

Report of the General Partner pursuant to section 278(3) AktG in conjunction with section 71(1)(8) fifth sentence, section 186(4) second sentence AktG

In accordance with section 278(3) AktG in conjunction with section 71(1)(8) fifth sentence, section 186(4) second sentence AktG, the General Partner has submitted a written report on item 9 of the agenda. The report has the following contents:

The authorisation to purchase and use treasury shares resolved by the General Meeting of 4 November 2020 in accordance with section 71(1)(8) AktG for a period of five years has already been partly utilised through the repurchase and subsequent redemption of 1,089,988 shares. Otherwise, this authorisation will expire on 3 November 2025. In order to again have full flexibility to purchase treasury shares in the future, the Company's authorisation to purchase and use treasury shares in accordance with section 71(1)(8) AktG is to be renewed.

Section 71(1)(8) AktG enables the company to purchase treasury shares amounting to up to 10 per cent of the share capital based on an authorisation granted by the General Meeting that is valid for a maximum of five years.

The proposal under agenda item 9 contains a corresponding authorisation to purchase treasury shares, which is limited to a period of five years and is therefore valid until 10 June 2029 (inclusive). This is to enable the Company to purchase treasury shares amounting up to a total of 10 per cent of the Company's share capital existing at the time when the resolution is adopted or - if this value is lower - at the time when the authorisation is exercised. However, the shares purchased on the basis of this authorisation, together with other shares of the Company that the Company has already purchased and still holds or that are attributable to it in accordance with sections 71a et seq. of the German Public Companies Act (AktG), must at no time account for more than 10 per cent of the respective share capital. Moreover, the authorisation must not be used for the purpose of trading in treasury shares.

Purchase of treasury shares

The principle of equal treatment of the shareholders (section 53a AktG) must be observed when purchasing treasury shares. The authorisation to purchase treasury shares in the Company via the stock exchange, by means of a public purchase offer, a public request for sales offers or in any other way, observing the principle of equal treatment, as envisaged by agenda item 9, complies with this principle. As a rule, this gives all shareholders equal opportunity to sell shares to the Company if the Company should purchase treasury shares.

If shares are purchased by means of a public purchase offer or a public request for sales offers, the volume of the offer or the volume of the request for offers may be limited. Where the purchase offer is oversubscribed or where it is not possible to accept all of several equal offers in the case of a request for sales offers, purchase or acceptance must take place under the - in this respect - partial exclusion of any tender rights of shareholders in the proportion of the respective shares offered. This will considerably facilitate the technical handling of the offer, since the relevant acceptance rate can be easily determined from the number of shares tendered, while otherwise the respective shareholders' participation rates would have to be used as a basis, which would require a much greater effort for handling the purchase.

In addition, the preferential acceptance of small numbers up to 100 shares offered for purchase per shareholder is to be provided for, under the - to this extent - partial exclusion of any tender rights of the shareholders. Firstly, this option helps avoid small, usually uneconomical residual holdings and any associated factual disadvantage for minor shareholders. It also serves to simplify the technical handling of the purchase procedure.

It is also possible to provide for a rounding of numbers according to commercial principles to avoid fractional shares. To this end, the number of shares to be purchased from individual tendering shareholders can be rounded in such a way as to ensure that the purchase of whole shares is technically possible.

If shares are purchased in another manner any tender rights of shareholders may be excluded for factual reasons, applying section 186(3) fourth sentence AktG accordingly. Such a purchase excluding tender rights is permissible if it is in the overriding interests of the Company and is suitable and necessary to achieve this purpose. This is particularly the case if a purchase via the

stock exchange or a public purchase offer addressed to all shareholders or a public request for sales offers addressed to all shareholders would be unsuitable, too costly or too slow for achieving this purpose or otherwise unfair - also considering the shareholders' interests. This enables the Company to structure its acquisition financing flexibly and, for example, to purchase treasury shares from one or several shareholders as part of the acquisition of companies or participations in companies. Shareholders are not placed at a disadvantage if the acquisition is in the interests of the Company and is fair - also considering the shareholders' interests.

When purchasing treasury shares, the consideration paid by the Company per share (without secondary purchasing costs) must be no more than 10 per cent above or below the average rate of the Company's share in the closing auction in XETRA trading (or a comparable successor system) at the Frankfurt Stock Exchange. In the case of purchase via the stock exchange or in another manner, the reference value is the average of the last three trading days prior to the obligation to purchase, in the case of a public purchase offer the average of the sixth to third trading day prior to the day of publication of the purchase offer, and in the case of purchase via a public request for sales offers the average of the last three trading days prior to the day of publication of the public request for sales offers. This ensures fair pricing in the Company's interests and for the protection of shareholders. In addition, shareholders whose shares are not purchased by the Company can sell their shares on the stock exchange at a comparable price.

In all of the above cases, the General Partner is to be enabled to use the share repurchase instrument in the interests of the Company and its shareholders. In these cases, the exclusion of possible tender rights of the shareholders when purchasing treasury shares is necessary, and in the General Partner's opinion, factually justified and fair towards the shareholders.

When using the authorisations to purchase treasury shares, it must be observed, in addition to the 10 per cent limit under section 71(2) AktG, that a purchase is only permissible if the Company can create the reserves for treasury shares prescribed by section 272(4) of the German Commercial Code (*Handelsgesetzbuch - HGB*) without reducing the share capital or any reserves to be created according to the law or the Articles of Association, which may not be used for payments to shareholders.

Use of treasury shares

The principle of equal treatment of shareholders (section 53a AktG) must also be observed when using treasury shares. In accordance with the proposed authorisation, the treasury shares purchased by the Company may be used for any legally permitted purpose.

Redemption of shares

In particular, the shares may be redeemed without requiring the adoption of a new resolution by the General Meeting. This can be done by reducing the Company's share capital accordingly. Alternatively, the shares can also be redeemed without reducing the share capital by increasing the calculated proportion of the remaining no-par value shares in the Company's share capital accordingly. The General Partner is therefore also to be authorised to make the necessary amendment to the Articles of Association with regard to the number of no-par value shares that would change due to a redemption.

Sale via the stock exchange or by an offer addressed to all shareholders

The treasury shares can also be sold again via the stock exchange or by an offer addressed to all shareholders. The shareholders' right to equal treatment will be maintained. However, if the shares are sold by means of an offer addressed to all shareholders, the General Partner is to be authorised to exclude shareholders' subscription rights for fractional amounts. This serves to arrive at a technically feasible subscription ratio. The shares excluded from shareholders' subscription rights as free fractional shares will either be sold on the stock exchange or otherwise realised in the best possible way for the Company. The potential dilution effect is low due to the restriction to fractional shares.

Simplified exclusion of subscription rights

The proposed resolution stipulates under lit. (c) (cc) that the purchased treasury shares can also be sold in a manner other than via the stock exchange or by way of an offer to all shareholders if the purchased treasury shares are sold for cash at a price that is no more than 5 per cent below the average market rate of the company's share in the closing auction in XETRA trading (or a

comparable successor system) on the Frankfurt Stock Exchange on the last three trading days prior to the sale.

In particular, this is intended to enable the Company to issue shares in the company at short notice. The sales price for treasury shares shall be determined shortly before the sale. The General Partner will keep any discount on the market price as low as possible in accordance with the market conditions at the time of the placement. Under no circumstances may the discount exceed 5 per cent of the share price at the time when the authorisation is exercised.

By limiting the number of shares to be sold and the obligation to set the sales price of the shares close to the market price, shareholders are adequately protected against a dilution in the value of their shares. At the same time, it is ensured that the consideration to be received by the Company is appropriate. This will not disadvantage shareholders interested in maintaining their proportion of voting rights, as they can purchase the required number of additional shares on the stock exchange at any time.

This enables the Company to respond swiftly and flexibly to favourable sales options, take advantage of market opportunities and thus gain new institutional investors, for example. The Company can hence strengthen its capital base in the interests of the Company and its shareholders. The interests of shareholders both in asset protection and voting rights are adequately safeguarded in this type of sale of treasury shares excluding subscription rights on the basis of the provisions of section 71(1)(8) AktG in conjunction with section 186(3) fourth sentence AktG.

This authorisation is limited to shares with a proportion of the share capital that must not exceed a total of 10 per cent of the share capital, either at the time when this authorisation becomes effective or - if this value is lower - at the time when the authorisation is exercised. The German Future Financing Act (*Zukunftsfinanzierungsgesetz - ZuFinG*) has raised the statutory maximum limit for the simplified exclusion of subscription rights under section 186 (3) fourth sentence AktG from 10 per cent to 20 per cent of the share capital. However, the resolution proposed by the General Partner and the Supervisory Board consciously does not fully exploit this extended legal framework but stipulates a volume of up to 10 per cent of the share capital.

All shares that have been issued or sold under direct or equivalent application of section 186(3) fourth sentence during the term of this authorisation excluding subscription rights, e.g. from authorised capital, shall be counted towards this limit. Furthermore, shares that have been issued or are to be issued to serve conversion and/or option rights, where the respective convertible bonds and option bonds have been issued during the term of this authorisation excluding subscription rights pursuant to section 186(3) fourth sentence shall be counted towards this number.

Sale against consideration in kind

Furthermore, in accordance with lit. (c) (dd) of the proposed resolution, the Company is to be in a position to sell or transfer treasury shares against consideration in kind, specifically also in connection with company mergers or the acquisition of companies, participations in companies, parts of companies or other assets.

Treasury shares are an important instrument for financing acquisitions. International competition and the globalisation of the economy increasingly call for this kind of consideration. The proposed authorisation is to give the Company the required flexibility to swiftly and flexibly take advantage of opportunities to purchase companies or interests in companies as they arise. The Company's market position can thus be expanded and strengthened in a liquidity-preserving manner. The proposed exclusion of subscription rights takes this into account.

When determining the valuation ratios, the General Partner will ensure that the interests of the shareholders are adequately safeguarded. In particular, it will base the value of the treasury shares granted as consideration on the stock market price of the Company's shares. The use of treasury shares for acquisitions also has the advantage for existing shareholders that their voting rights are not diluted compared to the situation before the Company purchased treasury shares.

Use as employee shares

Furthermore, pursuant to lit. (c) (ee) of the proposed resolution, the possibility should be given to offer purchased treasury shares in the context of share-based remuneration or employee share schemes to employees of the Company and affiliated companies within the meaning of sections 15 et seq. AktG (including members of executive bodies) for purchase and to transfer such shares

to them, but only up to an amount of 5 per cent of the share capital and taking into account such shares that are issued or sold to the same group of persons during the term of this authorisation under another authorisation excluding shareholders' subscription rights. To the extent that treasury shares are to be offered, promised or transferred to members of the Board of Management of the Company's General Partner, this authorisation shall apply to the Supervisory Board of the General Partner.

This gives the Company the opportunity to offer its employees shares without having to make use of the Authorised Capital. The use of existing treasury shares can be more economical, sensible and cost-effective than carrying out a capital increase and, in particular, creates more flexibility.

The necessary exclusion of shareholders' subscription rights in this context is justified by the advantages that an employee share scheme offers for the Company and therefore also for its shareholders. The issue of shares to employees is regarded by the General Partner as an important instrument for retaining employees in the Company in the long term and is therefore of particular interest to the Company and its shareholders. In particular, this can promote identification with the Company and thus increase its value.

Fulfilment of option or conversion rights

In addition, in accordance with lit (c) (ff) of the proposed resolution, the Company is to have the opportunity to use treasury shares to fulfil exercised option and/or conversion rights or conversion obligations from convertible bonds and bonds with warrants issued by the Company or other Group companies. To the extent that treasury shares are to be transferred to members of the Board of Management of the Company's General Partner, this authorisation shall apply to the Supervisory Board of the General Partner.

This use of treasury shares can be more favourable for the Company than the use of conditional capital and it increases the Company's flexibility. The shareholders' interests are less affected by this additional option to exclude subscription rights, as no further shares have to be issued from a capital increase and a dilution of the shareholders can therefore be avoided.

In all of the aforementioned cases of using treasury shares (except for a sale via the stock exchange, by a public offer to all shareholders or redemption), shareholders' subscription rights to the treasury shares must be excluded so that they can be used as described. Having considered all of the circumstances, the General Partner believes that the authorisation to exclude the subscription right in the aforesaid cases is properly justified and appropriate.

The General Partner shall examine in each individual case whether the Company's own shares should be used for the aforementioned measures. In making its decision, it shall be guided by the interests of the shareholders and the Company and carefully consider whether it should make use of the authorisation. Only in this case shall the measure be taken and the subscription right excluded.

The authorisations contained in agenda item 9 may be exercised independently of each other, once or several times, individually or jointly, in whole or in part, also by companies of the Group or third parties acting for the account of the Company or its Group companies. Moreover, purchased treasury shares can also be transferred to Group companies.

The General Partner shall report any use of the authorisation to purchase treasury shares at the next General Meeting.

Cologne, April 2024

Ströer SE & Co. KGaA
The General Partner
Ströer Management SE
The Management Board

Udo Müller
(Co-CEO)

Christian Schmalzl
(Co-CEO)

Henning Gieseke
(CFO)