

Remuneration Report of the Lenzing Group 2025

Market environment and business trends

The textile and clothing industry experienced weak demand and declining order intake in 2025. The global business situation remained negative in all surveys conducted by the International Textile Manufacturers Federation¹ and deteriorated over the course of the year. Capacity utilization remained low, reflecting the continuing lack of demand. While manufacturers built up inventories in the first half of the year, particularly in the US, in anticipation of possible tariffs, they responded with more cautious ordering in the second half of the year.

Revenue declined slightly by 2 percent year-on-year to EUR 2.6 billion in the 2025 financial year. This decline is primarily attributable to reduced fiber sales volumes and lower prices for fibers and pulp. The positive effects of the performance program were the main factor driving the operating earnings trend. Earnings before interest, tax, depreciation and amortization (EBITDA) rose by 4 percent year-on-year to EUR 413.0 million in 2025. The EBITDA margin increased from 14.8 percent to 15.9 percent. Free cash flow also showed a positive development, rising to EUR 173.9 million (after EUR 167.0 million in the previous year). ROCE amounted to 0.7 percent in the reporting year, significantly below the previous year's figure of 3.6 percent. The share of net income/net loss attributable to the shareholders of Lenzing AG increased by 34 percent to minus EUR 210.3 million (previous year: minus EUR 156.6 million).

Personnel changes on the Managing Board

The composition of Lenzing's Managing Board was characterized by several changes in 2025. Walter Bickel left Lenzing AG by mutual agreement at the end of March 2025. Georg Kasperkovitz was appointed Chief Operations Officer and member of the Managing Board of Lenzing AG until May 31, 2028, with effect from June 1, 2025. The Supervisory Board of Lenzing AG has extended the Managing Board mandate of Chief Pulp & Chief Technology Officer Christian Skilich, which runs until May 2026, ahead of schedule by a further three years until May 31, 2029, and appointed Matthias Breuer as Chief Financial Officer with effect from January 1, 2026. He will take over the position from Nico Reiner, who has informed the Supervisory Board of Lenzing AG that he does not wish to extend his Managing Board mandate, which expires on December 31, 2025.

In addition, Rohit Aggarwal, Chairman of the Managing Board of Lenzing AG, informed the Supervisory Board on December 9, 2025, that he will resign from his position for personal reasons effective January 31, 2026.

Remuneration Policy and Remuneration Report

Remuneration Policy for the 2025 financial year

The Remuneration Report provides a comprehensive overview of the remuneration owed or granted to current and former members of the Managing and Supervisory Boards, including all types of benefits, during the past financial year. The statutory requirements of the Austrian Stock Corporation Act (Section 78c et seq. AktG) form the related legal basis.

The principles that are applied to determine the remuneration of the Managing and Supervisory boards of Lenzing Aktiengesellschaft (Lenzing AG) are defined in the Remuneration Policy of Lenzing AG. The remuneration system implements the statutory requirements of the Austrian Stock Corporation Act (Section 78 et seq. AktG) and the recommendations of the Austrian Code of Corporate Governance (ÖCGK). The primary aim of the Remuneration Policy is to promote the long-term and sustainable development of the company's business. The Remuneration Policy was first approved by the Annual General Meeting on June 18, 2020.

The remuneration system for members of the Managing Board of Lenzing AG that was applied for the 2025 financial year was presented as an updated version at the Annual General Meeting on April 17, 2025 and approved by a majority of 90.48 percent.

The Remuneration Report for 2024 was submitted to be voted upon by the shareholders' Annual General Meeting on April 17, 2025 and was approved by a majority of 90.48 percent as well.

¹ Source: ITMF, 30th Global Textile Industry Surveys 2025

Components and structure of remuneration

The Managing Board members' remuneration comprises both performance-unrelated and performance-based components, which are as follows:

Overview of remuneration components

Remuneration components ²	Description of major parameters
Performance-unrelated remuneration	
Basic remuneration	Fixed salary at a competitive level taking into consideration individual Managing Board members' responsibilities and performance
Remuneration in kind and other benefits	Company car, insurance premiums, social security contributions and the possibility of sign-on bonuses
Pension contributions	Defined pensions are paid via an external pension fund
Performance-based remuneration	
Short-term variable performance bonus (Short-Term Incentive, STI)	<p>Performance assessment based on financial and non-financial criteria for a one-year assessment period using a target bonus model</p> <ul style="list-style-type: none"> - Financial criteria: Group EBITDA, free cash flow and the share of net profit/loss for the year attributable to shareholders of Lenzing AG - Non-financial targets: overall performance and individual performance (incl. optional sustainability targets) (modifier of +/-20 %) <p>CAP: 150 % of the target value bonus</p>
Long-term variable performance bonus (Long-Term Incentive, LTI)	<p>Performance assessment based on financial and non-financial criteria for a multi-year assessment period using a performance share plan</p> <ul style="list-style-type: none"> - Financial criteria: Group ROCE and relative TSR - Non-financial criteria: sustainability targets <p>CAP: 200 % of the allocated number of performance share units (PSUs) and 250 % of the target value bonus</p>
Other components	
Special grants and bonuses	May be granted in the case of extraordinary achievements that have a future-oriented benefit for the company, as well as retention bonuses
Malus and clawback	Option to reclaim performance-based remuneration in the event of payouts based on manifestly incorrect data ('performance clawback') and possibility of reclaiming and withholding performance-based remuneration in the event of material breaches of duty ('compliance malus and clawback')
Share ownership guidelines	Obligation to invest at least 25 % of the LTI payout annually in shares of the company and to hold these for a period of at least one year

The table shows the components of the Remuneration Policy approved by the Annual General Meeting 2025. The LTI tranche 2023 – 2025, which expires this year, was defined in 2023 under the remuneration policy applicable at that time and therefore deviates from the presentation above. The share ownership requirement will only take effect with the LTI payout of the first tranche defined under the new remuneration policy (2025 – 2027) and is therefore not applicable to the reporting year.

² The remuneration components shown refer to the remuneration policy adopted at the 2025 Annual General Meeting.

Determination of the remuneration of the members of the Managing Board

The tasks and performance of the individual members of the Managing Board, the situation of the company and the customary level of remuneration are considered when determining the remuneration of the Managing Board. In addition, the professional experience and responsibility of the individual members of the Managing Board as well as the scope and complexity of their work are taken into account. A horizontal comparison of remuneration with other Austrian and German industrial companies ensures that the Managing Board remuneration is in line with the market and competitive in order to attract, motivate and retain the most qualified Managing Board members for the company. ATX Prime and MDAX companies (excluding banks, insurance companies and property companies) are used for benchmarking purposes. Furthermore, in accordance with Rule 26b of the Austrian Code of Corporate Governance (ÖCGK), the remuneration and employment conditions of the company's employees are taken into consideration to compare the remuneration of the Managing Board with the remuneration structure of the company.

Managing Board members are employed on local Austrian terms and conditions. The remuneration components are therefore determined in euros (gross). The employment contracts of the members of the Managing Board are concluded with Lenzing AG and are subject to Austrian law.

Application of the Remuneration Policy of the Managing Board in the 2025 financial year

Base salary

The base salary consists of a fixed annual salary which is paid in 14 equal instalments. This remuneration covers all overtime, travelling and commuting time as well as services rendered in excess of the normal working hours applicable to employees of the company. This also includes directorships held at Group companies.

The base salary is a fixed salary at a competitive level that incentivizes the members of the Managing Board to act in the best interests of the company and in accordance with the interest of shareholders and employees as well as the public interest.

In January 2025, the base salary of Christian Skilich was increased by 0.9 percent as part of the contractually agreed index adjustment. No further adjustments were made to base salaries.

Remuneration in kind and other benefits

The company has taken out a directors and officers (D&O) insurance policy, accident insurance and other insurance policies required for Managing Board members' activities, such as legal expenses and foreign travel health insurance, the costs of which are borne by the company. The company may provide Managing Board members with a company car. In addition, the members of the Managing Board may be reimbursed for reasonable business expenses associated with their position as a member of the Managing Board as well as travel expenses. Managing Board members are covered by the Austrian social security system for health, pension and accident insurance. Social security contributions are divided between the members of the Managing Board and the company according to the statutory key and the company makes the statutory contribution to a severance payment and pension fund. In the event of the death of a Managing Board member, the company may grant a death benefit to the widow or the children of the deceased. In order to attract highly qualified Managing Board members to the company, it is permissible to grant a sign-on bonus

In the 2025 financial year, a non-cash benefit for a company car was recognized in the salary statement for the members of the Managing Board, with the exception of Nico Reiner, who receives a monthly car allowance.

The amount of the sums insured for individual accident insurance is regulated in the contracts of the Managing Board. For Christian Skilich, the sum insured was adjusted together with the increase in base salary in January 2025.

A service apartment was provided to the new Executive Board member Georg Kasperkovitz.

Pension fund

Lenzing AG makes contributions to an external pension fund for the Managing Board members it employs. The amount of these payments is agreed individually in the employment contract and usually amounts to 10 percent of the annual base salary.

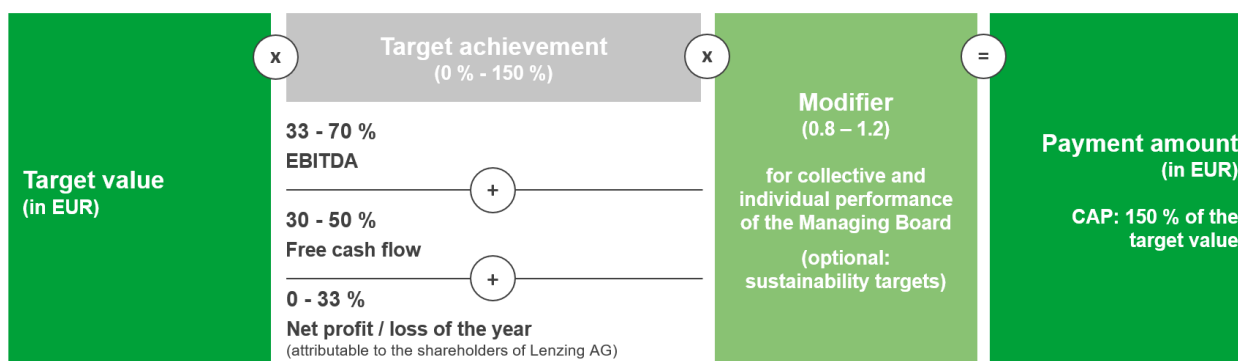
In the 2025 financial year, the agreed fixed amount of 10 percent of the annual base salary was paid into the pension fund for Christian Skilich, Nico Reiner and Georg Kasperkovitz. Rohit Aggarwal received a monthly payment according to his contract in 14 monthly instalments for a pension insurance policy of his choice.

Short-term variable performance bonus (Short-Term Incentive; STI)

General functionality of the STI

The STI is based on the company's performance in the respective past financial year and depends on the financial targets of Group EBITDA, free cash flow and the share of net profit/loss for the year attributable to the shareholders of Lenzing AG as well as non-financial criteria.

Calculation of the STI in accordance with the Remuneration Policy



Financial performance criteria and degree of target achievement

At the beginning of the financial year, the Remuneration Committee of the Supervisory Board defines target values, lower and upper thresholds as well as the weighting of the financial performance criteria for the assessment period (the current financial year). These apply uniformly to all members of the Managing Board. By determining the weighting of the financial performance criteria, the Remuneration Committee also decides whether two or three financial performance targets are to be applied. The target value is determined based on the approved budget for the respective year,

among other things. The actual target achievement rates are then determined based on the audited IFRS consolidated financial statements after the end of the respective financial year.

If exactly the lower limit is reached for the respective financial performance criterion, the target achievement level amounts to 50 percent. If the upper limit is reached or exceeded, the target achievement rate is 150 percent (CAP). Intervening target achievement rates are distributed on a linear basis (linear interpolation). If the lower limit is not reached, the target achievement rate is 0 per-

cent. Consequently, the bonus component for the relevant performance criterion and the short-term variable performance bonus as a whole may be omitted completely.

Modifier

The bonus entitlement resulting from the achievement of the financial performance criteria can be increased by the Remuneration Committee by a maximum of 20 percent by applying a modifier in the event of exceptional performance that is not reflected in the financial criteria or reduced by a maximum of 20 percent in the event of performance below expectations. Normally, a modifier of 1.0 is applied. The basis for the assessment of non-financial performance is, on the one hand, the collective performance of the Managing Board as a whole and, on the other hand, the individual performance of each Managing Board member. This may, for example, include the achievement of important strategic corporate goals and the realization of key projects. Sustainability targets may also be incorporated into the assessment of non-financial performance and may therefore be taken into account, on an optional basis, when determining the modifier.

Target amount and CAP of the payment amount

The level of the STI target value is determined individually for each Managing Board member in the employment contract. The STI bonus entitlement is limited to 150 percent of the target value and cannot be exceeded even by applying the modifier.

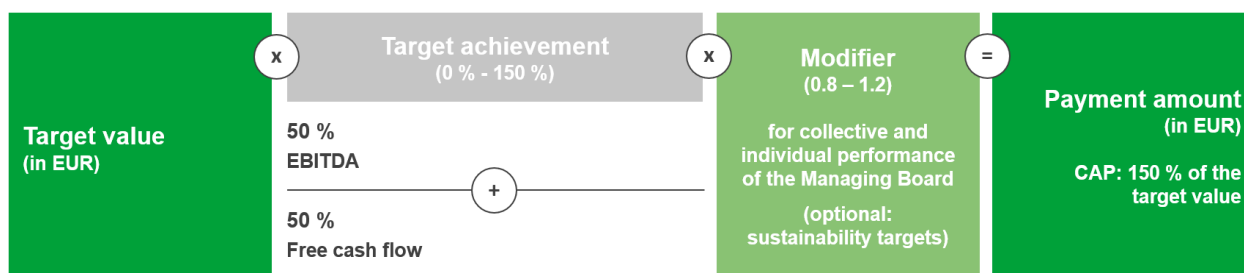
Further explanations and special circumstances

The inclusion of two to three financial and one non-financial target figure ensures a comprehensive and balanced assessment of the performance of the Managing Board members. The financial targets consider the development of both profitability and liquidity. By using Group EBITDA with a weighting between 33 and 70 percent, the focus is on the development of profitability. Free cash flow, weighted at 30 to 50 percent, additionally reflects the company's ability to generate liquid funds from operating activities and thus the development of its liquidity. The optional use of the share of the net profit/loss for the year attributable to the shareholders of Lenzing AG ensures that the remuneration is aligned with the interests of the shareholders of Lenzing AG.

Application of the STI in 2025, target achievement and payment amount

In accordance with the Remuneration Policy, the STI of Lenzing AG is based on the company's performance in the 2025 financial year and depends on financial targets and non-financial criteria. The non-financial criteria are taken into account by the modifier in accordance with the Remuneration Policy. The calculation logic of the STI, following the determination of the weighting of the financial targets by the Remuneration Committee, is shown in the figure below.

Calculation logic of the STI in 2025 after determining the weighting of the financial targets by the Remuneration Committee



At the beginning of the financial year, the Remuneration Committee of the Supervisory Board determined the target values, lower and upper thresholds as well as the weighting of the financial targets for the 2025 financial year, which apply uniformly to all members of the Managing Board. These, as well as the target achievement for each performance criterion, are shown in the table below.

STI target achievement 2025

Criteria		Lower limit	Target value	Upper limit	Actual value 2025	Target achievement	Weighting
Group EBITDA	in EUR mn	485.8	507.6	527.6	413.0	0%	50%
Target achievement rate	in %	50%	100%	150%			
Group free cash flow	in EUR mn	70.5	87.9	102.9	173.9	150%	50%
Target achievement rate	in %	50%	100%	150%			
Target achievement before modifier	in %					75%	
Modifier						1.0	
Target achievement after modifier	in %					75%	

In the 2025 financial year, the Group EBITDA did not reach the defined lower threshold and therefore contributes 0 percent to the target achievement. In contrast, the Group free cash flow exceeded the target value and contributes 150 percent. The target achievement of 75 percent results in the following STI bonus entitlements for 2025:

STI bonus entitlement 2025

EUR thousands	Target compensation	Target achievement after modifier	Payout amount STI
Christian Skilich	449	75%	338
Georg Kasperkovitz	263	75%	197
Nico Reiner	430	75%	323
Total			858

Long-term variable performance bonus (Long-Term Incentive; LTI)

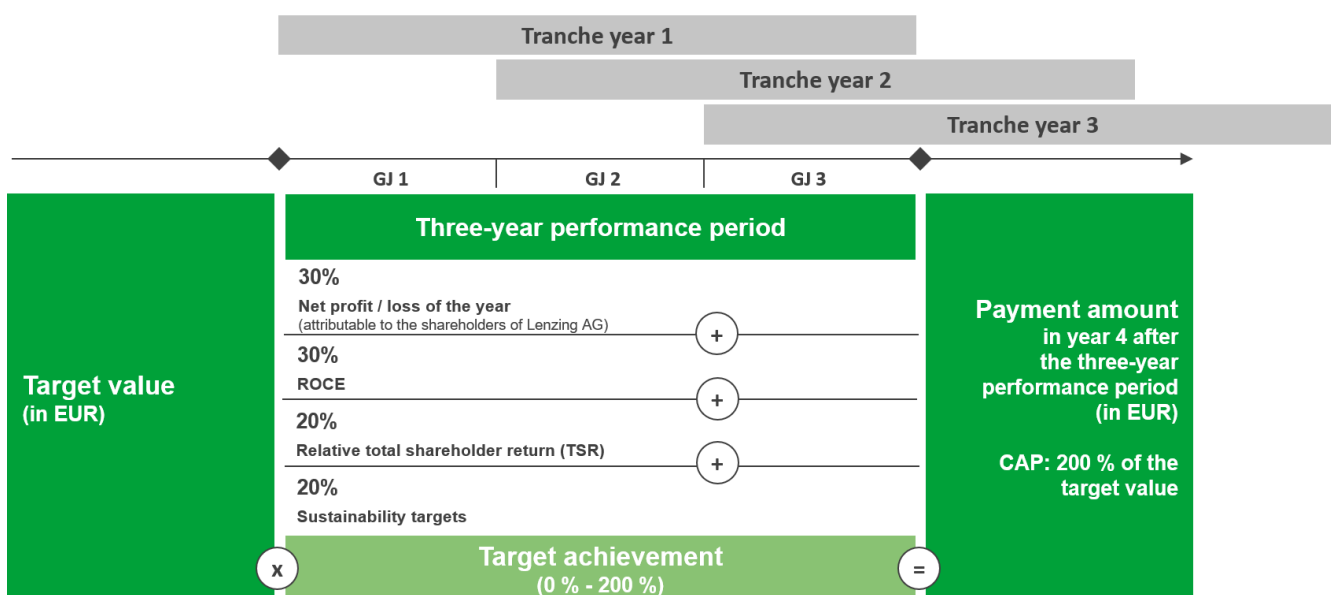
General functionality of the LTI

The LTI is a performance-based remuneration component with an assessment period of several years which is intended to achieve a long-term incentive effect. The LTI is granted on a rolling basis, i.e. in annual tranches with assessment periods of three years each. Based on the Remuneration Policy approved by the Annual General Meeting 2025, the LTI will in future be structured as a performance share plan with the performance targets Group ROCE, relative TSR, and sustainability targets. The first tranche designed as a performance share plan relates to the period 2025 – 2027 and will therefore only become due for final settlement in 2027.

The tranche 2023 – 2025, which expires this year, was defined in 2023 and therefore reflects the former Remuneration Policy. Accordingly, it is structured as a performance cash plan with the following performance targets: Group ROCE, the share of the net profit/loss for the year attributable to the shareholders of Lenzing AG, relative TSR, and sustainability targets.

The following explanations and illustrations relate to the expired LTI tranche 2023 – 2025, which was structured in accordance with the former Remuneration Policy.

Calculation of the LTI in accordance with the Remuneration Policy



Performance criteria and CAP

The long-term variable performance bonus promotes the medium to long-term increase in value and the successful implementation of the Group strategy, including the sustainability strategy, of Lenzing AG. In addition, the LTI also takes into account the relative total shareholder return (TSR), i.e. the share return from share price performance and dividends in relation to the selected companies in the ATX Prime and MDAX indices. This harmonizes the objectives of the Managing Board with the interests of shareholders and stakeholders.

At the beginning of the financial year, the Remuneration Committee of the Supervisory Board sets the target values as well as lower and upper thresholds for the financial LTI performance criteria for the assessment period (average of the next three financial years). The relevant ESG KPIs are also defined at this time.

Incentivizing Managing Board members in a uniform manner simplifies the integration of newly appointed Managing Board members, thereby serving the company's sustainable performance. When defining LTI targets, resources are made to both internal sources such as corporate planning and, where appropriate, external sources such as analysts' estimates and historical peer performance. This is intended to create targets that are ambitious compared to the competition, thereby promoting the long-term competitiveness of Lenzing AG. The level of target achievement is then determined based on the audited IFRS consolidated financial statements and the sustainability reporting or, where applicable, the corresponding external ESG ratings for the financial years of the assessment period. In contrast to the STI, the LTI target achievement rate amounts to 200 percent (CAP) when reaching the upper limit.

Accordingly, the bonus component for the respective performance criterion, as well as the long-term variable performance bonus, may therefore be completely omitted.

Tranche model

The LTI is granted in annual instalments, which have an assessment period of three years. The target values as well as the upper and lower limits for the three financial performance criteria always relate to the average values for the three years of the assessment period. An LTI target value bonus applies to each tranche, the amount of which is determined individually for each Managing Board member in the employment contract.

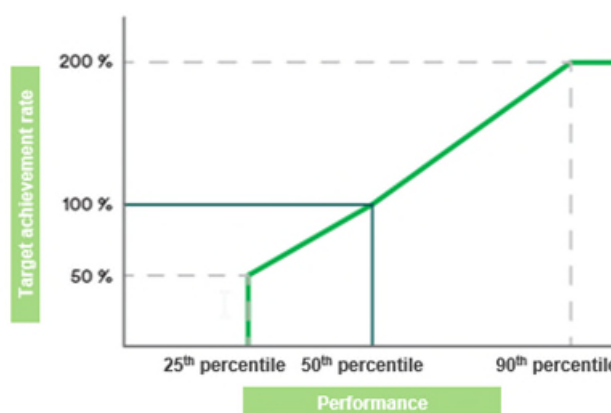
The tranche model for the LTI serves the long-term, strategic development of the company. This allows the company's performance after the end of a Managing Board member's term of office to be taken into account when determining the LTI. This incentivizes Managing Board members to make sustainable investments in the company even at the end of their term of office. Furthermore, the effects of cyclical fluctuations in earnings on the LTI are smoothed out.

Target setting and target achievement curve per performance criterion

Relative TSR

To assess the target achievement rate of the relative TSR, the TSR performance of Lenzing AG is compared with the performance of all companies in the ATX Prime and MDAX indices (excluding banks, insurance companies and real estate companies in each case). If the TSR of Lenzing AG corresponds to the 50th percentile (median) of the peer group, the target achievement rate is 100 percent. The 25th percentile is defined as the lower limit with a target achievement rate of 50 percent, and the upper limit is the 90th percentile with a target achievement rate of 200 percent. If the TSR of Lenzing AG lies below the 25th percentile, the degree of target achievement is 0 percent. Between the 25th and 50th percentiles as well as the 50th and 90th percentiles, the TSR target achievement levels are distributed in a straight line (linear interpolation).

Target achievement curve - relative TSR

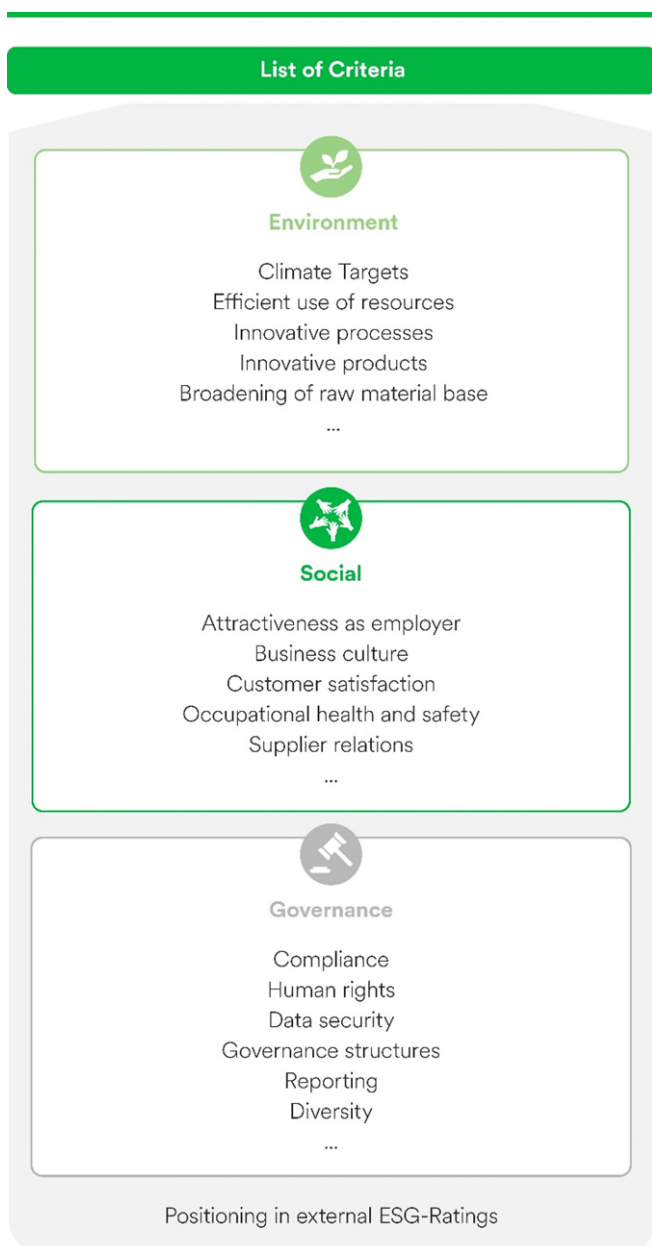


ROCE and net profit

In addition to the relative TSR, the inclusion of Group ROCE and the share of net profit/net loss for the year attributable to the shareholders of Lenzing AG ensures that both profitability and earnings development are reflected in the long-term variable performance bonus. While Group ROCE focuses on efficient long-term use of capital, the share of net profit/net loss for the year attributable to the shareholders of Lenzing AG aligns the remuneration with the interests of the shareholders. The target values as well as the upper and lower thresholds for Group ROCE and the share of net profit/net loss for the year attributable to the shareholders of Lenzing AG are generally not identical for the short-term (provided that the share of net profit/net loss for the year attributable to the shareholders of Lenzing AG is applied in the respective year) and long-term performance bonus.

Sustainability targets

Owing to the increasing significance of the topic of sustainability for all businesses and Lenzing AG in particular, two to five sustainability targets are defined from the 2022 LTI tranche onwards based on the following catalogue of criteria:



The sustainability targets can therefore be adapted to the business environment of Lenzing AG and different priorities can be set for each financial year. The disclosures on sustainability and climate-related targets are made in accordance with ESRS 2 GOV-3 and ESRS E1 paragraph 13.

Application of the LTI in 2025, target achievement and payment amount

The LTI of Lenzing AG is granted on a rolling basis, i.e. in annual tranches with assessment periods of three years each. Under usual circumstances, the financial performance criteria used are the consolidated net profit and Group ROCE, relative TSR and an additional two to five sustainability targets from a defined catalogue of criteria. The company reserves the right not to publish the target values as well as lower and upper limits for the LTI tranches in order to protect sensitive business information.

The following sustainability targets are linked to the remuneration of the Managing Board in the active LTI tranches. Details of the performance range can be found at the end of the Remuneration Report.

Sustainability targets for the 2023 LTI tranche:

- CO2 reduction: 45 percent reduction plus substantiated commitment to 1.5°C target
- Use of recycled materials in commercial products: Sale of 75,000 tons of fiber with a recycled pulp content of at least 10 percent
- Wastewater: All Lyocell sites except for Lenzing Fibers Grimsby Limited achieve 'Aspirational Level' in the ZDHC Wastewater and Responsible Production Guidelines
- Diversity in management: Lenzing increases the proportion of women to 22.5 percent in all positions from level 5a plus commitment to an ERG program and EDI training by 2025
- External ESG ratings: Maintaining the CDP Forest (A), MSCI (AA) and EcoVadis (Platinum) ratings and reducing the CDP Climate and CDP Water ratings by a maximum of one level

Sustainability targets for the 2024 LTI tranche:

- CO2 reduction: 47 percent reduction plus substantiated commitment to 1.5°C target
- Use of pulp from recycled materials: Use of 2,000 tons of recycled pulp in fiber production
- Social impact: Improvement of 3 percentage points on average in all 7 categories of the Lenzing Climate Survey
- External ESG ratings: Maintaining the CDP Forest (A), MSCI (AA) and EcoVadis (Platinum) ratings and reducing the CDP Climate and CDP Water ratings by a maximum of one level

Sustainability targets for the 2025 LTI tranche:

- Decarbonization: Reduction of scope 1, 2 and 3 GHG emissions by 50 percent until 2027
- Innovate the use of 4 alternative feedstocks with a proof of concept on a pilot line by 2027
- Employee Safety: Reduction of TRIFR (Total Recordable Injury Frequency Rate) to 0.8 until 2027
- Social Impact: Improvement of 5 percentage points on average in all 7 categories of the Lenzing Climate Survey until 2027

With the 2025 financial year, the assessment period for the LTI tranche 2023 was completed. In connection with the granting of the 2023 special bonus (see section ‘Special bonuses’), the members of the Managing Board waived all entitlements arising from the LTI tranche 2023 – 2025. Consequently, no LTI tranche is owed in 2025.

The remuneration granted includes those remuneration components that are economically attributable to the 2025 reporting period but have not yet been finally determined and disbursed. At Lenzing AG, the LTI is a contractual component that will not be finalized and paid out until after the reporting period. The final entitlements are only determined and thus acquired at the end of the last year of the assessment period of the respective LTI tranche. The values for the preliminary determination of the target achievement of the LTI tranches are based on the published results as well as budget and medium-term planning and calculated as an average over the respective assessment period of three years.

The following table shows the status of the LTI tranches that have not yet been finally vested and are therefore granted:

Status of the LTI tranches granted

EUR thousands	LTI tranche 2024	LTI-Tranche 2025	Total
Christian Skilich	228	160	388
Nico Reiner	220	150	370
Georg Kasperkovitz	0	130	130
Total	448	440	888

Special bonuses

The Remuneration Committee reserves the right to grant special bonuses for exceptional performances in addition to the aforementioned variable performance bonuses, provided that this exceptional performance has resulted in a future-oriented benefit for the company. Special bonuses are intended to motivate the Managing Board members to manage the company in a long-term and sustainable manner.

In order to retain particularly qualified members of the Managing Board, it is permissible to grant a retention bonus.

At the beginning of 2024, the Remuneration Committee resolved the 2023 special bonus. While part of the special bonus was already paid out in 2024, the portion of the bonus that was granted in connection with the waiver of the LTI tranche 2023 will only be paid in 2026, provided that the respective Managing Board member has not resigned from their position early at their own request or been dismissed prematurely for good cause by December 31, 2025. The portion of the special bonus that replaces the LTI tranche 2023 – 2025 was therefore fully earned upon completion of the 2025 financial year and is thus to be included in the remuneration owed.

In 2024, the Remuneration Committee also approved the special bonus 2024 – 2026. A basic prerequisite for the granting of this bonus is an active Managing Board contract as of December 31, 2025. In addition, the special bonus consists of a performance-based, target-oriented component and a discretionary component.

Nico Reiner was also granted a retention bonus, subject to the condition that he holds an active and unexpired Managing Board contract as of December 31, 2025.

For Georg Kasperkovitz, the possibility of granting a discretionary special bonus is provided for in his contract. The decision on whether such a bonus is granted is made annually by the Remuneration Committee of the Supervisory Board of Lenzing AG.

The table below shows the special bonuses owed to the members of the Managing Board for the 2025 financial year

Status of special bonuses owed

EUR thousands	Other non-performance-based remuneration	Other performance-based remuneration	Total
Christian Skilich	0	430	430
Nico Reiner	1,000	1,400	2,400
Georg Kasperkovitz	292	0	292
Total	1,292	1,830	3,122

The special bonus payable to Christian Skilich in the amount of EUR 430 thousand relates to the 2023 special bonus.

The special bonus owed to Nico Reiner in the amount of EUR 2,400 thousand consists of EUR 400 thousand from the 2023 special bonus, EUR 1,500 thousand from the special bonus 2024 – 2026, and a retention bonus of EUR 500 thousand. Of the special bonus 2024 – 2026, EUR 1,000 thousand were performance-based, while EUR 500 thousand were discretionary. The performance-based portion of EUR 1,000 thousand was granted in connection with the achievement of certain milestones and targets related to the refinancing of the Lenzing Group.

The special bonus payable to Georg Kasperkovitz in the amount of EUR 292 thousand corresponds to the discretionary bonus provided for in his Managing Board contract. In 2025, the portion of the bonus attributable to his period of service for contributions related to the transformation program was fully recognized.

As of December 31, 2025, no special bonuses have been granted.

Share ownership guidelines

The Remuneration Policy approved by the Annual General Meeting 2025 includes, for the first time, a share ownership requirement. Accordingly, each member of the Managing Board is obliged to invest at least 25 percent of the annual LTI payout (gross) in the company’s shares and to hold these shares for a minimum period of one year. The investment of the LTI payout into shares becomes mandatory for the first time with the LTI tranche 2025 – 2027, which is based on the new Remuneration Policy.

Malus und clawback

In accordance C-Rule 27 of the Austrian Code of Corporate Governance (ÖCGK), the Remuneration Policy stipulates that the company can reclaim performance-based remuneration components (STI und LTI) if it transpires that these were paid out on the basis of manifestly incorrect data ('performance clawback'). Furthermore, performance-based remuneration components may be withheld in full or in part in the event of significant breaches of duty by a member of the Managing Board ('compliance malus') or reclaimed ('compliance clawback')."

Terms of office of Managing Board mandates

Managing Board mandates are generally limited to approximately three years; in exceptional cases, a term of up to five years is agreed. Reappointments are permitted. To maintain continuity in the composition of the Managing Board, the Supervisory Board ensures that the majority of the contracts of Managing Board members do not expire on the same date.

Termination of a Managing Board mandate

The employment contracts of the Managing Board members are concluded for limited periods of time. They may only be terminated for exceptional reasons, in particular those of Section 27 of the Austrian Employees Act (AngG), with no notice period being applicable. In the event of permanent occupational disability or if an illness continues for more than six months, the employment relationship may also be terminated during the term of the contract by either party by three months' written notice as of June 30 or December 31 of a given year.

In the case of early termination of an appointment to the Managing Board by the company for any of the reasons stated in Section 75 AktG, or in the event of resignation from office without an exceptional reason and without the consent of the Supervisory Board, the employment contract is also to end automatically at the respective relevant time.

If severance pay was agreed with Managing Board members in the event of early termination without an exceptional reason, such severance pay must not exceed the annual base salary plus the maximum STI for a maximum of 1.5 years or a shorter residual term of contract, if applicable.

If the Managing Board member resigns from the Managing Board before the end of the term of appointment or if the Managing Board member is dismissed for good cause within the meaning of Section 75 AktG, all entitlements to LTI payments for all LTI tranches, for which the performance period has not yet expired, are forfeited.

Details regarding the arrangements in connection with the termination of Managing Board mandates in 2025 are explained in the section 'Total remuneration owed to the Managing Board'.

Deviation from the Remuneration Policy in exceptional circumstances

In extraordinary circumstances, the Remuneration Committee or the Supervisory Board may temporarily deviate from the Remuneration Policy in accordance with Section 78a (8) AktG in order to ensure the long-term development of the company or its profitability.

In the event that a Supervisory Board member takes on a Managing Board mandate on an interim basis, the performance-based remuneration components and the ratio of base salary to performance-based remuneration components may be determined differently in order to incentivize the Managing Board member delegated from the Supervisory Board in a manner appropriate to the situation.

In addition, in exceptional circumstances that are particularly challenging in macroeconomic terms or specifically for the company, additional compensation components may be granted temporarily, or individual compensation components may be replaced by other compensation components.

Total remuneration owed to the Managing Board

The remuneration owed represents those remuneration components that were actually received during the 2025 reporting period and are attributable to this reporting period, as well as entitlements finally acquired in the reporting period, even if payment will be made in a subsequent period.

This is to be distinguished from the remuneration granted, which is listed in the section 'Long-term variable performance bonus' and relates exclusively to those components that are not yet finally determined and therefore not yet earned.

The total remuneration owed (see table below) to all active and former members of the Managing Board for the financial year 2025 amounts to EUR 9,622 thousand. Non-performance-based components account for EUR 6,934 thousand and performance-based remuneration components totaled EUR 2,688 thousand.

The performance-based remuneration components in the 2025 financial year arise from the STI 2025 as well as from the entitlements under the special bonuses 2023 and 2024 – 2026.

Other non-performance-based remuneration includes the payments related to the termination of the contracts of Nico Reiner and Rohit Aggarwal. It also includes the discretionary bonus provided for in the Managing Board contracts of Georg Kasperkovitz and Nico Reiner, as well as the retention bonus granted to Nico Reiner.

On September 19, 2025, Nico Reiner informed the Supervisory Board of Lenzing AG that he did not wish to extend his Managing Board mandate, which expires on December 31, 2025. The determination and payment of the STI 2025, the performance-based special bonuses, and the retention bonus will be made in accordance with the provisions of the employment contract and the respective target agreements. For compliance with the post-contractual non-competition clause, the Managing Board member is entitled to compensation in the amount of EUR 545 thousand, for which a liability was expensed.

Furthermore, Rohit Aggarwal, Chairman of the Managing Board of Lenzing AG, informed the Supervisory Board on December 9, 2025, that he would resign from his position for personal reasons, effective January 31, 2026. In this context, a lump-sum severance payment of EUR 2,015 thousand was agreed with the Managing Board member. This severance payment includes a lump-sum non-competition compensation for compliance with the agreed non-competition clause, as well as a settlement for all (potential) claims under any other bonus arrangements. In return, Rohit Aggarwal waives all (potential) entitlements under the STI, LTI and special bonus schemes.

Walter Bickel left Lenzing AG at the end of March 2025 by mutual agreement. No financial claims arose from the early termination.

For the calculation of the relative shares of non-performance-based and performance-based components of total remuneration, ancillary benefits, pension contributions as well as other components are not taken into consideration, as specified by the Remuneration Policy.

The following table shows the remuneration owed in accordance with the statutory requirements of the Austrian Stock Corporation Act (Sections 78 et seq. AktG) and the recommendations of the Austrian Corporate Governance Code.

Remuneration owed to the Managing Board 2025

	Rohit Aggarwal			Christian Skilich			Nico Reiner			Georg Kasperkovitz			Total		
	Chief Executive Officer			Chief Pulp and Technology Officer			Chief Financial Officer			Chief Operations Officer					
EUR thousands	(Managing Board since 01/09/2024)			(Managing Board since 01/06/2020)			(Managing Board since 01/01/2023)			(Managing Board since 01/06/2025)					
	2025	2024	Change (%)	2025	2024	Change (%)	2025	2024	Change (%)	2025	2024	Change (%)	2025	2024	Change (%)
Non-performance-based	2,935	889	> +100%	630	624	0.9%	2,372	699	> +100%	687	0		6,623	2,212	> +100%
Base salary	806	267	> +100%	544	539	0.9%	705	590	19.4%	350	0		2,404	1,395	72.3%
Benefits in kind	16	4	> +100%	13	16	(19.5)%	41	24	67.0%	5	0		75	45	64.5%
Pension fund contributions	98	37	> +100%	73	69	5.4%	81	84	(3.6)%	41	0		293	190	54.0%
Other non-performance-based remuneration	2,015	581	> +100%	0	0		1,545	0	> +100%	292	0		3,852	581	> +100%
Performance-based	0	285	(100.0)%	768	670	14.7%	1,723	1,084	58.9%	197	0		2,688	2,039	31.8%
STI	0	285	(100.0)%	338	605	(44.1)%	323	584	(44.7)%	197	0		858	1,474	(41.8)%
LTI	0	0		0	65	(100.0)%	0	0		0	0		0	65	(100.0)%
Other performance-based remuneration	0	0		430	0	> +100%	1,400	500	> +100%	0	0		1,830	500	> +100%
Total remuneration	2,935	1,174	> +100%	1,398	1,294	8.0%	4,095	1,783	> +100%	884	0		9,311	4,250	> +100%
thereof non-performance-based in %	100%	76%		45%	48%		58%	39%		78%	n/a		71%	52%	
thereof performance-based in %	0%	24%		55%	52%		42%	61%		22%	n/a		29%	48%	

Remuneration owed to former board members 2025

	Walter Bickel			Stephan Sielaff			Thomas Obendrauf			Total		
	Chief Transformation Officer			Former Chief Executive Officer			Former Chief Financial Officer					
EUR thousands	(Managing Board 15/04/2024 to 31/03/2025)			(Managing Board 01/03/2020 to 31/08/2024)			(Managing Board 01/03/2016 to 31/05/2022)					
	2025	2024	Change (%)	2025	2024	Change (%)	2025	2024	Change (%)	2025	2024	Change (%)
Non-performance-based	304	729	(58)%	7	2,698	(100)%	0	0		310	3,428	(91)%
Base salary	297	711	(58)%	0	455	(100)%	0	0		297	1,166	(75)%
Benefits in kind	2	8	(76)%	0	1	(100)%	0	0		2	9	(79)%
Pension fund contributions	5	10	(54)%	7	57	(88)%	0	0		11	67	(83)%
Other non-performance-based remuneration	0	0		0	2,185	(100)%	0	0		0	2,185	(100)%
Performance-based	0	0		0	526	(100)%	0	15	(100)%	0	541	(100)%
STI	0	0		0	526	(100)%	0	0		0	526	(100)%
LTI	0	0		0	0		0	15	(100)%	0	15	(100)%
Other performance-based remuneration	0	0		0	0		0	0		0	0	
Total remuneration	304	729	(58)%	7	3,224	(100)%	0	15	(100)%	310	3,969	(92)%
thereof non-performance-based in %	100%	100%		100%	84%		n/a	0%		100%	86%	
thereof performance-based in %	0%	0%		0%	16%		n/a	100%		0%	14%	

Annual change in remuneration owed of the Managing Board, Supervisory Board and financial performance 2025

	EUR thousands	2025	Change in %	2024	Change in %	2023	Change in %	2022	Change in %	2021
Change in Managing Board remuneration										
Managing Board Member as at 31/12/2025										
Rohit Aggarwal	(Managing Board since 01/09/2024)	2,935	> +100%	1,174		0		0		0
Christian Skilich	(Managing Board since 01/06/2020)	1,398	8%	1,294	28%	1,009	80%	561	(48)%	1,077
Georg Kasperkovitz	(Managing Board since 01/06/2025)	884	n.a.	0		0		0		0
Nico Reiner	(Managing Board since 01/01/2023)	4,095	> +100%	1,783	91%	931		0		0
Former members of the Managing Board										
Walter Bickel	(Managing Board 15/04/2024 to 31/03/2025)	304	(58)%	729		0		0		0
Stephan Sielaff	(Managing Board 01/03/2020 to 31/08/2024)	7	(100)%	3,224	> +100%	1,166	68%	692	(37)%	1,092
Thomas Obendrauf	(Managing Board 01/03/2016 to 31/05/2022)	0	(100)%	15	(31)%	22	(97)%	785	(35)%	1,202
Change in Supervisory Board remuneration										
Supervisory Board Members as at 31/12/2025										
Patrick Lackenbucher	(Supervisory Board since 17/04/2025)	178		0		0		0		0
Carlos Anibal de Almeida Junior	(Supervisory Board since 10/10/2024)	136	> +100%	35		0		0		0
Stefan Fida	(Supervisory Board since 14/04/2021)	105	(26)%	143	12%	128	57%	81	13%	72
Cornelius Baur	(Supervisory Board since 28/04/2024)	100	4%	96		0		0		0
Helmut Bernkopf	(Supervisory Board since 23/04/2009)	52	(24)%	69	8%	64	39%	46	(23)%	60
Franz Gasselsberger	(Supervisory Board since 24/04/2013)	76	(28)%	105	15%	91	34%	68	(17)%	82
Gerhard Schwartz	(Supervisory Board since 19/04/2023)	125	(33)%	187	69%	110		0		0
Astrid Skala-Kuhmann	(Supervisory Board since 19/04/2012)	99	(28)%	138	23%	112	74%	64	(16)%	76
Markus Fürst	(Supervisory Board since 14/04/2021)	79	20%	66	(50)%	133	56%	85	25%	68
Leonardo Barretto de Araujo Grimaldi	(Supervisory Board since 17/04/2025)	58		0		0		0		0
Former member of the Supervisory Board										
Thomas Cord Prinzhorn	(Supervisory Board 26/04/2022 to 17/04/2025)	80	(78)%	363	17%	310	> +100%	131	> +100%	25
Remuneration of employees										
Average remuneration of employees on a full-time equivalent basis ¹⁾										
		79	(12)%	90	21%	75	10%	68	(13)%	78
The company's financial performance										
EBITDA	in EUR mn	413.0	4%	395.4	30%	303.3	25%	241.9	(33)%	362.9
Net Income	in EUR mn	(135.2)	2%	(138.3)	77%	(593.0)	> (100)%	(37.2)	> (100)%	127.7
Net Income attributable to shareholders	in EUR mn	(210.3)	(34)%	(156.6)	76%	(649.4)	> (100)%	(73.1)	> (100)%	110.3
ROCE	in %	0.7	(80)%	3.6	> +100%	(14.2)	> (100)%	2.0	63%	5.4
Free cash flow	in EUR mn	173.9	4%	167.0	> +100%	(122.8)	83%	(740.7)	(66)%	(445.5)
TSR	percentil	10.9	(59)%	26.4	> +100%	1.5	(88)%	12.9	(83)%	75.8

¹⁾ The following remuneration components were included in the calculation of the average remuneration of employees: basic wage, basic salary, apprentice remuneration, special payments, allowances, overtime, bonuses. The calculation basis therefore corresponds to the remuneration owed.

Remuneration of former board members

Post-employment benefits for former members of the Managing Board of Lenzing AG or their surviving dependents were recognized in the form of expenses in the income statement and remeasurements in other comprehensive income in the amount of EUR 285 thousand (2024: EUR 308 thousand). The present value of the pension provision recognized in this context, after deduction of the fair value of plan assets (net obligation) amounted to EUR 4,602 thousand as at December 31, 2025 (December 31, 2024: EUR 5,090 thousand).

Remuneration of the Supervisory Board

Personnel changes on the Supervisory Board and committees

At the Annual General Meeting on April 17, 2025, Patrick Lackenbacher and Leonardo Grimaldi were newly elected to the Supervisory Board of Lenzing AG (until the Annual General Meeting that resolves on the 2029 financial year). The mandate of Stefan Fida was likewise extended until the end of the Annual General Meeting resolving on the financial year 2029. The elections to the Supervisory Board were held due to the expiry of the terms of office of Stefan Fida and Cord Prinzhorn, the latter consequently leaving the Supervisory Board and focusing on his existing and new responsibilities within the B&C Group. Marcelo Feriozzi Bacci had already stepped down from the Supervisory Board at his own request on December 6, 2024. At the constituent meeting of the Supervisory Board following the Annual General Meeting, Patrick Lackenbacher was elected Chairman, Carlos de Almeida was elected First Deputy Chairman and Stefan Fida was elected Second Deputy Chairman of the Supervisory Board.

Basic features of the Remuneration Policy

Supervisory Board remuneration generally consists of basic remuneration for Supervisory Board activities and for membership of a committee as well as an attendance fee for Supervisory Board and committee meetings. In view of the greater responsibility and the wider scope of activities, the Chairman of the Supervisory Board, his deputies, the committee chairmen, specific committee members and the financial expert may be granted a higher basic remuneration than the regular Supervisory Board members. In addition, Supervisory Board members are entitled to reimbursement of their cash expenses.

If Supervisory Board members take on a special task in the company, special remuneration may be granted to them by resolution of the Annual General Meeting.

In order to attract, motivate and retain the most suitable Supervisory Board members, remuneration is defined in a performance-based manner and is in line with the market. When defining remuneration in line with the market, not only Austrian but also foreign companies, in particular German companies at present, are used

as a benchmark. In view of the global business activities of Lenzing AG, this is necessary in order to offer highly qualified international candidates attractive remuneration.

The company has taken out a directors and officers (D&O) insurance policy, which also covers the members of the Supervisory Board.

Remuneration components	Description of major parameters
Basic remuneration	Fixed salary at a competitive level Higher basic remuneration may be granted as a result of greater responsibility (e.g. for chairmanship of the supervisory board, committee chairmanship, etc.) All members of the Supervisory Board are entitled to reimbursement of their cash expenses
Attendance fee	For Supervisory Board and committee meetings
Special compensation	Special remuneration may be granted by resolution of the Annual General Meeting if a special activity is assumed within the company
Directors and officers (D&O) insurance	Supervisory Board members are also covered

The Remuneration Committee is responsible for preparing and regularly reviewing the Remuneration Policy for Supervisory Board members. The entire Supervisory Board is responsible for drawing up the Remuneration Policy for the Supervisory Board. The rules for determining the remuneration of the members of the Supervisory Board can be found in the Articles of Association (Section 13) of Lenzing AG, which are published on the company's website. The remuneration of the Supervisory Board is determined annually by the Annual General Meeting (Section 98 AktG).

Total remuneration of the Supervisory Board

The total remuneration of all Supervisory Board members for the 2025 financial year amounts to EUR 1,089 thousand (previous year: EUR 1,422 thousand), which corresponds to a decline of 23 percent.

The following table shows the remuneration owed in accordance with the statutory requirements of the Austrian Stock Corporation Act (Sections 78 et seq. AktG) and the recommendations of the Austrian Corporate Governance Code. No additional remuneration was granted to the Supervisory Board.

Overview of the total remuneration of the Supervisory Board in 2025

EUR thousands		Fixed salary	% of total compensation	Committee activity	% of total compensation	Attendance fees	% of total compensation	Total
Supervisory Board Members as at 31/12/2025								
Patrick Lackenbacher	(Chairmann of Supervisory Board since 17/04/2025)	65	36%	92	52%	21	12%	178
Carlos Anibal de Almeida Junior	(First Deputy Chairman of Supervisory Board since 06/12/2024)	60	44%	50	37%	26	19%	136
Stefan Fida	(Second Deputy Chairman of Supervisory Board since 10/10/2024)	60	57%	24	23%	21	20%	105
Cornelius Baur	(Supervisory Board Member since 18/04/2024)	40	40%	40	40%	20	20%	100
Helmut Bernkopf	(Supervisory Board Member since 23/04/2009)	40	77%	0	0%	12	23%	52
Franz Gasselsberger	(Supervisory Board Member since 24/04/2013)	40	53%	20	26%	16	21%	76
Gerhard Schwartz	(Chairman of the Audit Committee since 19/04/2023)	40	32%	60	48%	25	20%	125
Astrid Skala-Kuhmann	(Supervisory Board Member since 19/04/2012)	40	40%	37	38%	22	22%	99
Markus Fürst	(Supervisory Board Member since 14/04/2021)	40	51%	20	25%	19	24%	79
Leonardo Barretto de Araujo Grimaldi	(Supervisory Board Member since 17/04/2025)	28	49%	19	33%	11	19%	58
Total remuneration of the members as at 31/12/2025		453		363		193		1,009
Former member of the Supervisory Board								
Thomas Cord Prinzhorn	(Chairman of Supervisory Board 26/04/2022 to 17/04/2025)	27	33%	45	57%	8	10%	80
Total remuneration former members		27		45		8		80
Total remuneration of current and former members		480		409		201		1,089

Adopted by the Managing Board:

Lenzing, March 11, 2026

Adopted by the Supervisory Board:

Lenzing, March 11, 2026

Details on the sustainability targets of the LTI tranches

Sustainability targets LTI tranche 2023

Target size	Target value	Performance range	
		Lower limit	Upper limit
CO2 reduction 2025	45 percent reduction plus substantiated commitment to 1.5°C target (vs. baseline 2017)	43 percent reduction plus substantiated commitment to 1.5°C target (vs. baseline 2017)	50 percent reduction plus substantiated commitment to 1.5°C target (vs. baseline 2017)
Use of recycled materials in commercial products	Sale of 75,000 tons of fiber with a recycled pulp content of at least 10 percent	Sale of 50,000 tons of fiber with a recycled pulp content of at least 10 percent	Sale of 90,000 tons of fiber with a recycled pulp content of at least 10 percent
Waste water	All Lyocell sites except for Lenzing Fibers Grimsby Limited achieve the "Aspirational Level" at the ZDHC Wastewater and Responsible Production Guidelines	All Lyocell sites except for Lenzing Fibers Grimsby Limited achieve the "Foundational Level" at the ZDHC Wastewater and Responsible Production Guidelines	All Lyocell sites except for Lenzing Fibers Grimsby Limited achieve the "Aspirational Level" at the ZDHC Wastewater and Responsible Production Guidelines and Lenzing Fibers Grimsby Limited achieves the "Foundational Level" except for CoD and BoD
Diversity in management	22.5 percent share of women in middle management (5A+) plus commitment to an ERG programme and EDI training	21.5 percent share of women in middle management (5A+) plus commitment to an ERG programme and EDI training	24.0 percent share of women in middle management (5A+) plus commitment to an ERG programme and EDI training
External ESG ratings (current rating as at December 31, 2025)	Maintaining the ratings CDP Forest (A), MSCI (AA) and EcoVadis (Platinum) and reduction of ratings CDP Climate and CDP Water by a maximum of 1 level	Reduction by a maximum of 1 level for a maximum of 2 of the following 3 ratings: CDP (Climate, Forest, Water), MSCI, EcoVadis	Maintaining the ratings CDP Climate (A), CDP Forest (A), CDP Water (A), MSCI (AA) and EcoVadis (Platinum)

The five target values of the sustainability criteria are equally weighted and each contribute 20 percent to the assessment of the ESG component of the 2023 LTI tranche.

Sustainability targets LTI tranche 2024

Target size	Target value	Performance range	
		Lower limit	Upper limit
CO2 reduction 2026	47 percent reduction plus substantiated commitment to 1.5°C target (vs. baseline 2017)	45 percent reduction plus substantiated commitment to 1.5°C target (vs. baseline 2017)	50 percent reduction plus substantiated commitment to 1.5°C target (vs. baseline 2017)
Use of pulp made from recycled materials from the SÖDRA co-operation	Use of 2,000 tons of recycled SÖDRA pulp in fiber production	Use of 1,500 tons of recycled SÖDRA pulp in fiber production	Use of 3,000 tons of recycled SÖDRA pulp in fiber production
Social impact (current Lenzing Climate Survey as at December 31, 2026)	Improvement of 3 percentage points on average in all 7 categories of the Lenzing Climate Survey	Improvement of 1 percentage point on average in all 7 categories of the Lenzing Climate Survey	Improvement of 5 percentage points on average in all 7 categories of the Lenzing Climate Survey
External ESG ratings (current rating as at December 31, 2026)	Maintaining the ratings CDP Forest (A), MSCI (AA) and EcoVadis (Platinum) and reduction of ratings CDP Climate and CDP Water by a maximum of 1 level	Reduction by a maximum of 1 level for a maximum of 2 of the following 3 ratings: CDP (Climate, Forest, Water), MSCI, EcoVadis	Maintaining the ratings CDP Climate (A), CDP Forest (A), CDP Water (A), MSCI (AA) and EcoVadis (Platinum)

The four target values of the sustainability criteria are equally weighted and each contribute 25 percent to the assessment of the ESG component of the 2024 LTI tranche.

Sustainability targets LTI tranche 2025

Target size	Performance range		
	Target value	Lower limit	Upper limit
Decarbonization: Reduction of GHG emissions	Reduction of scope 1, 2 and 3 GHG emissions (tons per ton fiber and pulp produced) by 50 percent until 2027 (vs. baseline 2017)	Reduction of scope 1, 2 and 3 GHG emissions (tons per ton fiber and pulp produced) by 48 percent until 2027 (vs. baseline 2017)	Reduction of scope 1, 2 and 3 GHG emissions (tons per ton fiber and pulp produced) by 53 percent until 2027 (vs. baseline 2017)
Circularity – Innovation: Alternative feedstocks concepts	Innovate the use of 4 alternative feedstocks with a proof of concept on a pilot line by 2027	Innovate the use of 3 alternative feedstocks with a proof of concept on a pilot line by 2027	Innovate the use of 5 alternative feedstocks with a proof of concept on a pilot line by 2027
Employee Safety: Reduction of TRIFR (Total recordable injury frequency rate for employees and contractors)	Reduction of TRIFR to 0.8 until 2027 ¹⁾	Reduction of TRIFR to 0.9 until 2027 ¹⁾	Reduction of TRIFR to 0.7 until 2027 ¹⁾
Social Impact: Compared to latest Lenzing Climate Survey (December 2023)	Improvement of 5 percentage points on average in all 7 categories of the Lenzing Climate Survey until 2027	Improvement of 3 percentage points on average in all 7 categories of the Lenzing Climate Survey until 2027	Improvement of 7 percentage points on average in all 7 categories of the Lenzing Climate Survey until 2027

¹⁾ Units measured in number of (lost workday cases + restricted workday cases + medical treatment cases for employees and contractors) per 200,000 working hours

The four target values of the sustainability criteria are equally weighted and each contribute 25 percent to the assessment of the ESG component of the 2025 LTI tranche.