if 100% of the targets are achieved.

The following tables show the contractually agreed target remuneration of the Management Board members for the period from 5 October to 31 December 2024.

**Table 3 Target remuneration of the Management Board**

	Franciscus Vrancken Peeters Chief Executive Officer		Alexandra Dambeck Chief Financial Officer		Carolyn Honour Chief Commercial Officer	
	€'000	%	€'000	%	€'000	%
Base salary	240	58	120	62	114	51
Fringe benefits allowance	12	3	7	4	19	9
Pension allowance	36	9	18	9	17	8
<b>Total fixed remuneration</b>	<b>289</b>	<b>70</b>	<b>145</b>	<b>75</b>	<b>151</b>	<b>67</b>
STI*	124	30	48	25	73	33
<b>Total remuneration</b>	<b>412</b>	<b>100</b>	<b>194</b>	<b>100</b>	<b>224</b>	<b>100</b>

	Rachel Jacobs Group General Counsel		Harshavardhan Jegadeesan Chief Publishing Officer		Marc Spenlé Chief Operating Officer	
	€'000	%	€'000	%	€'000	%
Base salary	105	59	126	63	129	63
Fringe benefits allowance	14	8	7	4	7	4
Pension allowance	16	9	19	9	19	9
<b>Total fixed remuneration</b>	<b>135</b>	<b>76</b>	<b>152</b>	<b>76</b>	<b>155</b>	<b>76</b>
STI*	44	24	48	24	48	24
<b>Total remuneration</b>	<b>179</b>	<b>100</b>	<b>200</b>	<b>100</b>	<b>203</b>	<b>100</b>

\* The STI in 2024 is still based on the previous contract and is agreed in local currency (Carolyn Honour: USDk 80; Rachel Jacobs: GBPk 37). For ease of reference shown here in Euro based on constant FX rates used.



**APPLYING THE REMUNERATION SYSTEM**

continued

**Remuneration awarded and due to the Management Board members**

The following tables present the remuneration awarded and due to the active Management Board members for the period from 5 October to 31 December 2024 in accordance with Section 162 of the AktG, as well as the relative proportion of each component. The term 'remuneration awarded and due to' refers to the remuneration of the Management Board members for which the underlying services were fully provided by the end of financial year 2024 (vesting approach). So, the STI for 2024 is reported for financial year 2024, even though the actual payout will occur in financial year 2025.

The remuneration system incorporates an annual maximum remuneration in accordance with Section 87a (1) No.1 of the AktG of €6,000,000 respectively €1,442,622.95 for the reported period for the Chief Executive Officer and €3,000,000 respectively €721,311.48 for the reported period for the other Management Board members. The remuneration awarded and due to the members of the Management Board of Springer Nature AG & Co. KGaA as a listed company from 5 October to 31 December 2024 does not exceed this maximum remuneration. No remuneration has been granted or awarded to a member of the Management Board by a third party with regard to their activities as a member of the Management Board.

**Table 4 Remuneration awarded and due to the Management Board**

	Franciscus Vrancken Peeters Chief Executive Officer		Alexandra Dambeck Chief Financial Officer		Carolyn Honour Chief Commercial Officer	
	€'000	%	€'000	%	€'000	%
Base salary	240	54	120	58	114	49
Fringe benefits allowance	12	3	7	3	19	8
Pension allowance	36	8	18	9	17	7
<b>Total fixed remuneration</b>	<b>289</b>	<b>65</b>	<b>145</b>	<b>70</b>	<b>151</b>	<b>65</b>
STI*	153	35	62	30	83	35
<b>Total remuneration</b>	<b>442</b>	<b>100</b>	<b>207</b>	<b>100</b>	<b>233</b>	<b>100</b>

	Rachel Jacobs Group General Counsel		Harshavardhan Jegadeesan Chief Publishing Officer		Marc Spenlé Chief Operating Officer	
	€'000	%	€'000	%	€'000	%
Base salary	105	55	126	60	129	60
Fringe benefits allowance	14	8	7	3	7	3
Pension allowance	16	8	19	9	19	9
<b>Total fixed remuneration</b>	<b>135</b>	<b>71</b>	<b>152</b>	<b>72</b>	<b>155</b>	<b>73</b>
STI*	56	29	58	28	59	27
<b>Total remuneration</b>	<b>191</b>	<b>100</b>	<b>211</b>	<b>100</b>	<b>214</b>	<b>100</b>

\* Due to the STI in 2024 still based on previous contract, the pay out for Carolyn Honour and Rachel Jacobs will be made in local currency (Carolyn Honour USDk 90 and Rachel Jacobs GBPk 47). For ease of reference shown here in Euro based on constant FX rates used.

## REMUNERATION OF THE SUPERVISORY BOARD

**The remuneration principles for Supervisory Board Members are set out in the Remuneration System for the Supervisory Board approved 12 September 2024. Based on the responsibilities and committee participation, a fixed remuneration and an additional committee fee are the main remuneration elements. This system remains in force as long as it is not amended by the AGM.**

### Remuneration system of the Supervisory Board

In line with their monitoring function and to guarantee their independence, each member of the Supervisory Board of Springer Nature AG & Co. KGaA receives annual fixed remuneration. No remuneration is payable to members of the Supervisory Board of Springer Nature Management AG (General Partner). When assessing the remuneration of the Supervisory Board, we consider the responsibilities and time requirements specific to certain roles. Supervisory Board members receive additional fees for their membership of committees.

### Fixed remuneration

In general, members of the Supervisory Board receive fixed remuneration of €60,000 for every full financial year of their membership. Remuneration for the Chair of the Supervisory Board is twice this amount (that is, €120,000) and for the Deputy Chair 1.5 times (that is, €90,000).

### Remuneration awarded and due to the Supervisory Board members

The following table shows the remuneration awarded and due to the Supervisory Board members from 5 October to 31 December 2024.

**Table 5 Remuneration awarded and due to the Supervisory Board**

	Membership of committees <sup>1</sup>		Fixed remuneration		Committee remuneration		Total remuneration	
	AC	ENC	€'000	%	€'000	%	€'000	%
<b>Dr Stefan von Holtzbrinck</b> Chair	–	C	29	100	–	–	29	100
<b>Nikos Stathopoulos</b> Deputy Chair	–	DC	22	100	–	–	22	100
<b>Bettina (Obi) Felten</b> Member	–	–	14	100	–	–	14	100
<b>Birgit Haderer</b> Chair of Audit Committee	C	–	14	67	7	33	22	100
<b>Dr Sabine Knauer</b> Member	–	–	14	100	–	–	14	100
<b>Dr Stefan Oschmann</b> Member	–	M	14	100	–	–	14	100
<b>Björn Waldow</b> Member	M	–	14	80	4	20	18	100
<b>Dr Ewald Walgenbach</b> Member	M	–	14	80	4	20	18	100

<sup>1</sup> AC= Audit Committee. ENC = Executive and Nomination Committee. C = Chair. DC = Deputy Chair. M = Member.

### Committee remuneration

Members of the Audit Committee of the Supervisory Board receive a fixed annual payment of €15,000. The Chair of the Audit Committee receives a fixed annual payment of €30,000. Members of other committees of the Supervisory Board that might be established receive a fixed annual payment of €15,000, the Chair of each of those other committees receives a fixed annual payment of €30,000, provided that the respective committee has met at least once each financial year.

### Directors' and officers' insurance

The company maintains D&O insurance for the members of the Supervisory Board at the company's cost.

### Expenses

The members of the Supervisory Board are entitled to reimbursement of their reasonable expenses – including, but not limited to, travel, board and lodging, and telecommunication expenses. Expenses are reimbursed when invoiced and evidenced. In addition, members of the Supervisory Board will be reimbursed for any value added tax (VAT) accrued on remuneration and expenses.

## REMUNERATION DEVELOPMENT OVER TIME

In accordance with Section 162 of the AktG, the comparison of the annual changes in remuneration of current and former Management Board and Supervisory Board members, as well as the annual development of the company's earnings and the average employee remuneration over the previous five years, shall be presented. Given the IPO of Springer AG & Co. KGaA in financial year 2024, and that that Section of the AktG only applies to listed companies, there is no comparator for the previous financial years. As such, only the remuneration of the Management Board and Supervisory Board for the period from 5 October to 31 December 2024 is presented.

The average employee remuneration is calculated based on Springer Nature AG & Co. KGaA's workforce in Germany, which had an average of 539 active employees (full-time equivalents) in the fourth quarter of 2024.

The average employee remuneration includes personnel expenses for wages and salaries, employer contributions to social security, pension and similar expenses as well as other employee benefits and any short-term variable remuneration components attributable to the full fourth quarter of 2024 (1 October to 31 December 2024). The company's earnings (annual net profit – respectively loss according to German Commercial Code (Handelsgesetzbuch) of Springer Nature AG & Co. KGaA) are presented for the full financial year 2024. We will add to this comparison in future reporting years to illustrate how remuneration and earnings have developed in relation to each other. We will cover the full five-year period for the first time in the 2028 remuneration report.

**Table 6 Comparison of changes in remuneration and earnings**

	5 Oct–31 Dec 2024 €'000
<b>Management Board</b>	
<b>Franciscus Vrancken Peeters</b> , Chief Executive Officer	442
<b>Alexandra Dambeck</b> , Chief Financial Officer	207
<b>Carolyn Honour</b> , Chief Commercial Officer	233
<b>Rachel Jacobs</b> , Group General Counsel	191
<b>Harshavardhan Jegadeesan</b> , Chief Publishing Officer	211
<b>Marc Spenlé</b> , Chief Operating Officer	214
<b>Supervisory Board</b>	
<b>Dr Stefan von Holtzbrinck</b> , Chair	29
<b>Nikos Stathopoulos</b> , Deputy Chair	22
<b>Bettina (Obi) Felten</b>	14
<b>Birgit Haderer</b> , Chair of Audit Committee	22
<b>Dr Sabine Knauer</b>	14
<b>Dr Stefan Oschmann</b>	14
<b>Björn Waldow</b>	18
<b>Dr Ewald Walgenbach</b>	18
<b>Employees</b>	
Personnel expense per employee (full fourth quarter of 2024)	20
<b>Springer Nature's business performance</b>	
Annual net profit – respectively loss according to German Commercial Code (Handelsgesetzbuch) of Springer Nature AG & Co. KGaA (in € millions)	-11

## OUTLOOK FOR FINANCIAL YEAR 2025

In preparation for the IPO, the Supervisory Board adopted a new remuneration system for the members of the Management Board that is in line with regulatory

requirements, market practice and capital market expectations. The remuneration system will be presented to the AGM on 5 June 2025. An overview of the new remuneration system is shown in the following table.

**Table 7 Overview of the new remuneration system**

<b>New remuneration system</b>	
<b>Remuneration structure</b>	Base salary: 30%–45% Pension: 0%–10% Fringe benefits: 0%–7% Short-Term Incentive (STI): 15%–25% Long-Term Incentive (LTI): 25%–45%
<b>Fixed remuneration</b>	
<b>Base salary</b>	Fixed annual salary paid out in instalments
<b>Pension</b>	Fixed allowance substituting a pension scheme
<b>Fringe benefits</b>	Fixed allowance substituting customary fringe benefits Invalidity and D&O insurance
<b>Variable remuneration</b>	
<b>Short-Term Incentive (STI)</b>	Performance targets: 1/3 AOP; 1/3 FCF; 1/3 underlying Revenue Growth with Target Achievement 0%–150% Multiplier: Range 0.8–1.2, based on list of criteria (individual performance, collective performance of the Management Board, stakeholder goals including ESG targets) Cap: 150% of target amount Payout: 100% in cash
<b>Long-Term Incentive (LTI)</b>	Plan type: Performance Share Plan Performance period: 4 years Performance targets: 35% ROCE; 30% absolute TSR; 20% relative TSR against STOXX Europe 600 Media; 15% ESG Cap: 200% on number of virtual shares, 250% of target amount on payout Payout: 100% in cash, company may settle in shares
<b>Further contractual provisions</b>	
<b>Maximum remuneration</b>	Maximum amount considering all remuneration elements agreed for a given year (Chief Executive Officer: €6 million; Other Board members: €3 million)
<b>Malus and clawback</b>	Contractual possibility to reduce or reclaim variable remuneration in the event of compliance cases and if variable remuneration was paid out based on incorrect financial statements
<b>Share Ownership Guidelines (SOG)</b>	Chief Executive Officer: 200% of base salary Other Board members: 100% of base salary Build-up phase over a maximum of four years Holding phase until end of appointment

Berlin, 27 March 2025

**Springer Nature AG & Co. KGaA**  
**Supervisory Board and Management Board**

Subject to the conditions described in the exhibit " Engagement Terms, Liability and Conditions of Use" and in accordance with legal and professional regulations, we issue the

Independent auditor's report

To Springer Nature AG & Co. KGaA

We have audited the attached remuneration report of Springer Nature AG & Co. KGaA prepared to comply with Sec. 162 AktG ["Aktiengesetz": German Stock Corporation Act] from the date of the initial public offering (IPO) on October 5 to December 31, 2024, and the related disclosures.

Responsibilities of the executive directors and the supervisory board

The executive directors and supervisory board of Springer Nature AG & Co. KGaA are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, the executive directors and supervisory board are responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

Auditor's responsibility

Our responsibility is to express an opinion on this remuneration report and the related disclosures based on our audit. We conducted our audit in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report and the related disclosures are free from material misstatement, whether due to fraud or error.

An audit involves performing procedures to obtain audit evidence about the amounts in the remuneration report and the related disclosures. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the remuneration report and the related disclosures, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report and the related disclosures in order to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the accounting policies used and the reasonableness of accounting estimates made by the executive directors and



supervisory board, as well as evaluating the overall presentation of the remuneration report and the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report from the date of the IPO on October 5 to December 31, 2024, and the related disclosures comply, in all material respects, with the financial reporting provisions of Sec. 162 AktG.

#### Other matter – formal audit of the remuneration report

The audit of the content of the remuneration report described in this auditor's report comprises the formal audit of the remuneration report required by Sec. 162 (3) AktG and the issue of a report on this audit. As we are issuing an unqualified opinion on the audit of the content of the remuneration report, this also includes the opinion that the disclosures pursuant to Sec. 162 (1) and (2) AktG are made in the remuneration report in all material respects.

Berlin, 27. March 2025

EY GmbH & Co. KG  
Wirtschaftsprüfungsgesellschaft

Dr. Röders  
Wirtschaftsprüfer  
[German Public Auditor]

Patzelt  
Wirtschaftsprüfer  
[German Public Auditor]