



Remuneration Report 2023

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PROGRESS.**

Annex ./1

Preamble

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT AG is committed to the effective and sustained involvement of shareholders on the topic of remuneration (Say on Pay). Since the voting at the Annual General Meeting in 2023, the Remuneration Report has been comprehensively extended to include the following points, taking into account the feedback from shareholders:

- a comprehensive description of the structure of the variable remuneration of the Executive Board members and detailed information on key performance indicators, weighting and growth factor in the calculation of the quantitative performance criteria as well as on the target achievement of the qualitative performance criteria.
- detailed explanation of changes to the base salary.

Remuneration Report on the remuneration of the members of the Executive Board and the Supervisory Board of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft for the financial year 2023

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Remuneration Report on the remuneration of the members of the Executive Board and the Supervisory Board of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft for the financial year 2023

1. Introduction

1.1 Fundamentals

On 28 April 2022, the Annual General Meeting of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft (SBO) adopted the principles for remuneration (Remuneration Policy) for members of the Executive Board. The principles for remuneration (Remuneration Policy) for members of the Supervisory Board of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft were adopted at the Annual General Meeting on 23 April 2020.

This Remuneration Report on the remuneration of the members of the Executive Board and the Supervisory Board has been prepared by the Executive Board and the Supervisory Board of SBO in accordance with Section 78c Austrian Stock Corporation Act (AktG) in order to provide a comprehensive overview of the remuneration granted or owed to the members of the Executive Board as well as to the members of the Supervisory Board on the basis of the Remuneration Policy (Sections 78a and 98a Austrian Stock Corporation Act (AktG)), including all benefits in any form during financial year 2023. It was reviewed by the Company's Nomination and Remuneration Committee and approved at its meeting on 19 March 2024.

This Remuneration Report implements the requirements set out in Sections 78c and 98a Austrian Stock Corporation Act (AktG) that govern the preparation of remuneration reports for members of the Executive Board and Supervisory Board of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft as a listed company. It is also guided by Statement 37 of the Austrian Financial Reporting and Auditing Committee ("AFRAC Statement").

In accordance with Section 78d (1) Austrian Stock Corporation Act (AktG), the Remuneration Report must be submitted to the Annual General Meeting for voting. The vote is of a recommendatory nature; the following Remuneration Report must describe how the voting result of the last Annual General Meeting was applied.

1.2 Economic development in the past financial year

SBO recorded an excellent sales and earnings development in 2023 with an all-time high in sales, on top of an already strong 2022. The company outperformed last year's results driven by the outstanding performance of the AMS division. In addition to the high profit, the operating cash flow also improved. The balance sheet remains solid with a strong financial position and a high equity ratio.

Sales of SBO Group climbed by 16.9 % to a record level of MEUR 585.9 (2022: MEUR 501.2). Bookings reached MEUR 543.7, due to continued high demand, especially on the international markets. The order backlog at the end of the year remained at a high level of MEUR 225.4 (2022: MEUR 265.0).

Earnings before interest, taxes, depreciation and amortization (EBITDA) increased to MEUR 131.3 in 2023 (2022: MEUR 129.1). SBO's profit from operations (EBIT) rose to MEUR 102.3 (2022: MEUR 96.2). Due to negative foreign exchange effects margins were negatively impacted compared to 2022: EBITDA margin in 2023 reached 22.4 % (2022: 25.8 %), EBIT margin came to 17.5 % after 19.2 % in 2022.

The financial result amounted to MEUR minus 8.1 (2022: MEUR minus 2.8), mainly due to a one-off expense related to a legal settlement from the acquisition of minority interests. Profit before tax of MEUR 94.2 was slightly higher than in the previous year (2022: MEUR 93.3), profit after tax came to MEUR 71.6 (2022: MEUR 75.2). Earnings per share (EPS) amounted to EUR 4.55 (2022: EUR 4.78).

The SBO Group's equity increased to MEUR 448.0 as of 31 December 2023 (2022: MEUR 425.0). Due to the reduction in other current liabilities the equity ratio rose to 53.6 % at the end of 2023 compared to 47.1 % in the previous year. Cash and cash equivalents amounted to MEUR 162.4 (2022: MEUR 287.8), after one-off cash outflows of MEUR 21.7 for the acquisition of Praxis Completion Technology and MEUR 119.0 for the acquisition of minority interests following the settlement of a legal dispute. Net debt amounted to MEUR 92.3 (2022: net liquidity of MEUR 34.5), while gearing stood at 20.6 % (2022: minus 8.1 %).

Cash flow from operating activities (operating cash flow) improved by MEUR 34.1 compared to the previous year and amounted to MEUR 86.5 (2022: MEUR 52.4), primarily driven by reduced increase in working capital and a slightly higher cash flow from profit. Capital expenditure on property, plant and equipment and intangible assets (CAPEX) increased to MEUR 37.5 in 2023 (2022: MEUR 31.0). As of 31 December 2023, purchase commitments for property, plant and equipment amounted to MEUR 9.7 (2022: MEUR 5.6).

SBO's key performance indicators at a glance

KEY FIGURES	2023	2022	2021	2020	2019
IN MEUR					
Sales	585,9	501,2	292,8	291,2	445,3
Earnings before interest, taxes, depreciation and amortization (EBITDA)	131,3	129,1	60,0	27,1	108,6
EBITDA margin (%)	22,4	25,8	20,5	9,3	24,4
Profit from operations (EBIT) before one-off effects	102,3	96,2	28,2	-5,6	60,8
EBIT margin before one-off effects (%)	18,6	19,2	9,6	-1,9	13,7
Profit from operations (EBIT)	102,3	96,2	28,2	-28,0	60,2
EBIT margin (%)	18,6	19,2	9,6	-9,6	13,5
Profit before tax	94,2	93,3	23,4	-31,2	47,9
Profit after tax	71,6	75,2	21,0	-21,7	32,3
Earnings per share in EUR	4,55	4,8	1,3	-1,4	2,0
Free cashflow	33,1	27,1	-17,0	80,1	63,8
Liquid funds as of 31 December	162,4	287,8	291,8	314,0	265,2
Net liquidity (+) / Net debt (-) as of 31 December	-92,3	34,5	9,9	9,5	-20,1
Headcount as of 31 December	1 601	1 484	1 267	1 131	1 535

2. Remuneration Report on the remuneration of the members of the Executive Board

The Remuneration Report provides an overview of the overall remuneration of the Executive Board members and explains the remuneration principles.

2.1 Principles of the remuneration of the members of the Executive Board

The Nomination and Remuneration Committee of the Supervisory Board is responsible for preparing, regularly reviewing and monitoring the implementation of the Remuneration Policy for the Executive Board. The Nomination and Remuneration Committee includes only members of the Supervisory Board. The Nomination and Remuneration Committee resolves the Remuneration Policy and submits it subsequently to the Annual General Meeting for voting.

The objective of the remuneration system is to ensure that the members of the Executive Board receive appropriate remuneration in relation to the size and economic situation of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft. The total remuneration of the Executive Board members takes into account market conditions, sets behavioral incentives for sustainable corporate development and encourages the business strategy and long-term development of the Company.

The Company pursues a sustainable growth strategy based on the three elements "driving value creation in the core business", "building a new business segment for further growth", and "embedding sustainability in all business activities". The variable remuneration, which is made up of quantitative and qualitative components, is performance-oriented and takes these components as well as any other corporate objectives of importance to the Company into account. The variable compensation safeguards the interests of the shareholders, such that the members of the Executive Board are incentivized for financial and non-financial performance. In case of deviations from performance expectations, the variable remuneration is reduced or not granted. Through ambitiously defined milestones and sustainably oriented growth factors, the long-term orientation of the Executive Board is ensured without jeopardizing the attractiveness of this function for qualified managers.

The remuneration of the members of the Executive Board is composed of not-performance-based, fixed components and performance-based, variable components as follows:

Remuneration components	Description
Not-performance-based remuneration	
Base salary	Fixed annual base remuneration at a competitive level, taking into account the responsibilities and tasks of the individual Executive Board members, paid in 14 partial payments
Benefits in kind	Company car provided to each Executive Board member for the duration of the employment contract
Pension contributions	Entitlement to a contribution-based pension, contributions are paid by the Company into a pension fund
Fringe benefits	Casualty and invalidity insurance, D&O insurance which the Company takes out for the benefit of the members of the Executive Board and bears the premiums
Performance-based remuneration	
Variable remuneration	If certain quantitative and qualitative targets are achieved, variable remuneration is due, limited to 65 % of the respective annual remuneration.

Each Executive Board member receives non-performance-related remuneration for exercising their Management Board mandate.

The prerequisite for performance-related variable remuneration is the existence and achievement of financial (quantitative) and annually agreed non-financial (qualitative) performance criteria.

Performance criteria	Description
Quantitative performance criteria	
Return on sales	The quantitative targets take into account the development of both the profitability and the rate of return of the Company; these are essentially equally weighted and multiplied by a growth factor.
Cashflow return	
Return on equity	
Return on total capital	
Sustainable growth	

The achievement of the quantitative targets is determined on the basis of the audited Consolidated Financial Statements for the relevant financial year.

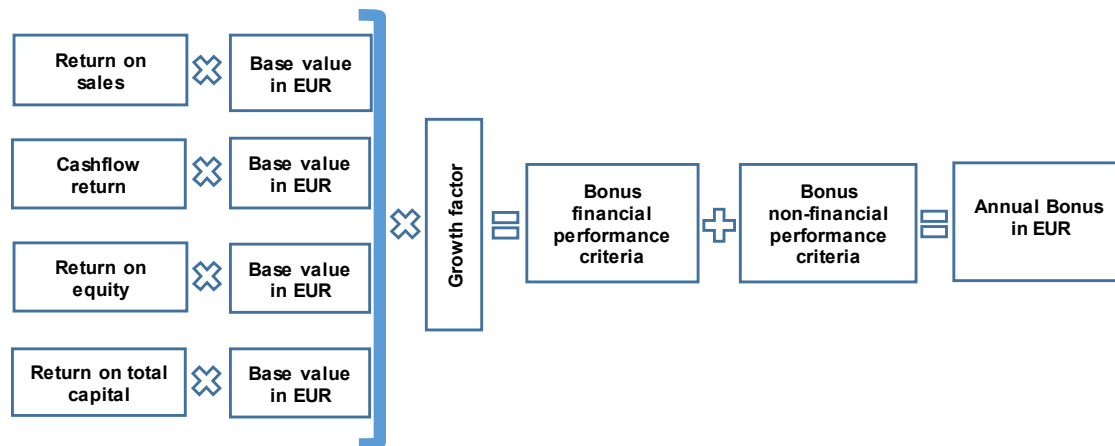
Qualitative performance criteria e.g. in the areas of	
Strategic corporate development	Qualitative targets set annually, basis for assessment is the collective performance of the entire Executive Board as a whole and the individual performance of each Executive Board member.
ESG projects	
Realization of key projects	
Market development / Product innovation	

The target agreement for the qualitative performance criteria is set anew annually, and if the targets are achieved, the fixed amount defined in the target agreement is paid out.

The variable remuneration is capped at 65% of the annual remuneration comprising the base salary and variable remuneration of the respective Executive Board member and can therefore amount to between 0% and a maximum of 185.71% of the annual base salary for the financial year.

The performance-related, variable remuneration of Executive Board members for the financial year 2023 is based on a bonus agreement concluded between the Executive Board member and the Nomination and Remuneration Committee of the Company's Supervisory Board, which forms part of the Executive Board employment contract.

Calculation of performance-based variable remuneration



The majority of variable remuneration depends on the achievement of the quantitative performance criteria. These are four defined key performance indicators that are derived from the audited Consolidated Financial Statements. On the one hand, profitability indicators – return on sales and cash flow return – and on the other hand, return indicators – return on equity and return on total capital.

These key performance indicators – return on sales, return on cash flow, return on equity and return on total assets – are expressed as a percentage and multiplied by the base value. The amount of the base value per quantitative performance criterion is determined for each Executive Board member in their Executive Board employment contract.

The resulting values are multiplied by the growth factor. This growth factor to be applied to the four key performance indicators is derived from the sales growth in the respective financial year compared to the sales of a base year. Ing. Gerald Grohmann's base sales are the consolidated sales of the Group for the financial year 2003, and Klaus Mader's base sales are the consolidated sales of the Group for the financial year 2015. The growth factor thus takes into account the sustainable growth of the Company and the long-term orientation of the Company's management in the variable remuneration.

The bonus amounts for the quantitative performance criteria are determined on the basis of the audited Consolidated Financial Statements for the relevant financial year. The same quantitative performance criteria are agreed with all Executive Board members.

For details on the structure of the fixed and variable remuneration components, please refer to the Remuneration Policy 2022 for Executive Board members of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft. The Remuneration Policy 2022 is available on the Company's website at www.sbo.at/remuneration.

2.2 Presentation of total remuneration

2.2.1 Fundamentals

In order to provide SBO shareholders with a clear and comprehensible overview of the total remuneration of the members of the Executive Board in line with the requirements of Section 78c Austrian Stock Corporation Act (AktG), the total remuneration of the members of the Executive Board is presented in tabular form based on the proposed presentation format of the AFRAC statement.

This presentation of total remuneration aims to provide the reader with a clear breakdown of the components and the relative proportions of fixed and variable remuneration components for each individual Executive Board member. The remuneration of affiliated companies paid to Executive Board members is shown in the following table as a separate item from the other components.

In the financial year 2023, which comprised the period from 1 January 2023 to 31 December 2023, exclusively Ing. Gerald Grohmann (Chairman of the Executive Board and CEO) and Mag. Klaus Mader (Member of the Executive Board and CFO) were members of the Executive Board of SCHOELLER-BLECKMANN OIFLFIELD EQUIPMENT Aktiengesellschaft.

The members of the Executive Board are employed on local, Austrian terms and conditions. The remuneration components are therefore determined in euro (gross). The employment contracts are governed by Austrian law.

As recommended in the AFRAC statement, both the remuneration owed and the remuneration granted to Executive Board members are presented below. In this regard, the remuneration owed includes the amounts that are effectively received by the board member within a period and that are attributable to this reporting period, as well as the entitlements that are definitively acquired for this period, even if payment is made in a later period. The remuneration granted relates to provisions recognized in a financial year and other deferrals of remuneration components that are economically attributable to this reporting period on the basis of legal or contractual obligations, but whose final determination and payment will only be made in subsequent periods.

Furthermore, disclosed are the amounts paid in the current period, which consist of entitlements that were acquired in previous years and are owed by the Company, and the amounts (newly) owed in the current period.

2.2.2 Total compensation overview

Total remuneration Ing. Gerald Grohmann in TEUR	Financial Year				
	2023	2022	2021	2020	2019
Fixed remuneration					
-Annual fixed salary	820	763	627	614	606
-Contributions to external pension funds	431	446	61	60	59
Subtotal	1 251	1 209	688	674	665
Variable remuneration					
-Annual bonus					
Payment in advance	0	0	0	0	0
Annual bonus ¹⁾	1 502	1 395	429	254	444
Deferred Bonus ²⁾	1 500	0	0	0	0
-Performance-based LTIP	0	0	0	0	0
Payment on account LTIP	0	0	0	0	0
Subtotal	3 002	1 395	429	254	444
Remuneration from affiliated companies					
-Salary for managing director activities in subsidiaries	0	0	0	0	0
Subtotal	0	0	0	0	0
Other remuneration					
-Termination benefits	4 003	0	0	0	0
-Share-based remuneration	1 241	594 ³⁾	236	178	449
Subtotal	5 244	594	236	178	449
Total remuneration					
-Fixed	1 251	1 209	688	674	665
-Variable	3 002	1 395	429	254	444
-Affiliated companies	0	0	0	0	0
-Other	5 244	594	236	178	449
Total	9 497	3 198	1 353	1 106	1 558
Payment annual bonus of previous year	1 395	429	254	444	
-Relative share of fixed remuneration	13,2%	37,8%	50,8%	61,0%	42,7%
-Relative share due to scheduled retirement	55,2%				
-Relative share of variable remuneration	31,6%	62,2%	49,2%	39,0%	57,3%
-Change in total remuneration absolute	6 299	1 845	247	-452	
-Change in total remuneration %	197,0%	136,4%	22,3%	-29,0%	
-Change in remuneration of entire Executive Board in %	139,2%	122,8%	20,1%	-24,2%	
-Change in remuneration of entire Executive Board in % excluding severance payments Gerald Grohmann ⁴⁾	-10,4%				
-Change in % of average remuneration of employees in the Group (adjusted for FX-effects)	11,3%	17,5%	2,7%	-13,1%	
<p>1) Payment in the following year - 2023 includes Bonus for 2023 (payment in 2024)</p> <p>2) Deferred Bonus 2024 (Payment in 2025)</p> <p>3) Adjustment</p> <p>4) Severance payments entitlements Gerald Grohmann Deferred Bonus TEUR 1,500 and other remuneration TEUR 5,244</p>					

Ing. Gerald Grohmann's total remuneration in 2023 is characterized by the termination benefits acquired during the term of his Executive Board mandate since 2001.

The significant increase in other remuneration for Ing. Gerald Grohmann in the financial year 2023 compared to previous years results from the contractually agreed severance payment to which he is entitled due to his more than 22 years of service. For further details, see explanations under 2.2.5.

Ing. Gerald Grohmann's variable remuneration includes a deferred bonus of up to TEUR 1,500 for the financial year 2024, which can be paid out in 2025. For further details, see explanations under 2.2.4.

Total remuneration Mag. Klaus Mader in TEUR	Financial Year				
	2023	2022	2021	2020	2019
Fixed remuneration					
-Annual fixed salary	519	479	383	375	370
-Contributions to external pension funds	156	268	87	73	82
Subtotal	675	747	470	448	452
Variable remuneration					
-Annual bonus					
Payment in advance	0	0	0	0	0
Annual bonus ¹⁾	614	565	201	131	214
-Performance-based LTIP	0	0	0	0	0
Payment on account LTIP	0	0	0	0	0
Subtotal	614	565	201	131	214
Remuneration from affiliated companies					
-Salary for managing director activities in subsidiaries	0	0	0	0	0
Subtotal	0	0	0	0	0
Other remuneration					
-Termination benefits	0	0	0	0	0
-Share-based remuneration	0	0	0	0	0
Subtotal	0	0	0	0	0
Total remuneration					
-Fixed	675	747	470	448	452
-Variable	614	565	201	131	214
-Affiliated companies	0	0	0	0	0
-Other	0	0	0	0	0
Total	1 289	1 312	671	579	666
Payment annual bonus of previous year	565	201	131	214	
-Relative share of fixed remuneration	52,4%	56,9%	70,0%	77,4%	67,8%
-Relative share of variable remuneration	47,6%	43,1%	30,0%	22,6%	32,2%
-Change in total remuneration absolute	-23	641	92	-87	
-Change in total remuneration %	-1,8%	95,5%	15,9%	-13,1%	
-Change in remuneration of entire Executive Board in %	139,2%	122,8%	20,1%	-24,2%	
-Change in remuneration of entire Executive Board in % excluding severance payments Gerald Grohmann ⁴⁾	-10,4%				
-Change in % of average remuneration of employees in the Group (adjusted for FX-effects)	11,3%	17,5%	2,7%	-13,1%	
1) Payment will be made in the following year					
4) Severance payments entitlements Gerald Grohmann Deferred Bonus TEUR 1,500 and other remuneration TEUR 5,244					

2.2.3 Fixed remuneration components

In the reporting year a base salary of TEUR 808 per annum in fourteen partial payments was paid to Ing. Gerald Grohmann. The increase in the base salary compared to the previous year results from the contractually agreed annual inflation compensation. In addition, the following benefits in kind and fringe benefits as well as pension contributions were paid for Ing. Gerald Grohmann:

- The costs of casualty and invalidity insurance are borne by the Company.
- Company car including the right to private use, the remuneration value in kind foreseen by the Austrian Income Tax Act being TEUR 12 per annum.
- The costs of the existing D&O insurance are borne by the Company.
- TEUR 431 was paid into the pension fund ("Pensionskasse") by the Company in the financial year 2023
- No remuneration from affiliated companies was paid to Ing. Gerald Grohmann.

In the reporting year a base salary of TEUR 507 per annum in fourteen partial payments was paid to Mag. Klaus Mader. The increase in the base salary compared to the previous year results from the contractually agreed annual inflation compensation. In addition, the following benefits in kind and fringe benefits as well as pension contributions were paid for Mag. Klaus Mader:

- The costs of casualty and invalidity insurance are borne by the Company.
- Company car including the right to private use, the remuneration value in kind foreseen by the Austrian Income Tax Act being TEUR 12 per annum.
- The costs of the existing D&O insurance are borne by the Company.
- TEUR 156 was paid into the pension fund (“Pensionskasse”) by the Company in financial year 2023.
- No remuneration from affiliated companies was paid to Mag. Klaus Mader.

2.2.4 Variable remuneration components

The performance-related remuneration is determined on the basis of the audited Consolidated Financial Statements of the Company for the financial year and is as follows:

Performance-based remuneration 2023

in TEUR	Chairman of the Executive Board		Member of the Executive Board and CFO	
	Ing. Gerald Grohmann		Mag. Klaus Mader	
Financial performance criteria	Bonus	Weighting in %	Bonus	Weighting in %
Return on sales	80		86	
Cash flow return	55		59	
Return on equity	52		55	
Return on total capital	71		76	
Subtotal	257		275	
Growth factor multiplier	4.366		1.867	
Bonus financial performance criteria	1 122	74.7%	514	83.7%
Non-financial performance criteria				
Bonus non-financial performance criteria ¹⁾	380	25.3%	100	16.3%
Annual Bonus total	1 502	100.0%	614	100.0%

1) As qualitative performance criteria, strategic goals were agreed with the Executive Board members, which were achieved 100% by all members of the Executive Board in the financial year 2023.

The variable remuneration is always paid in full in the following year.

Variable remuneration components for Ing. Gerald Grohmann:

The acquired entitlement from variable remuneration for the financial year 2023 amounts to TEUR 1,502, which will be paid in the financial year 2024. The table of total remuneration also includes a deferred bonus of up to TEUR 1,500 for the financial year 2024 in the variable remuneration, which can be paid out in 2025. This bonus incentivizes decisions and course settings that extend into the financial year 2024.

In the reporting year 2023, the variable remuneration of TEUR 1,395 was paid for the financial year 2022.

Variable remuneration components for Mag. Klaus Mader:

The acquired entitlement from variable remuneration for the financial year 2023 amounts to TEUR 614, which will be paid in the financial year 2024.

In the reporting year 2023, the variable remuneration of TEUR 565 was paid for the financial year 2022.

Determination of the fulfillment of the criteria for the variable remuneration of the Executive Board members is the responsibility of the Company's Nomination and Remuneration Committee. The Company's Nomination and Remuneration Committee examined the fulfillment of the criteria and hence approved the absolute amounts of the variable remuneration of each Executive Board member for the financial year 2023 at its meeting on 19 March 2024.

2.2.5 Other remuneration

Other remuneration components for Ing. Gerald Grohmann:

In the financial year 2023, Ing. Gerald Grohmann received as part of his scheduled retirement an amount of TEUR 66 in termination entitlements for unused holidays in addition to his current remuneration.

Ing. Gerald Grohmann's total remuneration for the financial year 2023 includes a contractually agreed severance payment of TEUR 3,937 and a contractually agreed severance payment in the form of 30,000 SBO shares with an equivalent value of TEUR 1,241.

2.2.6 Long Term Incentive Plan

There is no stock option plan for members of the Executive Board; in particular, there is no stock option plan or plan for the preferential transfer of shares.

2.3 Deviation from Remuneration Policy 2022

In financial year 2023, there were no deviations from the Remuneration Policy 2022 or from the implementation procedure described therein.

2.4. Clawback of variable remuneration components

All Executive Board employment contracts include the Company's right to reclaim variable remuneration components if it turns out that they were paid out on the basis of obviously false data ("clawback").

In the financial year 2023, there was no case of application of the clawback of variable remuneration components.

2.5 Voting results of the last Annual General Meeting

The Remuneration Report for the financial year 2022 based on the Remuneration Policy 2022 was approved by the Annual General Meeting on 28 April 2023 with 53.62% of the valid votes cast. SCHOELLER-BLECKMANN OILFIELD EQUIPMENT AG is committed to the effective and sustained involvement of shareholders on the topic of remuneration (Say on Pay) and has therefore comprehensively extended the Remuneration Report since the voting at the Annual General Meeting in 2023 to include the following points, taking into account the feedback from shareholders:

- a comprehensive description of the structure of the variable remuneration of the Executive Board members and detailed information on key performance indicators, weighting and growth factor in the calculation of the quantitative performance criteria as well as on the target achievement of the qualitative performance criteria.
- detailed explanation of changes to the base salary.

3. Remuneration Report on the remuneration of the members of the Supervisory Board

The Remuneration Report provides an overview of the total remuneration of the Supervisory Board members and explains the remuneration principles.

3.1 Remuneration principles 2020

The purpose of the Remuneration Policy is to ensure that the Supervisory Board members receive remuneration for their activities which is appropriate to their tasks, responsibilities and the economic situation of the Company. It is intended to promote the business strategy and long-term development of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft while at the same time ensuring the objectivity and independence of the Supervisory Board.

The Supervisory Board remuneration must be in line with market conditions and be competitive enough to attract suitably qualified individuals to work for an internationally operating listed company. It is intended to promote the long-term development of the Company and the implementation of the sustainable growth strategy. It must also allow for a professionally and personally balanced composition of the Board, paying particular attention to diversity in terms of representation of all sexes and a balanced age structure and professional background of members.

For details on the remuneration components, please refer to the Remuneration Policy 2020 for Supervisory Board members of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft. The Remuneration Policy 2020 is available on the Company's website at www.sbo.at/remuneration.

3.2 Presentation of total remuneration

3.2.1 Fundamentals

In order to provide the shareholders of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft with a clear and comprehensible overview of the total remuneration of the members of the Supervisory Board in line with the requirements of Section 98a in conjunction with Section 78c Austrian Stock Corporation Act (AktG), the total remuneration of the members of the Supervisory Board is presented in the following table, which is based on the proposed presentation format of the AFRAC statement.

In the financial year 2023, which comprised the period from 1 January 2023 to 31 December 2023,

Mag. Norbert Zimmermann, Chairman
Mag. Brigitte Ederer, Deputy Chairwoman
Mag. Dipl.-Ing. Dr. Helmut Langanger
Dr. Wolfram Littich
Mag. Sonja Zimmermann

had been appointed and received remuneration as members of the Supervisory Board of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft.

By resolution of the Annual General Meeting on 27 April 2023, the remuneration for the members of the Supervisory Board was set as follows:

3.2.2 Fixed remuneration components

Fixed annual remuneration:

- for the Chairman EUR 40,000,--
- for each other member of the Supervisory Board EUR 30,000,--

3.2.3 Variable remuneration components

Attendance fee:

Each member of the Supervisory Board receives an attendance fee of EUR 1,100.-- for each Supervisory Board meeting attended. An overview of the attendance fees granted can be found in the tables below.

All members of the Supervisory Board are included in a D&O insurance policy with risk adequate coverage taken out by SBO, the costs of which are borne by the Company.

3.2.4 Long Term Incentive Plan

There is no Long Term Incentive Program for members of the Supervisory Board.

3.2.5 Total Compensation overview

Total remuneration 2023 per Member of the Supervisory Board						
	Norbert Zimmermann		Ederer	Langanger	Littich	Sonja Zimmermann
in TEUR						
Fixed remuneration						
-Annual remuneration	40,0	30,0	30,0	30,0	30,0	
Subtotal	40,0	30,0	30,0	30,0	30,0	
Variable remuneration						
-Attendance fees	5,5	5,5	4,4	5,5	5,5	
Subtotal	5,5	5,5	4,4	5,5	5,5	
Total remuneration						
-Fixed	40,0	30,0	30,0	30,0	30,0	
-Variable	5,5	5,5	4,4	5,5	5,5	
Subtotal	45,5	35,5	34,4	35,5	35,5	
Total remuneration of the Supervisory Board 2023					186,4	

Total remuneration 2022 per Member of the Supervisory Board						
	Norbert Zimmermann		Ederer	Langanger	Littich	Sonja Zimmermann
in TEUR						
Fixed remuneration						
-Annual remuneration	37,0	27,0	27,0	27,0	27,0	
Subtotal	37,0	27,0	27,0	27,0	27,0	
Variable remuneration						
-Attendance fees	5,0	5,0	5,0	5,0	5,0	
Subtotal	5,0	5,0	5,0	5,0	5,0	
Total remuneration						
-Fixed	37,0	27,0	27,0	27,0	27,0	
-Variable	5,0	5,0	5,0	5,0	5,0	
Subtotal	42,0	32,0	32,0	32,0	32,0	
Total remuneration of the Supervisory Board 2022					170,0	

Total remuneration 2021 per Member of the Supervisory Board						
	Norbert Zimmermann		Ederer	Langanger	Schleinzer 1)	Littich
in TEUR						
Fixed remuneration						
-Annual remuneration	37,0	27,0	27,0	9,0	27,0	27,0
Subtotal	37,0	27,0	27,0	9,0	27,0	27,0
Variable remuneration						
-Attendance fees	5,0	5,0	5,0	1,0	5,0	5,0
Subtotal	5,0	5,0	5,0	1,0	5,0	5,0
Total remuneration						
-Fixed	37,0	27,0	27,0	9,0	27,0	27,0
-Variable	5,0	5,0	5,0	1,0	5,0	5,0
Subtotal	42,0	32,0	32,0	10,0	32,0	32,0
Total remuneration of the Supervisory Board 2021						180,0

1) Dr. Karl Schleinzer was a member of the Supervisory Board until 23 April 2020.

Total remuneration 2020 per Member of the Supervisory Board						
	in TEUR					Sonja Zimmermann
	Norbert Zimmermann	Ederer	Langanger	Schleinzner	Littich	
Fixed remuneration						
-Annual remuneration	30,0	20,0	20,0	20,0	20,0	20,0
Subtotal	30,0	20,0	20,0	20,0	20,0	20,0
Variable remuneration						
-Attendance fees	5,0	4,0	4,0	5,0	5,0	5,0
-variable payment 1)	2,1	2,1	2,1	2,1	2,1	4,1
Subtotal	7,1	6,1	6,1	7,1	7,1	9,1
Total remuneration						
-Fixed	30,0	20,0	20,0	20,0	20,0	20,0
-Variable	7,1	6,1	6,1	7,1	7,1	9,1
Subtotal	37,1	26,1	26,1	27,1	27,1	29,1
Total remuneration of the Supervisory Board 2020						172,6
1) In fiscal year 2020, variable remuneration was paid out for fiscal year 2019 in accordance with the resolution of the Annual General Meeting dated 24 April 2018.						

Total remuneration 2019 per Member of the Supervisory Board							
	in TEUR						Sonja Zimmermann
	Norbert Zimmermann	Ederer	Langanger	Schleinzner	Littich		
Fixed remuneration							
-Annual remuneration	30,0	20,0	20,0	20,0	20,0	13,3	6,7
-Contributions to external pension funds	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Subtotal	30,0	20,0	20,0	20,0	20,0	13,3	6,7
Variable remuneration							
-Attendance fees	5,0	5,0	4,0	5,0	4,0	4,0	1,0
-variable payment 1)	10,3	10,3	10,3	10,3	10,3	6,9	3,4
Subtotal	15,3	15,3	14,3	15,3	14,3	10,9	4,4
Total remuneration							
-Fixed	30,0	20,0	20,0	20,0	20,0	13,3	6,7
-Variable	15,3	15,3	14,3	15,3	14,3	10,9	4,4
Subtotal	45,3	35,3	34,3	35,3	34,3	24,2	11,1
Total remuneration of the Supervisory Board 2019							219,8
1) In fiscal year 2019, variable remuneration was paid out for fiscal year 2018 in accordance with the resolution of the Annual General Meeting dated 24 April 2018.							
2) Dr. Peter Pichler was a member of the Supervisory Board until 24 April 2018.							

3.2.6 Conformity of total remuneration with Remuneration Policy

The total remuneration granted to the members of the Supervisory Board for the financial year 2023 complies with the Remuneration Policy 2020.

3.2.7 Information on share-based remuneration

There is no stock option program for the members of the Supervisory Board and no shares have been offered or granted to the members of the Supervisory Board.

3.2.8 Deviations from Remuneration Policy 2020

In this financial year, there were no deviations from the Remuneration Policy adopted in 2020 or from the implementation procedure described therein.

3.2.9 Voting results of the last Annual General Meeting

The Remuneration Report for the financial year 2022 based on the Remuneration Policy 2020 was approved by the Annual General Meeting on 28 April 2023 with 53.62% of the valid votes cast. SCHOELLER-BLECKMANN OILFIELD EQUIPMENT AG is committed to the effective and sustained involvement of shareholders on the topic of remuneration (Say on Pay) and has therefore comprehensively extended the Remuneration Report since the voting at the Annual General Meeting in 2023 to include the following points, taking into account the feedback from shareholders:

- a comprehensive description of the structure of the variable remuneration of the Executive Board members and detailed information on key performance indicators, weighting and growth factor in the calculation of the quantitative performance criteria as well as on the target achievement of the qualitative performance criteria.
- detailed explanation of changes to the base salary.

Ternitz, March 2024