

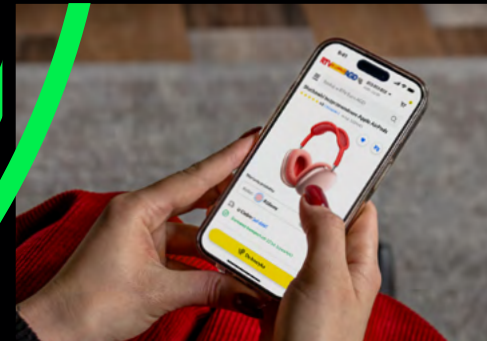
SYZYGY GROUP

Invitation to virtual Annual General Meeting



2024

Tuesday, July 9, 2024, 10:00 (CEST)



Invitation to virtual Annual General Meeting

Syzygy AG
Bad Homburg v.d.H.
WKN 510 480 / ISIN DE0005104806
Unique identifier of the event: SYZ072024oHV

We hereby invite our shareholders to the Ordinary virtual General Meeting to be held on
Tuesday, July 9, 2024, 10:00 (CEST)

Which is held exclusively as a virtual Annual General Meeting without the possibility of shareholders or their proxies attending in person.

In accordance with the German Stock Corporation Act:
Vortragssaal der Deutschen Nationalbibliothek,
Adickesallee 1, 60322 Frankfurt am Main, Germany

Information pursuant to Section 125 (1) German Stock Corporation Act (AktG) in connection with Section 125 (5) AktG, Article 4 (1) and Table 3 of the Annex to Implementing Regulation (EU) 2018/121

Type of Information	Description
A. Specification of the message	
1. Unique identifier of the event	SYZ072024oHV
2. Type of message	Meeting notice of a General Meeting [format pursuant to Implementing Regulation (EU) 2018/1212: NEWM]
B. Specification of the issuer	
1. ISIN	DE0005104806
2. Name of issuer	Syzygy AG
C. Specification of the meeting	
1. Date of the General Meeting	07/09/2024 [format pursuant to Implementing Regulation (EU) 2018/1212: 20240709]
2. Time of the General Meeting	10:00 (CEST) [format pursuant to Implementing Regulation (EU) 2018/1212: 08:00 UTC]
3. Type of the General Meeting	Ordinary General Meeting [format pursuant to Implementing Regulation (EU) 2018/1212: GMET]
4. Location of the General Meeting	Virtual General Meeting: https://www.syzygy-group.net/hauptversammlung/ In accordance with the German Stock Corporation Act: Vortragssaal der Deutschen Nationalbibliothek, Adickesallee 1, 60322 Frankfurt am Main, Germany
5. Record date	06/17/2024, 0:00 (CEST) [format pursuant to Implementing Regulation (EU) 2018/1212: 20240617]
6. Uniform Resource Locator (URL)	https://www.syzygy-group.net/hauptversammlung/

Agenda

1. Presentation of the adopted annual financial statements and the approved consolidated financial statements together with the Management Report and Group Management Report for the 2023 financial year, the Report of the Supervisory Board and the explanatory Report of the Executive Board on the disclosures pursuant to sections 289a and 315a of the German Commercial Code (HGB)
 2. Resolution on the approval of the actions of the members of the Board of Management
 3. Resolution on the approval of the actions of the members of the Supervisory Board
 4. Elections to the Supervisory Board
 5. Election on the appointment of the auditor and the Group auditor as well as precautionary election of the auditor of the sustainability reporting for the 2024 financial year
 6. Resolution on the approval of the remuneration report for the financial year 2023 prepared and audited in accordance with § 162 of the German Stock Corporation Act (AktG)
 7. Resolution on amendment § 8 para. 3 (sentence 5) of the company's Articles of Association (record date)
 8. Approval of a control and profit and loss transfer agreement with Syzygy Performance Marketing GmbH
- Annex**
- Information on the Supervisory Board candidates
 - Remuneration Report for the 2023 financial year
- Bad Homburg v.d.H., May 2024
Syzygy AG
- The Management Board



Information on the Supervisory Board candidates



Antje Neubauer

Chairwoman
of the Supervisory Board

Profession practised: Communications Expert

Place of residence: Dusseldorf, Germany

Personal details

Year of birth: 1970

Place of birth: Gelsenkirchen-Buer

Nationality: German

Academic career and education

- University of Duisburg-Essen, Master Artium Communication Science, English & Psychology
- ESMT European School of Management and Technology, Business Administration for Managers
- ESMT European School of Management and Technology, Postgraduate Diploma in Management
- Yale School of Management Executive Education, Corporate Sustainability Management: Risk, Profit, Purpose

Professional background

Since 2020	Member of Advisory Boards
Since 2019	Managing Director, WohnPlus Building GmbH, Dusseldorf
Since 2019	Managing Partner, Antje Neubauer GmbH, Dusseldorf
2017-2019	Chief Marketing Officer, Head of Marketing & PR Deutsche Bahn AG, Berlin / Frankfurt a. M.
2009-2016	Head of PR & Internal Communications / Deputy Head of Communications, Deutsche Bahn AG, Berlin
2007-2009	Senior Vice President Communications, DB Schenker, Berlin
2005-2007	Division Manager Marketing / Communications, German Association of Energy and Water Industries (BDEW formerly VDEW), Berlin
2004-2005	Division Manager Marketing / Communications, RWE Trading, Essen / London
2003-2004	Head of Marketing / Communications, RWE Thames Water / RWE Aqua, Mühlheim a. d. Ruhr, Berlin, London
2000-2002	Head of Corporate Communications, Berlinwasser Holding AG, Berlin
1997-1999	Head of Corporate Communications, RWE Telliance AG, Essen / Prague / Budapest
1996	Communications Officer, RWE Telliance AG, Essen

Expertise and main areas of activity

She has more than 25 years of experience as a communications expert in the media and advertising industry in various national and international positions. Topics such as sustainability, digital transformation or modern leadership are focal points of her work in the industry. She is regarded as an excellent networker who has also been actively promoting women in (top) management for many years.

With the completion of the Yale Executive Education Class, “Corporate Sustainability Management: Risk, Profit, Purpose” in 2021, she additionally deepened her know-how in the broad field of sustainability.

For many years, she was a member of the Supervisory Board of Schenker AG (2017-2019), Essen, and of DB Vertrieb (2012-2019), Frankfurt a. M. She was also involved in the Board of Stiftung Lesen (2017-2019) and as a member of the Board of Generation CEO (2012-2017).

Composition targets and competency profile of the Supervisory Board of the Syzygy AG

Antje Neubauer meets the following composition targets and characteristics for the competency profile of the Supervisory Board of Syzygy AG.

- Experience in managing and/or supervising another medium-sized or large company
- Expertise in the following business-relevant areas of competence:
 - Marketing and communication, Corporate strategy and sustainability

Disclosures pursuant to Section 125 (1) sentence 5 AktG and disclosures pursuant to the German Corporate Governance Code (GCGC)

Ms Antje Neubauer has been a member of the Supervisory Board since 7 September 2021. She has no personal or business relationship with the company, the executive bodies of the company or a controlling shareholder or other shareholder with a material interest in the company. In accordance with recommendations C.6, C.7 and C.10 of the GCGC, she is independent of the company, the Management Board and any controlling or other significant shareholders of the company. Accordingly, there are no circumstances which, in the opinion of the Supervisory Board, would be considered decisive for the election decision of shareholders making an objective judgement.

Membership in other statutory Supervisory Boards

- None

Membership in equivalent domestic or foreign supervisory bodies of business enterprises

- None



Dominic Grainger

Member
of the Supervisory Board

Profession practised: Global CEO, WPP Specialist
Communications Division, London

Place of residence: London, United Kingdom

Personal details

Year of birth: 1965

Place of birth: Beaconsfield, UK

Nationality: British

Academic career and education

- University of Durham, BA in French and German

Professional background

Since 2019	Global CEO, WPP Specialist Communications Division, London
Since 2016	Chief Executive Officer, WPP Sports Practice Division, London
Since 2008	Chief Executive Officer, GroupM EMEA, London
2005	Chief Executive Officer, GroupM EMEA, London
2002	Chief Executive Officer, Mediaedge: CIA EMEA, London
2001	Chief Operating Officer, CIA Worldwide, London
1997	Chief Financial Officer, CIA Europe, London
1987	Price Waterhouse, London

Expertise and main areas of activity

He is a qualified accountant and has significant experience of working with media/marketing companies in various international roles.

Composition targets and competency profile of the Supervisory Board of the Syzygy AG

Dominic Grainger meets the following composition targets an characteristics for the competency profile of the Supervisory Board of Syzygy AG.

- Experience in managing and/or supervising another medium-sized or large company
- Expertise in the following business-relevant areas of competence:
 - Accounting and finance, innovations, marketing and communication and corporate strategy

Disclosures pursuant to Section 125 (1) sentence 5 AktG and disclosures pursuant to the German Corporate Governance Code (DGCK)

Mr Dominic Grainger has been a member of the Supervisory Board since 7 June 2019. He is CEO of the WPP Specialist Communications Division within the WPP Group. WPP plc indirectly holds a 50.3 per cent stake in the Syzygy AG. Mr Grainger is therefore not considered independent of the controlling shareholder within the meaning of the DGCK. Apart from this, there are no circumstances which, in the opinion of the Supervisory Board, objectively judging shareholders would regard as decisive for their election decision.

Membership in other statutory Supervisory Boards

Since 2005 Member of Supervisory Board,
Wavemaker Slovakia s.r.o.,
Bratislava, Slovakia

Membership in equivalent domestic or foreign supervisory bodies of business enterprises

Since 2008 Member, Outrider SL, Madrid, Spain



Shahid Sadiq

Member
of the Supervisory Board

Profession practised: Global Chief Financial Officer,
WPP Specialist Communication Division
Place of residence: Berkshire, United Kingdom

Personal details

Year of birth: 1974
Place of birth: Pakistan
Nationality: British

Academic career and education

- Chartered Accountant: Institute of Chartered Accountant of England and Wales
- King's College, University of London, Pharmacology and Management

Professional background

Since 2021	Global CFO, WPP Specialist Communication Division, London
2017	Chief Operating Officer, EMEA. Geometry Global / VMLY&R Commerce, London
2015	Chief Financial Officer, EMEA. Geometry Global, London
2014	Co-CFO EMEA. McCann Worldgroup, London
2010	SVP, Finance Director EMEA. McCann Worldgroup, London
2007	Vice President, Clients and Operations. McCann Worldgroup, London
2005	Controller, Northern Europe, McCann Worldgroup, London
2003	Group Financial Controller, Red Cell Advertising, London
2000	Controller, Mindshare Europe, London

Expertise and main areas of activity

Shahid is a Chartered Accountant with 20 years of experience in the marketing communications industry. In his current role as Global CFO of WPP Specialist Communications and PR, Shahid is responsible for developing and managing the strategic, financial and operational objectives of a diverse and complex portfolio of companies. Prior to this, Shahid served as CFO and Chief Operating Officer EMEA at Geometry Global.

Before his time at WPP, Shahid spent 10 years at McCann Worldgroup moving through a variety of progressively senior finance roles, up to Regional CFO covering Europe, Middle East and Africa. As CFO of a region of both developed and emerging markets, he's adept at navigating the complexity, varying cultures, and high-growth potential that characterised the region.

Composition targets and competency profile of the Supervisory Board of the Syzygy AG

Mr. Sadiq meets the following composition targets and characteristics for the competency profile of the Supervisory Board of Syzygy AG.

- Experience in managing and/or supervising another medium-sized or large company
- Expertise in the following business-relevant areas of competence:
 - Corporate strategy, purchasing/supply chains, finance/accounting/audit, capital markets, compliance, IT/digitalisation/artificial intelligence, change management/business transformation
- Special knowledge and experience regarding the application of accounting principles and internal risk control and risk management systems as well as in the audit of financial statements

Disclosures pursuant to Section 125 (1) sentence 5 AktG and disclosures pursuant to the German Corporate Governance Code (DGCK)

Mr Shahid Sadiq has been a member of the Supervisory Board since 11 July 2023. He is CFO of the WPP Specialist Communications Division within the WPP Group. WPP plc indirectly holds a 50.3% stake in Syzygy AG. Mr Sadiq is therefore not considered independent of the controlling shareholder within the meaning of the DGCK. Apart from this, there are no circumstances which, in the opinion of the Supervisory Board, objectively judging shareholders would regard as decisive for their election decision.

Membership in other statutory Supervisory Boards

- None

Membership in equivalent domestic or foreign supervisory bodies of business enterprises

- None

Remuneration Report

for the 2023 financial year

This remuneration report was prepared by the Management Board and Supervisory Board of Syzygy AG in accordance with Article 162 of the German Stock Corporation Act (AktG). It reports on the remuneration granted and owed by Syzygy AG and by companies in the SYZYGY GROUP to each individual current or former member of the Management Board or Supervisory Board in the past financial year. The remuneration report was audited by auditor Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft in accordance with Article 162 (3) of the AktG. The auditor's report is reproduced in full at the end of the remuneration report.

Review of the 2023 remuneration year

Resolution on approval of the 2022 remuneration report.

The remuneration report for the 2022 financial year, prepared and audited in accordance with Article 162 of the AktG, was submitted to the ordinary General Meeting of Syzygy AG for approval. On July 11, 2023, the General Meeting approved the report with a majority of 86.57 per cent of the votes cast and of the capital represented, in accordance with Article 120a (4) of the AktG. The remuneration of the Management Board and Supervisory Board corresponds in all material aspects to this resolution of approval.

A. Management Board remuneration

I. General information on the remuneration system

The remuneration system for the Management Board is continuously reviewed and adjusted by the Supervisory Board to ensure that it complies with statutory requirements and that it is appropriate for achieving the Company's strategic objectives. It is also reviewed and adjusted on a case-by-case basis when new Management Board service contracts are concluded and/or when existing contracts are extended.

The remuneration system for the Management Board complies with the provisions of Article 87a (1) of the German Stock Corporation Act (AktG) and, apart from the exceptions listed in the latest declaration of conformity in accordance with Article 161 of the AktG, the recommendations of the German Corporate Governance Code as updated on April 28, 2022.

1. Approval of the remuneration system by the shareholders

In accordance with Article 120a (1) of the AktG, the Annual General Meeting of a listed company must pass a resolution on approving the remuneration system for Management Board members as presented by the Supervisory Board when any material change is made, but at least every four years. On May 28, 2021, the ordinary General Meeting of Syzygy AG approved the remuneration system as presented

by the Supervisory Board, with a majority of 91.13 per cent of the votes cast.

2. The Company's business strategy

The business strategy of Syzygy AG is aimed at extending its position as a leading consultancy and implementation partner for digital transformation of marketing and sales. Successful implementation of this strategy is reflected in

- the key financial metrics,
- the performance of SYZYGY's share price, and
- the sustained long-term performance of the Company.

3. Overview of the remuneration system

To align the interests of the Company, its shareholders, its employees and its Management Board members, Management Board remuneration comprises

- fixed remuneration components and
- variable remuneration components.

a. Fixed remuneration components

The fixed remuneration consists of a basic salary paid in equal instalments each month and non-cash fringe benefits. Fringe benefits comprise the provision of a company car or payment of a car allowance in equal monthly instalments, as the Management Board member chooses, and the granting of allowances for health, long-term care, accident and pension insurance.

b. Variable remuneration components

The variable remuneration consists of components geared towards the short-term and long-term success of the SYZGY GROUP (short-term and long-term profit participation).

The level of short-term profit sharing is calculated in accordance with the remuneration system approved by the General Meeting based on reaching the relevant annual targets. These targets will be set each year in advance by the Supervisory Board for the next financial year, in some cases individually for a particular Management Board member, and/or in other cases collectively for all Management Board members.

If targets are met in full, the absolute level of short-term profit sharing is equivalent to 30 per cent (33 per cent in the case of the CEO) of the basic annual salary of the relevant Management Board member. If a Management Board member leaves the board in the course of the year, the short-term profit sharing is paid for the relevant year on a pro rata basis, if and to the extent that the agreed annual targets have been met. There are no arrangements in place to claw back variable remuneration components.

The annual targets must be aligned with operational and strategic objectives. The annual targets are defined as key financial metrics for the purposes of the operational objectives, and qualitatively in the case of strategic objectives. The operational objectives will account for at

least half of the maximum achievable short-term profit sharing.

In the 2021, 2022 and 2023 financial years, the overall responsibility of the Management Board was the crucial factor in determining short-term profit sharing, with the result that the short-term targets were formulated uniformly for all Management Board members. Achieving operating income (EBIT) in line with the approved business plan and meeting growth targets for sales were agreed as operational objectives. The acquisition of new clients and targets for new business were agreed as strategic objectives for 2021 and 2022. A reduction in staff turnover was defined as a strategic objective for 2023.

For further details, please see the notes on each of the Management Board members.

The short-term profit sharing becomes due when the annual financial statements are adopted.

The level of long-term profit participation is based on the performance of SYZGY's share price, in accordance with the remuneration system approved by the General Meeting. It is granted in two tranches, in the form of virtual share options (phantom stocks). 40 per cent of the total phantom stocks issued are allocated to the first tranche, which can be exercised after two years at the earliest, and 60 per cent are allocated to the second tranche, which can be exercised

after three years at the earliest. On exercise, the difference between the base price on allocation of the phantom stocks and the share price on exercise of the phantom stocks will be paid out to the eligible Management Board member. The base price and the share price on exercise correspond to the mean XETRA closing price over the 10 trading days prior to the date of granting the stocks, and the 10 trading days prior to exercise, respectively. Subject to certain exclusion periods, e.g. close to the date of publication of the quarterly and annual financial statements, any tranche may be exercised within a timeframe of 12 months from the first exercise date. It follows that the first tranche may be exercised within 24 to 36 months, and the second tranche within 36 to 48 months after allocation. The maximum payout amount from long-term profit participation is capped at 60 per cent of the share price increase over the base price for the first tranche, and at 90 per cent of the price increase for the second tranche.

If the share price increase reaches its maximum level, the absolute amount of long-term profit participation on an annual basis corresponds to 123 per cent of the current basic annual salary for the CEO, 70 per cent for the Finance Director and 67 per cent for the Technology Director.

II. Fixed and variable remuneration components together with explanatory notes

The remuneration components granted to Management Board members are reported below in the financial year in which the relevant payment or other benefit was transferred

to the Management Board member, even if the work underlying the remuneration was fully done in a previous financial year. This means that long-term profit participation may also include payments that represent cumulative remuneration for work done over several years.

Accordingly, the relative proportions of the remuneration components stated in per cent relate to the total remuneration reported for the relevant financial year. The relative proportions stated here are therefore not comparable with the relative proportions in the description of the remuneration system referred to in Article 87a (1) No. 3 of the AktG. The proportions stated in the description of the remuneration system relate to the respective target figures.

Remuneration granted and owed (in kEUR)	Franziska von Lewinski, CEO			
	2023	in %	2022	in %
Fixed remuneration	300	82%	300	77%
Fringe benefits	17	5%	17	4%
Total fixed remuneration components	317	86%	317	81%
Short-term profit sharing	50	14%	75	19%
Long-term profit participation				
2021 phantom stocks (term 01.01.2021 - 12.31.2024)	0	0%	0	0%
Total variable remuneration components	50	14%	75	19%
Total remuneration	367	100%	392	100%

In accordance with the remuneration system approved by the Annual General Meeting on May 28, 2021, and in line with the business strategy for the 2023 financial year, the following operational objectives were agreed with the Management Board member for short-term profit sharing:

- Achieving operating profit as budgeted (50% of short-term bonus)
- Sales growth of 10 per cent (15% of short-term bonus)
- Sales growth of 15 per cent (10% of short-term bonus)

A reduction in staff turnover was defined as a strategic objective, accounting for 25% of the bonus.

For the purposes of long-term profit participation, on January 1, 2021, Ms von Lewinski was granted 250,000 virtual share options (phantom stocks) with a base price of EUR 5.68 per phantom stock from the 2021 phantom stock programme described above. 40 per cent of the phantom stocks granted were exercisable for the first time in the period from January 1 to December 31, 2023. This first tranche lapsed without being exercised. A second tranche comprising 60 per cent of the phantom stocks granted is exercisable in the period from January 1 to December 31, 2024.

Both the determining of operational and strategic objectives for the purposes of short-term profit sharing and the granting of phantom stocks for the purposes of long-term profit participation serve the purpose of implementing the business strategy. They thus promote both the short-term and long-term performance of the Company. No variable remuneration components were clawed back in the reporting period.

Remuneration is thus consistent in all its material components with the requirements of the remuneration system as approved by the General Meeting on May 28, 2021. The maximum remuneration laid down in the system was not exceeded.

Remuneration granted and owed (in kEUR)	Erwin Greiner, CFO			
	2023	in %	2022	in %
Fixed remuneration	210	77%	210	72%
Fringe benefits	33	12%	33	12%
Total fixed remuneration components	243	89%	243	84%
Short-term profit sharing	32	11%	47	16%
Long-term profit participation				
2021 phantom stocks (term 01.01.2021 – 12.31.2024)	0	0%	0	0%
Total variable remuneration components	32	11%	47	16%
Total remuneration	275	100%	290	100%

In accordance with the remuneration system and in line with the business strategy for the 2023 financial year, the following operational objectives were agreed with the Management Board member for short-term profit sharing:

- Achieving operating profit as budgeted (50% of short-term bonus)
- Sales growth of 10 per cent (15% of short-term bonus)
- Sales growth of 15 per cent (10% of short-term bonus)

A reduction in staff turnover was defined as a strategic objective, accounting for 25% of the bonus.

For the purposes of long-term profit participation, on January 1, 2021, Mr Greiner was granted 100,000 virtual share options (phantom stocks) with a base price of EUR 5.68 per phantom stock from the 2021 phantom stock programme described above. 40 per cent of the phantom stocks granted were exercisable for the first time in the period from January 1 to December 31, 2023.

This first tranche lapsed without being exercised. A second tranche comprising 60 per cent of the phantom stocks granted is exercisable in the period from January 1 to December 31, 2024.

This alignment of the annual targets with the business strategy promotes both the short-term and long-term performance of the Company. No variable remuneration components were clawed back in the reporting period.

Remuneration is thus consistent in all its material components with the requirements of the remuneration system as approved by the General Meeting on May 28, 2021. The maximum remuneration laid down in the system was not exceeded.

Remuneration granted and owed (in kEUR)	Frank Ladner, CTO			
	2023	in %	2023	in %
Fixed remuneration	220	77%	220	73%
Fringe benefits	33	11%	33	11%
Total fixed remuneration components	253	88%	253	84%
Short-term profit sharing	33	12%	50	16%
Long-term profit participation				
2021 phantom stocks (term 01.01.2021 - 12.31.2024)	0	0%	0	0%
Total variable remuneration components	33	12%	50	16%
Total remuneration	286	100%	303	100%

In accordance with the remuneration system and in line with the business strategy for the 2023 financial year, the following operational objectives were agreed with the Management Board member for short-term profit sharing:

- Achieving operating profit as budgeted (50% of short-term bonus)
- Sales growth of 10 per cent (15% of short-term bonus)
- Sales growth of 15 per cent (10% of short-term bonus)

A reduction in staff turnover was defined as a strategic objective, accounting for 25 per cent of the bonus.

For the purposes of long-term profit participation, on January 1, 2021, Mr Ladner was granted 100,000 virtual share options (phantom stocks) with a base price of EUR 5.68 per phantom stock from the 2021 phantom stock programme described above. 40 per cent of the phantom stocks granted were exercisable for the first time in the period from January 1 to December 31, 2023. This first tranche lapsed without being exercised. A second tranche comprising 60 per cent of the phantom stocks granted is exercisable in the period from January 1 to December 31, 2024.

This alignment of the annual targets with the business strategy promotes both the short-term and long-term performance of the Company. No variable remuneration components were clawed back in the reporting period.

Remuneration is thus consistent in all its material components with the requirements of the remuneration system as approved by the General Meeting on May 28, 2021. The maximum remuneration laid down in the system was not exceeded.

III. Assurances in the event of premature or ordinary termination

1. Premature termination

If employment is terminated prematurely and the Management Board member is dismissed, the Management Board service contracts consistently provide for a severance payment for all current Management Board members. This would apply in the event that the contract is terminated for major cause, but not for reasons related to the Management Board member as an individual, or on grounds for which the member is not responsible. The severance payment is equivalent to the outstanding basic salary and fringe benefits for the remainder of the contract period. The duration of the payments to be made is limited to two years (severance payment cap).

The amounts of severance payments are disclosed below for a period of one year. Depending on the actual contract term remaining at the time of termination, these amounts may be lower or higher pro rata temporis. Due to the severance payment cap, however, they are always limited to double the disclosed amounts. There was no change to these commitments in the past financial year.

Severance payments (in kEUR)	Franziska von Lewinski		Erwin Greiner		Frank Ladner	
	per year	Cap	per year	Cap	per year	Cap
Fixed remuneration	300	600	210	420	220	440
Fringe benefits	17	34	33	66	33	66
Total	317	634	243	486	253	506

2. Ordinary termination

In the event that employment is terminated ordinarily, the Management Board service contracts include a post-contractual non-compete ban for a period of twelve months. For the period of the non-compete ban, the Management Board member receives compensation for non-competition amounting to 50 per cent of the average monthly fixed and variable remuneration over the previous 24 months. This compensation is paid monthly. The Company may waive the post-contractual non-compete ban within certain time limits before the contract comes to an end. In this case, compensation for non-competition will not be payable. When the Management Board contract with Franziska von Lewinski expired, compensation for non-competition totalling kEUR 213 became payable, which was accrued in full.

B. Supervisory Board remuneration

I. General information on the remuneration system

The remuneration system for the Supervisory Board is continuously reviewed and adjusted by the Supervisory Board to ensure that it complies with statutory requirements and that it is appropriate for achieving the Company's strategic objectives. It is also reviewed and adjusted on a case-by-case basis on the election or re-election of Supervisory Board members.

The remuneration system for the Supervisory Board complies with the provisions of Article 113 of the German Stock Corporation Act (AktG) and, apart from the exceptions listed in the latest declaration of conformity in accordance with Article 161 of the AktG, the recommendations of the German Corporate Governance Code as updated on April 28, 2022.

1. Approval of the remuneration system by the shareholders

In accordance with Article 113 (3) of the AktG, the Annual General Meeting of a listed company must pass a resolution on remuneration for members of the Supervisory Board at least every four years. On May 28, 2021, the ordinary General Meeting of Syzygy AG approved the remuneration system as presented by the Supervisory Board, with a majority of 89.54 per cent of the votes cast. In a resolution passed on July 5, 2022, it approved the rise in fixed remuneration for the chair of the Supervisory Board with a majority of 86.71 per cent of the votes cast.

2. The Company's business strategy

The business strategy of Syzygy AG is aimed at extending its position as a leading consultancy and implementation partner for digital transformation of marketing and sales. Successful implementation of this strategy is reflected in

- the key financial metrics,
- the performance of SYZYG's share price, and
- the sustained long-term performance of the Company.

3. Overview of the remuneration system

Remuneration of the Supervisory Board is set out in Article 6 (8) of Syzygy AG's Articles of Association. In addition to having their expenses reimbursed, each member of the Supervisory Board receives remuneration consisting of a fixed and a variable component.

The fixed remuneration amounts to EUR 20,000.00 for each ordinary member of the Supervisory Board, and EUR 30,000.00 for the chair of the Supervisory Board.

Variable remuneration of EUR 5,000.00 is paid if the market price of SYZGY shares has increased by at least 20 per cent in the financial year concerned. The share price figures used for this purpose are based on the mean closing price of the stock in the Xetra trading system (or a successor system with comparable functionality that replaces the Xetra trading system) on the Frankfurt Stock Exchange during the first five trading days of a financial year and during the first five trading days of the subsequent financial year.

Supervisory Board members who have not been in office for the whole of the financial year are remunerated on a pro rata basis.

The VAT invoiced by a Supervisory Board member will be paid additionally at the statutory rate in force at the time.

II. Fixed and variable remuneration components together with explanatory notes

The Supervisory Board's remuneration for a financial year is paid annually in one amount, after the General Meeting that votes on discharge of the Supervisory Board for the relevant financial year.

Remuneration granted and owed (in kEUR)	Antje Neubauer		Dominic Grainger		Andrew Payne*		Shahid Sadiq*		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Fixed remuneration	30	7	0	0	10	20	10	0	50	27
Variable remuneration	0	0	0	0	0	0	0	0	0	0
Total remuneration	30	7	0	0	10	20	10	0	50	27

* Andrew Robertson Payne resigned his seat on the Supervisory Board with effect from the end of the Annual General Meeting held on July 11, 2023. Shahid Sadiq was appointed to the Supervisory Board with effect from July 11, 2023. Andrew Payne and Shahid Sadiq were each allotted six months' remuneration.

The remuneration components granted to Supervisory Board members are accordingly reported below in the financial year in which the relevant payment or other benefit was transferred to the Supervisory Board member, even if the work underlying the remuneration had been fully done in the previous financial year.

In 2023 and 2022, Supervisory Board member Dominic Grainger waived his remuneration for the 2022 and 2021 financial years.

C. Comparison of the annual change in remuneration of Management Board members, the Company's earnings performance, and the average remuneration of employees

The following table shows the annual change in remuneration of Management Board and Supervisory Board members, the earnings performance of Syzygy AG, and the average remuneration of employees on a full-time equivalent basis.

Earnings performance is based on income before tax as reported in the single-entity financial statements of Syzygy AG, and on the sales figures and EBIT of the SYZYGY GROUP as presented in the consolidated financial statements.

The figures for average remuneration of employees are based on the average remuneration of permanent employees of the SYZYGY GROUP in Germany. Average remuneration was calculated by dividing the remuneration paid to all permanent employees by the number of full-time employees (including part-time workers translated to full-time equivalents).

The remuneration reported for current and former Management Board and Supervisory Board members is the "remuneration granted and owed" referred to in Article 162 (1) sentence 1 of the AktG. These figures may differ from other figures relating to Management Board remuneration as published elsewhere, because those figures are calculated using different methods.

The level of Supervisory Board remuneration was constant in the period 2019 to 2022; no variable component was paid during this period. In 2023, Supervisory Board remuneration was raised to EUR 30,000, plus a variable component of EUR 5,000.

In the period 2019 to 2023, the members of the Supervisory Board did not provide any personal services, such as consulting, for Syzygy AG or its subsidiaries. As a result, they did not receive any additional remuneration for such services.

Earnings performance

Financial year (in kEUR)	2019	2020	Change	2021	Change	2022	Change	2023	Change
Sales (Group)	64,243	55,521	-14%	60,124	8%	70,612	17%	71,742	2%
EBIT (operational) Group	5,497	3,999	-27%	6,379	60%	6,208	-3%	4,080	-34%
Earnings before taxes Syzygy AG	3,296	2,636	-20%	8,049	205%	-1,864	n.a.	-8,138	n.a.

Average remuneration of employees in Germany

In kEUR	2019	2020	Change	2021	Change	2022	Change	2023	Change
Average annual remuneration	67	68	1%	72	6%	71	-1%	73	2%

Management Board remuneration (current Management Board members)

In kEUR	2019	2020	Change	2021	Change	2022	Change	2023	Change
Franziska von Lewinski	–	–	–	317	n.a.	391	23%	367	-6%
Erwin Greiner	287	285	-1%	275	-4%	290	6%	275	-5%
Frank Ladner	308	297	-4%	286	-4%	303	10%	286	-5%

Management Board remuneration (former Management Board members)

In kEUR	2019	2020	Change	2021	Change	2022	Change	2023	Change
Lars Lehne (up to 03/31/2020)	507	171	-66%	–	n.a.	–	n.a.	–	n.a.

Supervisory Board remuneration (current Supervisory Board members)

In kEUR	2019	2020	Change	2021	Change	2022	Change	2023	Change
Antje Neubauer (since 09/07/2021)	–	–	–	–	–	7	n.a.	30	429%
Dominic Grainger (since 06/07/2019)	–	0	–	0	n.a.	0	n.a.	0	n.a.
Shahid Sadiq (since 07/11/2023)	–	–	–	0	–	–	–	10	n.a.

Supervisory Board remuneration (former Supervisory Board members)

In kEUR	2019	2020	Change	2021	Change	2022	Change	2023	Change
Andrew Payne (up to 07/11/2023)	17	0	n.a.	20	100%	20	0%	10	-50%
Wilfried Beeck (up to 06/30/2021)	20	20	0%	20	0%	10	-50%	–	n.a.
Rupert Day (up to 06/07/2019)	20	8	-60%	–	n.a.	–	n.a.	–	n.a.

Syzygy AG

For the Management Board



Frank Ladner (CTO)



Erwin Greiner (CFO)

For the Supervisory Board



Antje Neubauer

Report of the Independent Auditor on the Audit of the Remuneration Report pursuant to § 162 Abs. 3 AktG

To Syzygy AG, Bad Homburg v. d. Höhe

Audit opinion

We have formally audited the remuneration report of Syzygy AG, Bad Homburg v. d. Höhe for the financial year from 1 January to 31 December 2023 to determine whether the disclosures pursuant to § 162 (1) and (2) German Stock Corporation Act (AktG) [Aktiengesetz] have been presented in the remuneration report. In accordance with § 162 (3) AktG, we have not verified the content of the remuneration report.

According to our assessment, the enclosed remuneration report provides, in all material respects, the information required by § 162 (1) and (2) AktG. 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 § 162 (3) AktG and in compliance with the IDW auditing standard: The audit of the remuneration report [Die Prüfung des Vergütungsberichts] in accordance with § 162 (3) AktG (IDW PS 870 (09.2023)). Our responsibility pursuant to that provision and standard is further described in the section “Responsibility of the auditor” of our report.

As an auditing firm, we have applied the requirements of the International Standard on Quality Management (ISQM 1). We have complied with the professional duties pursuant to the German Auditors' Code [Wirtschaftsprüferordnung] and the professional statutes for auditors/sworn auditors [Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer], including the requirements of independence.

Responsibility of the Management Board and Supervisory Board

The management board and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, which complies with the requirements of § 162 AktG.

Furthermore, they are responsible for the internal controls that they determine are necessary to enable the compilation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

Our objective is to obtain reasonable assurance about whether the disclosures pursuant to § 162 (1) and (2) AktG in the remuneration report have been made in all material respects, and to express an opinion thereon in a report.

We planned and performed our audit to obtain evidence about the formal completeness of the remuneration report by comparing the disclosures made in the remuneration

report with the disclosures required by § 162 (1) and (2) AktG. In accordance with § 162 (3) AktG, we have not audited the accuracy of the content of the disclosures, the completeness of the content of the individual disclosures or the adequate presentation of the remuneration report.

Dealing with possible misleading representations

In connection with our audit, we have a responsibility to read the remuneration report, taking into account the knowledge gained from the audit of the financial statements, and to remain alert for indications as to whether the remuneration report contains misleading representations as to the accuracy of the content 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 such misleading representation exists, we are required to report that fact. We have nothing to report in this regard.

Frankfurt am Main, March 21, 2024

Mazars GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

In the original German version signed by:

Jörg Maas
Wirtschaftsprüfer
(German Public Auditor)

Patrick Riedel
Wirtschaftsprüfer
(German Public Auditor)



SYZYGY / Frankfurt



Contact/Impress

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Impress**
/

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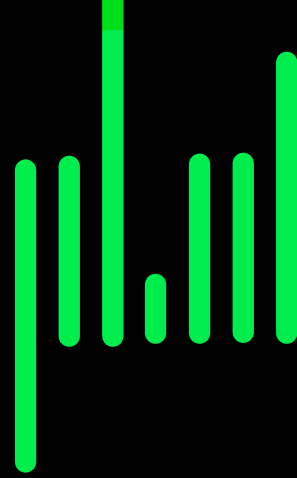
Chairwoman of the Supervisory Board
Antje Neubauer

Management Board
Erwin Greiner (CFO)
Frank Ladner (CTO)

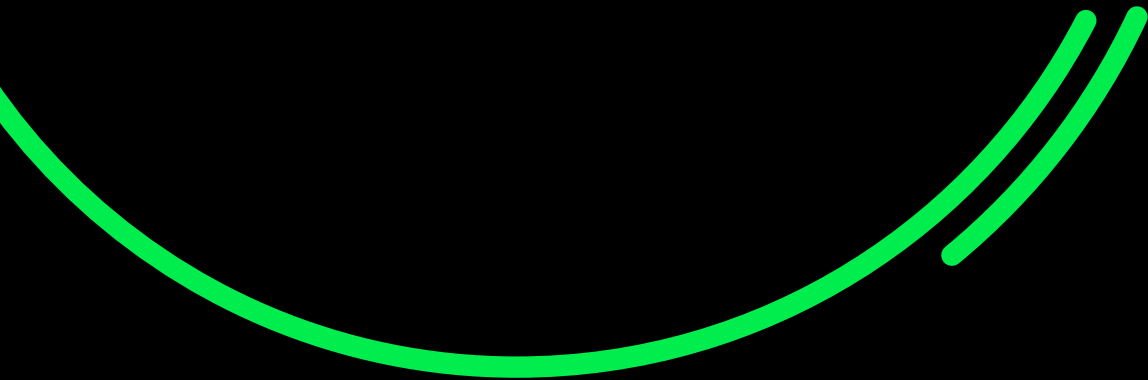
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