

## 2020 MANAGEMENT INCENTIVE PLAN (MIP) DESCRIPTION

This document describes the **CoreMedia** (the "Company") **2020** Management Incentive Plan ("MIP" or "the Plan").

### **Purpose**

The purpose of the Plan is to incent and reward eligible employees for their contributions to the operating and financial performance of the Company.

### **Plan Type**

Annual Incentive Plan

### **Plan Year**

January 1, 2020 or ("the Effective Date") to December 31, 2020.

### **Plan Scope**

The Company's global business operations and sales.

### **Eligibility Criteria**

- Designated full-time active exempt salaried employees with at least three (3) months of active service during the Plan Year are eligible to participate in the MIP but are not guaranteed to receive incentive compensation.
- New employees or those employees that transfer to or from the MIP during the Plan Year may receive prorated incentive compensation based on the actual base salary earnings and length of service as a plan participant.
- The calculated incentive compensation payable to a Plan Participant may be increased or decreased in whole or part at the discretion of the Operating Board based on the Company's performance and a Plan Participant's individual contributions to the operating and financial performance of the business.

### **MIP Funding**

- The MIP will be funded based on the Company's actual versus targeted performance and is expressed as a percentage of achievement against each target.
- The Plan is funded at a minimum of 25% based on the achievement of each Corporate Objective's Trigger Threshold.

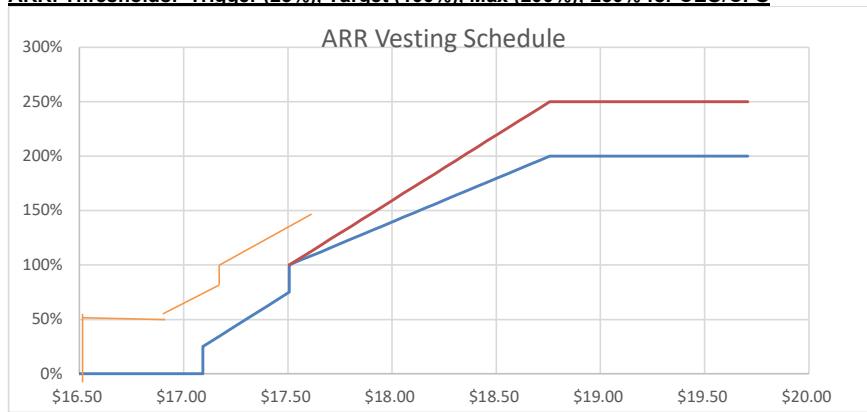
### **MIP Pool**

- Annualized Recurring Revenue
  - **Below Trigger: €0**
  - **Trigger value:** €17,092,668 resulting in 25% achievement of allocated bonus
  - **Target - €1:** Between the Trigger value and €17,506,784 vesting of bonus is straight lined. At Target - €1 75% of allocated bonus is vested
  - **Target:** €17,506,785 resulting in 100% achievement of allocated bonus
  - **Max:** Above the target vesting is straight lined until € 18,756,785 in ARR which would result in 200% vesting, 250% vesting for CEO/CFO.
- Adjusted EBITDA:
  - **Below Trigger: €0**
  - **Trigger value:** (€3,273,016.52) resulting in 25%
  - **Target – €1:** (€2,823,015) resulting in 75%
  - **Target:** value (€2,823,016) resulting in 100%
  - **Max:** Above target achievement, the percentage remains at 100%
- Services Gross Profit:
  - **Below Trigger: €0**
  - **Trigger value:** 85% of plan

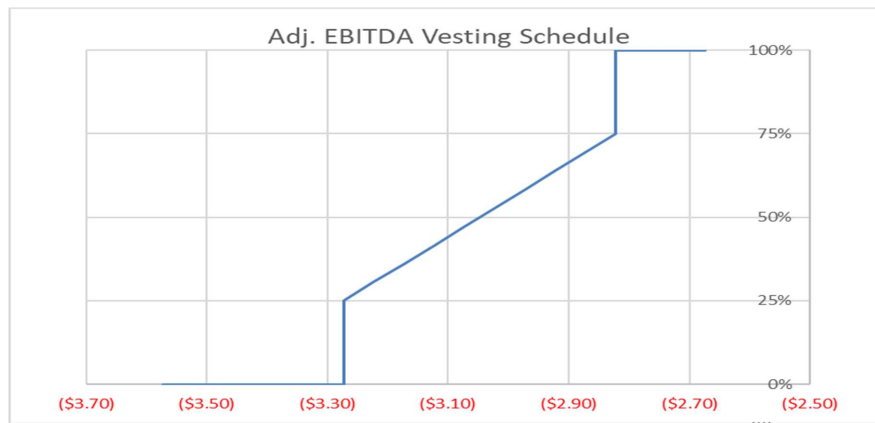
- **Target – €1:** 75%
  - **Target:** 100%
  - **Max:** Above the target vesting is straight lined which would result in 200% vesting
- **MBO**
  - If any financial metric is below the trigger value MBO bonuses are not paid
  - If financial metrics are met, and MBO values are met MBO percentage is paid out
  - MBO bonus cannot flex up on performance to pay out more than 100%

#### MANAGEMENT INCENTIVE PLAN (MIP)

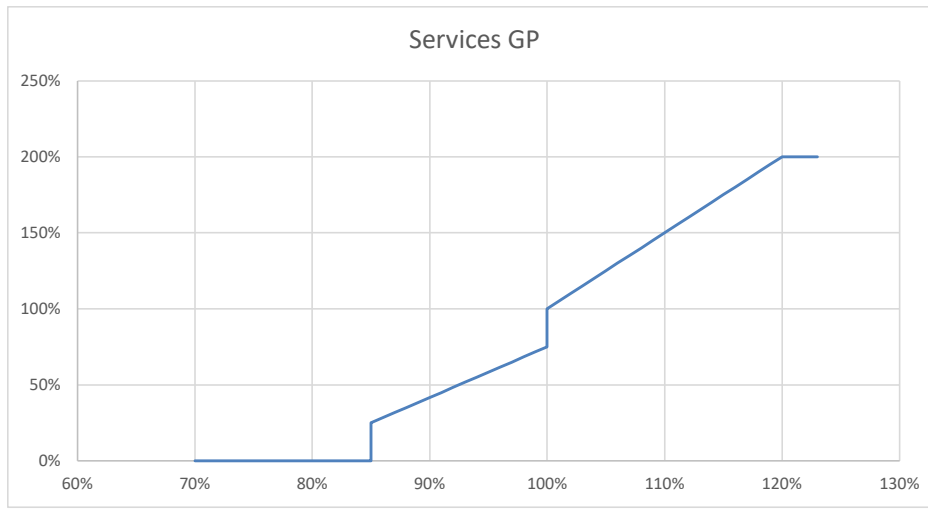
**ARR: Thresholds: Trigger (25%), Target (100%), Max (200%): 250% for CEO/CFO**



**EBITDA: Thresholds: Minimum Trigger (25%), Target (100%) and Maximum (100%)**



**Services GP: Thresholds: Minimum Trigger (25%), Target (100%) and Maximum (100%)**



**Plan Components**

The Plan consists of two Corporate Objectives each with a Target Metric, and a Trigger and Target Threshold and Weight as follows:

Corporate Objective	Trigger Threshold 50% vesting	Target Threshold 100% vesting	Max percentage 200% Vesting
Annualized Recurring revenue	€17,092,668 (80% of target growth)	€17,506,785 (100% of target growth)	€18,756,785 (195% of target growth)
Adjusted EBITDA	(€3,273,016) (116% of target)	(€2,823,016.52) (100% of Target)	NA
Services Gross Profit	85% of target	100% of target	120% of target

**Employee metric weighting**

First Name	Last Name	Title	ARR (Weight)	EBITDA (Weight)	Services GP (Weight)	MBO
Sören	Stamer	Chief Executive Officer	100%	Included		
Klemens	Kleiminger	Chief Financial Officer	70%	Included		30%
Jim	Stirewalt	Chief Revenue Officer	50%	Included	20%	30%
Ben	Mooney	VP Marketing	100%	Included		
Karsten	Reuter	SVP Product Management	70%	Included		30%
Tobias	Stadelmaier	VP Product Development	70%	Included		30%

Phil	Radcliffe	VP CSPE	50%	Included	50%	
Oliver	Heyden	Head of Solution Architects EMEA	80%	Included		20%
Bob	Balfe	VP Solution Architects USA	100% (US Only)	Included		
Dirk	Jovy	General Council	50%	Included		50%
René	Lepenis	Vice President Finance and IT	70%	Included		30%

To calculate the 2020 bonus the plan takes the product of; the target bonus amount; the performance metrics; and then the EBITDA performance metric

#### **Sample Plan Participant Calculated Incentive Compensation Payout**

Criteria	Basis / Outcome
Plan Funding Status	100%
Base Salary Earnings	€100,000
Incentive Compensation Opportunity (% of Base Earnings)	20%
Target Bonus Opportunity at 100% Achievement	€20,000
ARR Component & Weight (100%)	€20,000
2020 example ARR performance	100%
2020 example EBITDA performance	75%
Calculated Incentive Compensation Payout	€15,000

#### **Timing of Incentive Compensation Payment**

Incentive Compensation payments will be made after the Plan Years' financial results have been calculated, and the Operating Board has approved the incentive compensation payout; estimated between March and April of 2021.

To receive an incentive compensation payment, the Plan Participant must be actively employed and be in good standing with the Company at the time incentive compensation payments are made to all Plan Participants.

#### **Administration**

Officers of the Company, under the authority of the Operating Board, have the authority and discretion to construe, interpret and administer this incentive compensation plan. As a condition of eligibility to participate in this Plan, a participant must accept that all determinations of the Officers of the Company or any of its delegates will be final, conclusive and binding.

#### **Interpretation**

This document is intended to provide guidance and direction. It is governed by the terms and conditions noted in the Management Incentive Plan Document.

#### **Amendments**

The Plan may, at any time with or without notice, be amended, modified, suspended or terminated.

#### **Assignment**

Plan participants rights including eligibility to receive an incentive compensation payment pursuant to the Plan are not assignable.

#### **Applicable Law**

This document shall be governed by German Law.

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#### **No Employment Rights**

Nothing contained in this incentive plan shall be construed as a contract of employment between the Company or its affiliates and a plan participant. Plan participant employment therefore, is At-Will and may be terminated by the Company or plan participant at any time with or without cause.

#### **Definitions**

- Effective Date: January 1, 2020
- Annualized Recurring Revenue (ARR): Annualized in month recurring revenue
- Adjusted EBITDA: Reported EBITDA including adjustments listed in the Q4 2020 financial close documents to account for irregular and non-recurring expenses
- Base Salary Earnings: Base compensation exclusive of other taxable earnings (e.g., other incentive pays, relocation assistance) earned from the Effective Date to December 31.

### **MANAGEMENT INCENTIVE COMPENSATION PLAN (MIP)**

#### **Plan Participant Acknowledgement and Agreement.**

Plan Participants must acknowledge their understanding and agreement to the terms and conditions of this MIP document by signing and timely returning a copy of Addendum 1 to Dirk Jovy, General Council to be eligible to participate in and receive an incentive compensation payment pursuant to this Plan.

Date Plan Approved: **[DATE]**

Approved By:

Sören Stamer

Chief Executive Officer, CoreMedia AG

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