

# Long Term Incentive Plan 2026

## 1. Plan purpose and objectives

The performance based share plan (Long Term Incentive Plan 2026 – "**LTIP2026**") is a long-term compensation instrument for the members of the Executive Board that promotes mid and long-term value creation at Frequentis AG (the "Company").

The LTIP2026 seeks to align the interests of the members of the Executive Board and the shareholders of the Company by providing the members of the Executive Board with the possibility to receive – on a performance basis, dependent on the fulfilment of certain individual targets – shares in the Company. The LTIP2026 also seeks to prevent inadequate risk-taking and to set the focus on the long-term development of the Company. In this respect, the LTIP2026 draws on sustainable and multi-annual performance criteria and includes also non-financial criteria.

## 2. Participation

Participants in the LTIP2026 are all members of the Executive Board of Frequentis AG, with the role of the Chairman of the Executive Board and his particular responsibility for the Company's long-term strategy being reflected in a differentiated structure regarding the shares that may be acquired and the minimum holding.<sup>1</sup>

It is envisaged to also provide in subsequent years – subject to approval by the respective general meeting – for long term incentive plans.

## 3. Personal share ownership rules

There is no requirement for an ex ante investment in Frequentis shares in order to participate in the LTIP2026. However, the members of the Executive Board are obliged to build up, out of the LTIP2026 (and potential preceding and potential future long term incentive plans) an appropriate minimum holding of shares in the Company and to hold such shares until their departure from the Company. The minimum holding amounts to 7,000 shares in the Company for the Chairman of the Executive Board and to 1,550 shares in the Company (each) for the other members of the Executive Board. Subject to such minimum holding requirement, every member of the Executive Board may sell – as from the date of pay out – per calendar year one third of the shares received under the LTIP2026.

## 4. Grant levels

The maximum number of shares which may be allocated to the Chairman of the Executive Board under the LTIP2026 amounts to 18,000 shares in the Company (gross) and to each other member of the Executive Board respectively amounts to 4,000 shares in the Company (gross), whereby no increase of shares under the LTIP2026 shall take place in case of capital increases or other capital measures.

In accordance with Rule 27 of the Austrian Corporate Governance Code it is, in addition, determined as maximum value amount for the allocation of shares that under the LTIP2026 the Chairman of the Executive Board may not be allocated more than 300%, and the other members of the Executive Board may not be allocated more than 150%, in each case of their respective

---

<sup>1</sup> Unless this document expressly distinguishes between the Long-Term Incentive Plan for the Chairman of the Executive Board and the Long-Term Incentive Plans for the other members of the Executive Board, the terms and conditions set out herein apply uniformly to all members of the Executive Board including the Chairman.

This document represents a convenience translation of the official (German) version. In case of discrepancies between the official (German) version and this English convenience translation the official (German) version shall prevail.

annual base salary (gross) for the fiscal year 2026, in form of shares. The calculation of such maximum value amount is to be made on the basis of the average share price of the Frequentis shares at the Vienna Stock Exchange during the three-month period following the end of the calendar year 2028.

The transfer of shares constitutes a benefit in kind (*entgeltwerter Vorteil*) derived from role as a member of the Executive Board and is therefore taxed accordingly. Shares are allocated on a "gross" basis, before deduction of taxes and duties (in particular, withholding tax). The actual transfer of the shares is "net", meaning the number of shares received after taxes and duties have been deducted. Due to these deductions, only approximately half of the allocated shares are typically actually transferred to the respective member of the Executive Board.

In any case, the total accumulated number of shares allocated to the Chairman of the Executive Board under the LTIP2026 (and preceding and potential future long term incentive plans and/or other share transfer or share option programs) will amount to less than 5% of the outstanding nominal capital of the Company, and the total accumulated number of shares allocated to the other members of the Executive Board under the LTIP2026 (and potential future long term incentive plans and/or other share transfer or share option programs) will in each case amount to less than 1% of the outstanding nominal capital of the Company.

## 5. Effective Date and term

Plan commencement: 1 January 2026, subject to approval by the general meeting

Performance period: 3 years (1 January 2026 to 31 December 2028)

Vesting date: 30 April 2029, subject to approval by the Supervisory Board of the Company

## 6. Performance criteria and weightings

The number of shares allocated is calculated by multiplying the maximum number of shares that can be allocated (gross and subject to the maximum value limit) by the total percentage of target achievement, whereby the target achievement is measured over the entire performance period of three years. When doing such calculation, rounding is made in any event down to one full share.

In case of a 100% target achievement, all shares allocable under the LTIP2026 – observing, however, the maximum value limit – are allocated. However, also in case of an over-achievement of targets (i.e. more than 100% target achievement) the allocation of shares will not exceed the respective maximum value limit and the maximum number of shares. An over-achievement with respect to one performance target/criterion may equate an under-achievement with respect to another performance target/criterion within the limits of the aforementioned maximum determinations.

In case of a lesser target achievement, the number of shares is reduced accordingly (linear). Should the target achievement amount to less than 50%, no shares are allocable under the LTIP2026.

The defined performance criteria must not be amended during the performance period of the LTIP2026. However, in order to maintain the incentivizing character of the LTIP2026, the Supervisory Board has the discretion to adjust the figures for target achievement if market conditions change significantly and/or special situations occur. In this respect the Supervisory Board has to consider in line with Section 78 Para 1 of the Stock Corporation Act that an allocation of shares under the LTIP2026 is proportionate to the tasks and the performance of the member of the Executive Board, to the situation of the Company and to the usual remuneration and that the criterion of a long-term incentive for a sustainable development of the Company is preserved.

This document represents a convenience translation of the official (German) version. In case of discrepancies between the official (German) version and this English convenience translation the official (German) version shall prevail.

In addition, the Supervisory Board may, in case that the Company has in two years out of the three-year performance period a negative annual result (in the individual or consolidated accounts), reduce the number of shares allocable under the LTIP2026 in full or in part, depending on the reasons and the extent of the losses within its reasonable discretion.

The performance criteria aim for a sustainable creation of value in the following performance areas:

- Sustainability:

15% of the total allocation (for 100% target achievement; up to 25% for target achievement exceeding 100%) is based, for all members of the Executive Board, on the Company's position in the sustainability rating of the internationally recognised agency EcoVadis SAS ("EcoVadis") during the performance period. The degree of target achievement depends on the percentile in which the Company is positioned according to the EcoVadis scorecard, with a position between the 80th and 90th percentile being set as the target value for this performance criterion (100% target achievement).

- Company:

Two of the following individual company-specific targets were agreed with each member of the Executive Board. Each individual target accounts for 30% of the total allocation (for 100% target achievement; up to 35% for target achievement exceeding 100%):

- Achieving a target figure for the cumulative order intake of the "Accelerator Hub" business unit during the performance period (target for the CEO);
- Meeting defined KPIs in the context of project management (target for the COO and CTO);
- Developing a concept and implementing measures derived from it to further develop the group's service organisation (target for COO and CTO);
- Achieving a target for the increase in the EBT margin in the Company's standalone financial statements (target for CEO and CFO);
- Maintaining a target range for working capital intensity within the performance period (target for CFO).

- Shareholders

25% of the total allocation (for 100% target achievement; up to 30% for target achievement exceeding 100%) is based, for all members of the Executive Board, on the Total Shareholder Return ("TSR") relative to a group of peer companies.

Performance of the relative TSR criterion is calculated by comparing the TSR of the Company over the three-year performance period against the TSR of a peer group of companies. The relative TSR peer group was determined by the Supervisory Board and includes the following companies:

- Fabasoft AG
- Indra Sistemas SA
- IVU Traffic Technologies AG
- Kapsch TraffiCom AG
- Kongsberg Gruppen ASA
- Kontron AG
- SAAB AB

This document represents a convenience translation of the official (German) version. In case of discrepancies between the official (German) version and this English convenience translation the official (German) version shall prevail.

TSR is the percentage change in the value of an investment in a company over a given period and is calculated as (i) the growth in share price over a given period plus (ii) the value of dividends paid out over the period, assuming they are reinvested in shares of the Company.

For the TSR calculation the average share price in the period from 1 January 2026 to 31 March 2026 (as initial share price) and the average share price in the period from 1 October 2028 to 31 December 2028 (as end share price) are used (with respect to the Company, the respective share price at the Vienna Stock Exchange shall apply).

The TSR for the performance period is determined for each company in the peer group, including the Company, and is ranked in descending order of the performance. The target achievement rate depends on the position of the TSR of the Company in the four quartiles of the ranking, whereby the fourth quartile includes the lowest TSR and the first quartile the highest TSR. Target for such performance criterion (100% target achievement) is a relative position of the Company in the second quartile.

The Supervisory Board is entitled to replace a member of the TSR peer group with a suitable company of its choice if events occur that prevent calculating a meaningful TSR value for that member. Such events could include the unavailability of a stock price due to an (announced) delisting, a permanent trading suspension, or other comparable circumstances. Any replacement has to be reported in the compensation report.

## 7. Vesting/payout/clawback

The determination of target achievement is to be done by the Supervisory Board of the Company until the vesting date, if possible. If approval for pay out of the shares is granted by the Supervisory Board on the vesting date or prior thereto, the pay out shall be effected on the business day following the vesting date. Otherwise, pay out shall be effected at the beginning of the month following the approval, in each case provided that no legal restrictions, in particular, deadlines under capital markets law relating to the sale of the Company's own shares, prevent this. The Company does not cover any share price risk caused by the delay or the transfer.

In case of specific circumstances (pay out of shares based on evidently incorrect data; adjustment of approved financial statements for a financial year in the performance period due to a mistake; serious misconduct by the member of the Executive Board constituting a material violation of applicable laws, the Articles of Association of the Company, the bylaws for the Executive Board or internal guidelines; material failure of the risk management which results in significant damages for the Company), the Supervisory Board may, in its reasonable discretion, reduce the number of shares allocable under the LTIP2026 in full or in part or claim full or partial repayment of paid out shares.

## 8. Rules for Leavers prior to the Vesting Date

In case the Company terminates the contract for good cause or a member of the Executive Board ends his membership to the Executive Board without good cause, no shares under the LTIP2026 shall be allocable.

In case a member of the Executive Board ceases to be a member of the Executive Board without his fault (premature termination of the contract by the Company without good cause; resignation with good cause; retirement; expiry of the tenure of the mandate as member of the Executive Board without extension or re-appointment and no good cause being at hand for not extending or re-appointing the respective Executive Board member) the shares allocable under the LTIP2026 are to be allocated pro rata, to the extent the targets have been fulfilled by the date of departure.

In case of death or permanent occupational disability of a member of the Executive Board, claims for shares which are not due are valued and settled in cash per the date of death/permanent

This document represents a convenience translation of the official (German) version. In case of discrepancies between the official (German) version and this English convenience translation the official (German) version shall prevail.

occupational disability; the value is to be determined on the basis of actual target achievement until the date of death/permanent occupational disability.

In case of an amicable termination, an agreement on the LTIP2026 is to be made between the Company and the member of the Executive Board.

## 9. Plan termination

In case a member of the Executive Board ceases prematurely to be a member of the Executive Board for any reason whatsoever, the LTIP2026 terminates with immediate effect. Other than that, a premature termination of the LTIP2026 is – except for a termination for good cause – excluded. A good cause is given if e.g. a member of the Executive Board commits a serious misconduct or if the Company ceases to be publicly listed.