FINALIST
German Sustainability Award 2024

REMUNERATION REPORT 2023

STRÖER SE & CO. KGAA

STRÖER

REMUNERATION REPORT OF STRÖER SE & CO. KGAA FOR 2023

Ströer SE & Co. KGaA (the 'Company') is a German publicly listed partnership limited by shares. It does not itself have a Board of Management. The general partner is Ströer Management SE, an entity that is not listed on a stock exchange. The Board of Management of Ströer Management SE conducts the business of this entity and thereby indirectly also that of Ströer SE & Co. KGaA.

The Company's remuneration report pursuant to section 162 of the German Stock Corporation Act (AktG) is presented below. It describes the remuneration granted and owed individually to the current and former members of the Board of Management and the Supervisory Board of the general partner (Ströer Management SE) and the Supervisory Board of Ströer SE & Co. KGaA in 2023. This report has been prepared jointly by the general partner and the Supervisory Board of Ströer SE & Co. KGaA in line with the AktG requirements. With the aim of transparency, it includes all necessary and recommended disclosures on the structure and amount of the remuneration of the Board of Management and Supervisory Board. The remuneration report is formally reviewed by the auditor in accordance with section 162 AktG and will be submitted for approval by the annual shareholder meeting on July 5, 2023. The remuneration report for 2022 was submitted to the annual shareholder meeting on July 5, 2023 in accordance with section 162 AktG. It was approved by the meeting in accordance with section 120a AktG.

This report, including the enclosed assurance report by the auditor, is also published on the website of Ströer SE & Co. KGaA at https://ir.stroeer.com/investor-relations/financial-reports/.

Cologne, March 22, 2024

On behalf of the Supervisory Board

Christoph Vilanek
Chairman of the Supervisory Board
of Ströer SE & Co. KGaA

On behalf of the general partner

Udo Müller
Co-CEO
of Ströer Management SE

Christian Schmalzl
Co-CEO
of Ströer Management SE

Henning Gieseke
CFO
of Ströer Management SE

Review of 2023 focusing on remuneration of the Board of Management

Overall, 2023 was a good year for the Ströer Group. We increased our revenue to around EUR 1.9b and achieved a record level of EBITDA (adjusted) of EUR 569m, all in the face of challenging economic conditions both at home and abroad. Persistently high energy costs, surging wages, and comparatively high inflation, coupled with international crises gave rise to a difficult and fast-changing operating environment but our OOH+ strategy and focus on Germany once again proved their worth, especially in our core business.

Strategy and remuneration of the Board of Management

We are one of the leading media enterprises in Germany and marry the pursuit of customer satisfaction with long-established sustainable and environmentally friendly business practices. Two key components of our 2030 sustainability strategy, efficiency and innovation, have always been part of our business model. The sustainability strategy combines our business strategy with environmental awareness and climate change mitigation, community-based approaches, and corporate governance aspects.

As our sustainability-oriented mindset can best be embedded in a meaningful way by making it a long-term pillar of corporate strategy with a direct link to the core business, these aspects must also be reflected in the remuneration of the Board of Management. Through approaches such as appropriate incentives for increasing earnings and revenue, the current remuneration system already encourages the Board of Management to implement the corporate strategy and generate lasting business growth. To maximize value added, the one-year variable remuneration is heavily focused, for example, on generating cash, whereas the multi-year variable remuneration reflects an emphasis on consolidating and enhancing our infrastructure and market position over the long term. The new remuneration system introduces environmental, social, and corporate governance (ESG) targets, encompassing further key aspects of sustainability and stakeholder interests.

Board of Management remuneration: overview and key changes

The remuneration system for the Board of Management satisfies AktG requirements and is based on the recommendations set out in the German Corporate Governance Code. It is a major factor in helping to promote corporate strategy and the long-term growth of the Company.

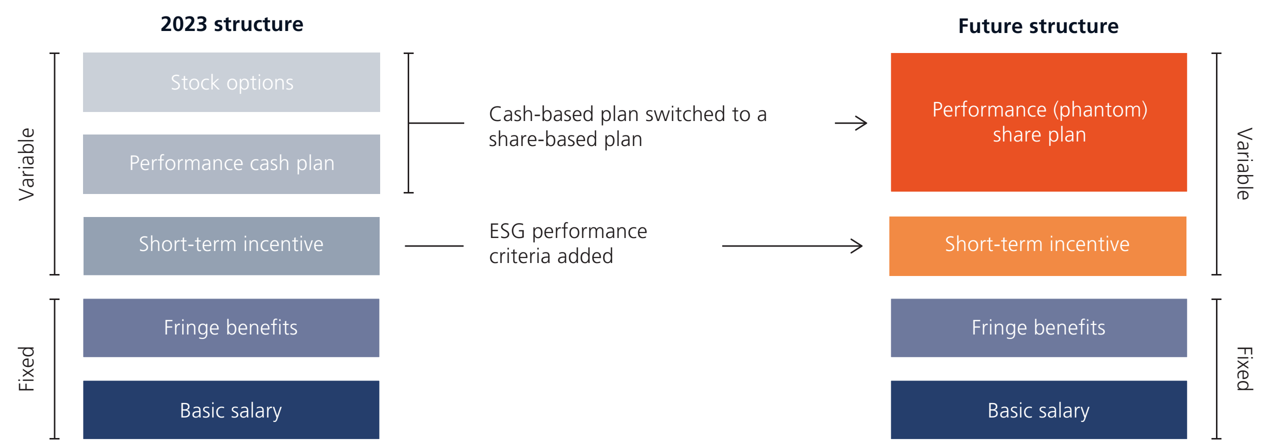
In response to global trends and new regulations, the Supervisory Board of the general partner decided in 2022 to revise the remuneration system for the members of the Board of Management, so that there will now be an even stronger connection with sustainability and corporate strategy and a greater focus on the long term.

The previous remuneration system, which applied to all members of the Board of Management for the last time in 2023, consisted of a basic salary, fringe benefits, and variable remuneration, the latter comprising one-year variable remuneration (short-term incentive, STI) and multi-year variable remuneration (long-term incentive, LTI). This proven pay-for-performance model is generally retained in the new, revised remuneration system. The system adjustments decided by the Supervisory Board of the general partner mainly relate to the structure of the variable remuneration components and satisfy the relevant requirements for the latest generation of remuneration systems:

- Clear focus on corporate strategy
- Simple, straightforward, and transparent approach
- Significant reference to capital markets
- Standard yet competitive system
- Satisfaction of regulatory requirements

Ströer SE & Co. KGaA is aiming to ensure that the business has an even greater focus on sustainability, social responsibility, and corporate governance going forward. Environmentally friendly practices and long-term profitable growth are equally of the utmost importance. The new remuneration system for the members of the Board of Management, particularly the structure of the variable remuneration components and the selection of performance targets, is a key factor in support of these strategic objectives.

Overview of the main changes to the remuneration system



The new system will be used for new and extended employment contracts from now on. The current members of the Board of Management have grandfather rights and were thus still remunerated using the previous system in 2023. From 2024, the new remuneration system will apply to all members of the Board of Management.

The table below details the remuneration system used in 2023:

Board of Management remuneration system in 2023

Remuneration component	2023 structure	Future structure	Objective
Fixed remuneration components			
Basic salary	Fixed annual salary paid in twelve equal amounts at month-end	No change to the system	Ensures an appropriate basic income based on the roles and responsibilities of the relevant member of the Board of Management.
Fringe benefits	Certain customary benefits, e. g. company cars	No change to the system	
Variable remuneration components			
Short-term Incentive	**Plan type:** Annual target bonus **Performance criteria:** Cash flows from operating activities (100%) **Cap:** 200% of the target amount **Payment:** In cash in the month following approval of the consolidated financial statements for the financial year in question	**Plan type:** Annual target bonus **Performance criteria:** – Cash flows from operating activities (100%) – ESG targets (multiplier: 0.8–1.2) **Cap:** 240% of the target amount **Payment:** In cash in the month following approval of the consolidated financial statements for the financial year in question	Promotes the strategic objective of profitable growth and now also the importance of the environmental, social, and corporate governance factors.
Long-term Incentive	**Plan type:** Performance cash plan **Performance criteria:** – ROCE (50% pro rata) – Organic revenue growth (50% pro rata) **Cap:** Varies according to member of the Board of Management (200%/300% of the target amount) **Measurement period:** Three years forward-looking **Payment:** In cash in the month following approval of the consolidated financial statements for the final year of the performance period **Plan type:** Stock options **Performance criteria:** – Operating EBITDA – Share price **Cap:** 300% of potential profit **Measurement period:** Four-year holding period, three- or four-year exercise period **Payment:** In cash or shares	**Plan type:** Performance phantom share plan **Performance criteria:** – ROCE (50% pro rata) – Organic revenue growth (50% pro rata) – Inclusion of share price performance **Cap:** 300% of the target amount **Measurement period:** Four years forward-looking **Payment:** In cash in the month following approval of the consolidated financial statements for the final year of the performance period	Promotes the strategic objective of competitive growth and ensures that the incentives have a long-term impact on conduct. Going forward, the new structure will have an even stronger reference to the capital markets and take even greater account of the long-term interests of investors.
Other benefits			
Non-compete clause, related compensation	Members of the Board of Management are not permitted to involve themselves in any competing activities for a period of two years after their employment contracts come to an end. For the period of this prohibition, they are paid compensation equating to half of the benefits last received under their respective contracts.	No change to the system	
Change of control	No commitments have been entered into to pay benefits to a member of the Board of Management who prematurely terminates his or her employment contract as a consequence of a change of control.	No change to the system	
Malus/clawback provisions	There are no malus/clawback provisions.	Malus/clawback provisions introduced	

Board of Management remuneration system in 2023

Remuneration component	2023 structure	Future structure	Objective
Maximum remuneration			
Absolute maximum amount	Maximum remuneration that can be granted for 2023 (excluding stock options): Udo Müller: EUR 5,860,000 Christian Schmalzl: EUR 4,857,000 Henning Gieseke: EUR 1,300.000	Amount that can be received: Co-CEOs: EUR 7,000,000 Ordinary members of the Board of Management: EUR 3,000,000	

Adoption of a resolution to approve the remuneration system for the members of the Board of Management

The new remuneration system was submitted to the annual shareholder meeting on September 3, 2021 in accordance with section 120a (1) AktG and approved by a majority of 87.5%.

Changes to the composition of the Board of Management

There were no changes in the composition of the Board of Management in 2023. The Board of Management is composed of three members.

Basic principles for setting remuneration

Specifying target remuneration

The Supervisory Board of the general partner specified the amount of target remuneration for the individual members of the Board of Management based on the previous remuneration system. The following principles were taken into account when specifying the target remuneration. The total target remuneration had to be commensurate with the responsibilities and activities of the member of the Board of Management concerned and also take account of the position, market environment, and performance of the Company. Particular care was taken to ensure that the amount of remuneration was in all cases both appropriate and typical for the market. The absolute target amounts were determined on the basis of the differing demands placed on each Board of Management function, which meant that the target remuneration varied between the individual Board of Management members.

The remuneration of the Board of Management comprises fixed and variable components. Variable remuneration is linked to the attainment of previously defined targets. If these targets are surpassed, the remuneration may rise up to a predetermined cap. Within variable remuneration, the long-term component accounts for a greater proportion than the short-term component.

The following tables show the contractual target remuneration for the members of the Board of Management, together with the remuneration structure as a percentage of the total remuneration for 2023.

Target remuneration in 2023 for the individual members of the Board of Management and percentage breakdown

	Udo Müller, Co-CEO, member of the Board of Management since 2002	
EUR k	**2023**	**2023 (%)**
Basic salary	1,420	44.2
Fringe benefits	40	1.3
Pension payment	0	0.0
Total fixed remuneration	**1,460**	**45.5**
2023 one-year variable remuneration	850	26.5
Multi-year variable remuneration		
LTI1 (2023–2025 revenue growth)	450	14.0
LTI2 (2023–2025 EBIT/ROCE)	450	14.0
Total variable remuneration	**1,750**	**54.5**
Other (e.g. severance payment)	0	0.0
Service cost for occupational pension plan	0	0.0
Total remuneration	**3,210**	**100.0**

	Christian Schmalzl Co-CEO, member of the Board of Management since 2012	
EUR k	**2023**	**2023 (%)**
Basic salary	1,300	48.0
Fringe benefits	7	0.3
Pension payment	0	0.0
Total fixed remuneration	**1,307**	**48.3**
2023 one-year variable remuneration	650	24.0
Multi-year variable remuneration		
LTI1 (2023–2025 revenue growth)	375	13.8
LTI2 (2023–2025 EBIT/ROCE)	375	13.8
Total variable remuneration	**1,400**	**51.7%**
Other (e.g. severance payment)	0	0.0
Service cost for occupational pension plan	0	0.0
Total remuneration	**2,707**	**100.0**

	Henning Gieseke CFO, member of the Board of Management since 2021	
EUR k	**2023**	**2023 (%)**
Basic salary	520	56.8
Fringe benefits	10	1.1
Pension payment	0	0.0
Total fixed remuneration	**530**	**57.9**
2023 one-year variable remuneration	175	19.1
Multi-year variable remuneration		
LTI1 (2023–2025 revenue growth)	105	11.5
LTI2 (2023–2025 EBIT/ROCE)	105	11.5
Total variable remuneration	**385**	**42.1**
Other (e.g. severance payment)	0	0.0
Service cost for occupational pension plan	0	0.0
Total remuneration	**915**	**100.0**

In addition to the contractual target remuneration shown, all members of the Board of Management were granted options under the 2019 and/or 2023 Stock Option Plans resolved upon by the shareholder meeting of Ströer SE & Co. KGaA.

If the service contract of a member of the Board of Management begins or ends in the year in question, the target amount is reduced on a pro rata basis according to the start date or end date of the contract concerned. The target amount is also reduced proportionately to take into account periods in which a member of the Board of Management with a service contract does not have any entitlement to remuneration (for example, because the contract is suspended or the person concerned is unfit for work and is not entitled to receive pay).

If the Company’s situation should deteriorate to such an extent that continuing to grant remuneration to the Board of Management would be unreasonable, the Company is authorized to reduce the remuneration to an appropriate amount.

Maximum remuneration

The total remuneration granted to the members of the Board of Management in a financial year is subject to an absolute upper limit (maximum remuneration) pursuant to section 87a (1) sentence 2 no. 1 AktG.

The maximum remuneration for 2023 encompasses all fixed and variable remuneration components at the time of grant:

Board of Management remuneration caps

Short-term incentive	Individual cap: 200% of target amount (Co-CEOs and CFO) In the new system: 240% of the target amount for all members	
Long-term incentive	Individual cap: 200% of the target amount (CFO) 300% of the target amount (Co-CEOs) In the new system: 300% of the target amount for all members	
Stock Option Plan (SOP)	300% of potential profit	
Absolute maximum remuneration (excluding SOP)	Udo Müller: Christian Schmalzl: Henning Gieseke:	EUR 5,860,000 EUR 4,857,000 EUR 1,300,000

Appropriateness review

The Supervisory Board of the general partner regularly reviews the remuneration of the members of the Board of Management to assess whether it is appropriate and typical for the market. Such reviews are carried out in accordance with the German Corporate Governance Code and are based on comparisons from both external and internal perspectives. They include the structure as well as the amount of the remuneration. An independent external remuneration consultant helps the Supervisory Board to conduct these reviews.

The review from an external perspective assesses how remuneration compares with that in other entities and uses a suitable peer group based on the following size criteria: revenue, employees, and market capitalization. The current peer group consists of 17 entities with a comparable business model or digitalization and marketing focus with a comparable size profile. Twelve of the 17 entities are publicly listed companies in Germany and the remaining five are direct international competitors.

Current peer group

1&1 Drillisch	**APG/SGA**	**AUTO1**	**Clear Channel**	**CTS Eventim**
Delivery Hero	**Fielmann**	**HelloFresh**	**JCDecaux**	**Jenoptik**
Lamar	**Outfront**	**ProSiebenSat.1 Media**	**Scout24**	**Sixt**
United Internet	**Zalando**			

The review from an internal perspective (remuneration levels within the Company) analyzes how the Board of Management remuneration compares with that of the senior management and the rest of the workforce and how it has changed over time. In this case, senior management is defined as all persons who are based in Germany and report directly to the Board of Management as well as other managers with exceptionally important areas of responsibility; the rest of the workforce consists of all employees with a German contract, excluding senior management.

The most recent review of the appropriateness of Board of Management remuneration performed in March 2024 found that the remuneration of the current members of the Board of Management was within the market rates represented by the peer group described above.

Application of the remuneration system in 2023

The remuneration system described for the Board of Management constitutes the applicable remuneration system pursuant to section 162 (1) sentence 2 no. 1 AktG. The previous remuneration system with the following components was applied consistently throughout 2023:

Remuneration component	Details
Fixed remuneration components	
Basic salary	Fixed annual salary paid in twelve equal amounts at month-end
Fringe benefits	Certain customary benefits, e.g. company cars
Variable remuneration components	
Short-term incentive	**Plan type:** Annual target bonus **Performance criteria:** Cash flows from operating activities (100%) **Cap:** 200% of the target amount **Payment:** In cash in the month following approval of the consolidated financial statements for the financial year in question
Long-term incentive	**Plan type:** Performance cash plan **Performance criteria:** - ROCE (50% pro rata) - Organic revenue growth (50% pro rata) **Cap:** Varies according to member of the Board of Management (200%/300% of the target amount) **Measurement period:** Three years forward-looking **Payment:** In cash in the month following approval of the consolidated financial statements for the final year of the performance period
	Plan type: Stock options **Performance criteria:** - Operating EBITDA - Share price **Cap:** 300% of potential profit **Measurement period:** Four-year holding period, three- or four-year exercise period **Payment:** In cash or shares

Details of variable remuneration in 2023

The members of the Board of Management receive variable remuneration, comprising a short-term incentive (STI) payable annually and a long-term incentive (LTI). In addition, stock options from the 2019 and/or 2023 Stock Option Plans were granted to all members of the Board of Management in 2023. Variable remuneration is linked to the performance of the Board of Management and that of the business and the increase in enterprise value, and depends on the extent to which business-related key performance indicators or targets are achieved.

The Supervisory Board of the general partner has deliberately opted for joint targets applicable to the Board of Management as a whole rather than individual targets for each member of the Board of Management because it is precisely the teamwork across segments and disciplines between all the members of the Board of Management that generates optimum results for the Group, and joint targets foster this collaborative approach.

The variable remuneration for 2023 was based on the key performance indicators and targets described below.

Short-term incentive (STI)

The short-term incentive comprises a performance-related bonus with a one-year measurement period. The key factor used in measuring target attainment is the change in the cash flows from operating activities in the Ströer Group, which is used as a financial performance indicator. The payout is capped at 200% of the target amount for Board of Management members.

Contribution to strategy and long-term business growth

The aim of the STI is to ensure that there is a lasting emphasis on achieving operating objectives. In the case of the business parameters that can be influenced more in the short-term, the focus in the STIs on the cash flows from operating activities generated by the Ströer Group ensures that attention is concentrated on profitable growth in accordance with the annual planning budget. Specifically, this means that incentives are linked to cash generation in the current year rather than other parameters such as EBITDA (adjusted) or non-profit-related, organic growth.

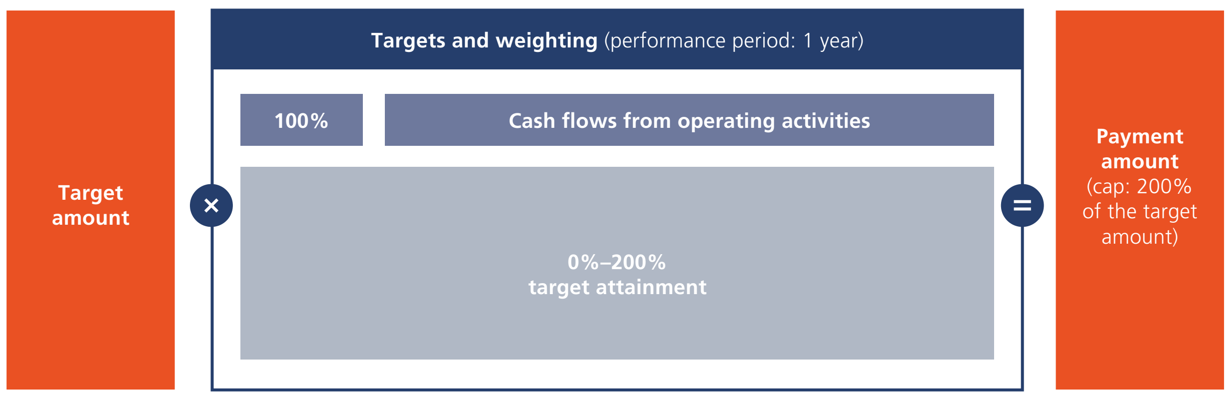
Performance target details

The "cash flows from operating activities" financial target is weighted at 100% and equates to the adjusted cash flows from operating activities in accordance with IAS 7 as reported in the consolidated financial statements.

The Supervisory Board of the general partner sets out the values for the financial target for each financial year:

- A threshold value that, if not met, equates to target attainment of 0%
- A target value that equates to target attainment of 100%
- A maximum value that equates to target attainment of 200%

Structure of the STI



Performance in 2023

The Supervisory Board of the general partner determines attainment of the financial performance target after the end of the financial year. The corridor specified at the beginning of the year is used to determine whether the target has been achieved or not.

The following table shows the actual figure for the STI financial performance indicator and the extent to which the members of the Board of Management achieved the target as a result. The following table also shows the individual amounts payable to the members of the Board of Management.

Attainment of the 2023 performance target

Performance target	Threshold value for 0% target attainment		Target value for 100% target attainment		Maximum value for 200% target attainment		2023 figure[1]	2023 target attainment
	% of target	Absolute	% of target	Absolute	% of target	Absolute	Absolute	%
Cash flows from operating activities (EUR k)	80	157,637	100	197,046	120	236,455	213,614	108.41

Individual amount payable

	Corridor				
	Min (EUR) (=0%)	Target amount (EUR) (=100%)	Max (EUR) (=200%)	Cash flows from operating activities target attainment (weighting: 100%)[1]	Payment amount (EUR)
Udo Müller	0	850,000	1,700,000	108.41%	921,472
Christian Schmalzl	0	650,000	1,300,000	108.41%	704,655
Henning Gieseke	0	175,000	350,000	108.41%	189,715

[1] Based on the final value of the provision.

Outlook

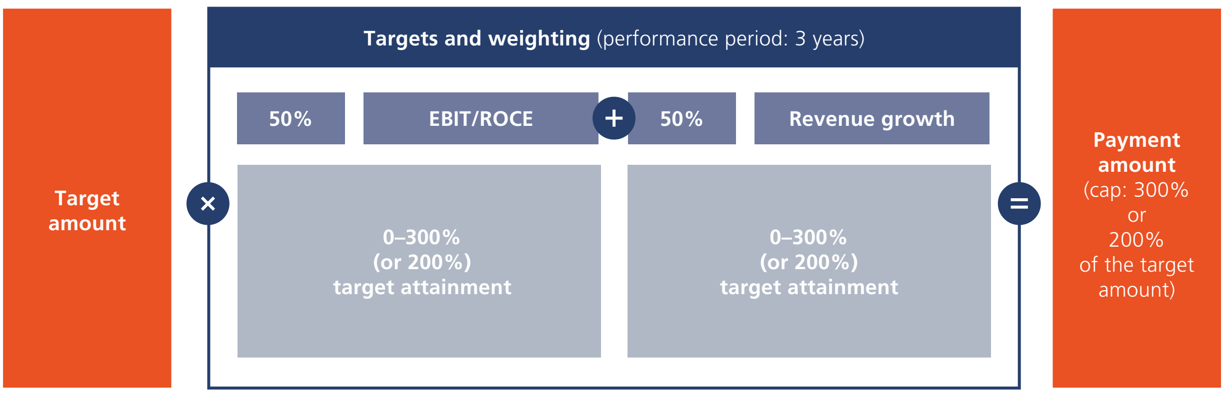
An ESG factor has been introduced as a multiplier in the new system. In the first year, an "environment" target and a "social" target are the relevant component targets for calculating the ESG factor. The 'environment' target takes account of the CO_2 emissions criterion; the criteria for the other two component targets will be specified in subsequent years when the targets are introduced (ESG criteria). The 'social' target takes account of the Healthy Workplace criterion. The new STI payment is uniformly capped at 240% of the target amount for all members of the Board of Management.

Long-term incentive (LTI)

The LTI takes the form of a performance cash plan with a three-year performance period. The relevant financial performance targets are the Ströer Group's return on capital employed (ROCE) and organic revenue growth. The payout is capped at 200% or 300% of the target amount for Board of Management members.

Up to and including 2020, the LTI also included a share price component, but since 2021 the LTI has been based only on the performance targets of ROCE and organic revenue growth.

Structure of the LTI



Contribution to strategy and long-term business growth

The LTI aims to secure successful long-term business performance compared with competitors. ROCE is therefore one of the key long-term performance indicators, particularly in an infrastructure-type business with long-term investment cycles. This remuneration depends on the return on capital over a period of three years. The benchmark for the incentive is the achievement of a return equating to the Ströer Group’s cost of capital. As a consequence of the increasingly cut-throat competition in the media and marketing sector, sustainable organic growth is treated as the Ströer Group’s second core value driver alongside ROCE. The Ströer Group’s average organic revenue growth over a three-year period is compared with the average growth of the advertising market as a whole, measured on the basis of the growth in gross domestic product (GDP) in the markets served by the Ströer Group.

Performance target details

ROCE based on EBIT (adjusted)/capital employed

The ROCE financial target has a 50% weighting and refers to the return on the average interest-bearing capital employed in the Group. This parameter is derived from the return on capital over a period of three years and uses the arithmetic mean of capital employed at the beginning and end of each year.

The Supervisory Board of the general partner specifies the following details in respect of the ROCE performance target:

- A threshold value that, if not met, equates to target attainment of 0%
- A target value that equates to target attainment of 100%
- A maximum value that equates to target attainment of 200% or 300%

Values between the threshold value and the target value, and between the target value and the maximum value, are determined using linear interpolation.

In this process, the minimum, target, and maximum values are specified by comparing ROCE with the weighted average cost of capital (WACC). The target value equates to a return that is at the same level as the cost of capital (average ROCE = average WACC).

The specified corridor is shown in the following table:

ROCE performance target corridor

	Threshold value	Target value	Maximum value
ROCE outcome	ROCE < borrowing costs included in WACC	ROCE = WACC	ROCE ≥ 1.2x WACC
Target attainment	0%	100%	200%/300%

Organic revenue growth:

The organic revenue growth financial target has a 50% weighting and equates to the revenue-weighted average of the organic growth values for the three financial years ending in the accounting period. The Ströer Group’s average organic revenue growth over this three-year period is compared with the average growth of the advertising market as a whole, measured on the basis of the growth in GDP in the markets served by the Ströer Group.

The Supervisory Board of the general partner specifies the following details in respect of the organic revenue growth performance target:

- A threshold value that, if not met, equates to target attainment of 0%
- A target value that equates to target attainment of 100%
- A maximum value that equates to target attainment of 200% or 300%

Values between the threshold value and the target value, and between the target value and the maximum value, are determined using linear interpolation.

The minimum, target, and maximum values are specified by comparing the Ströer Group's organic revenue growth with the average growth of the advertising market as a whole, measured on the basis of the growth in GDP in the markets served by Ströer. The target value equates to an increase in revenue that matches the rise in GDP in the markets served by the Ströer Group.

The specified corridor is shown in the following table:

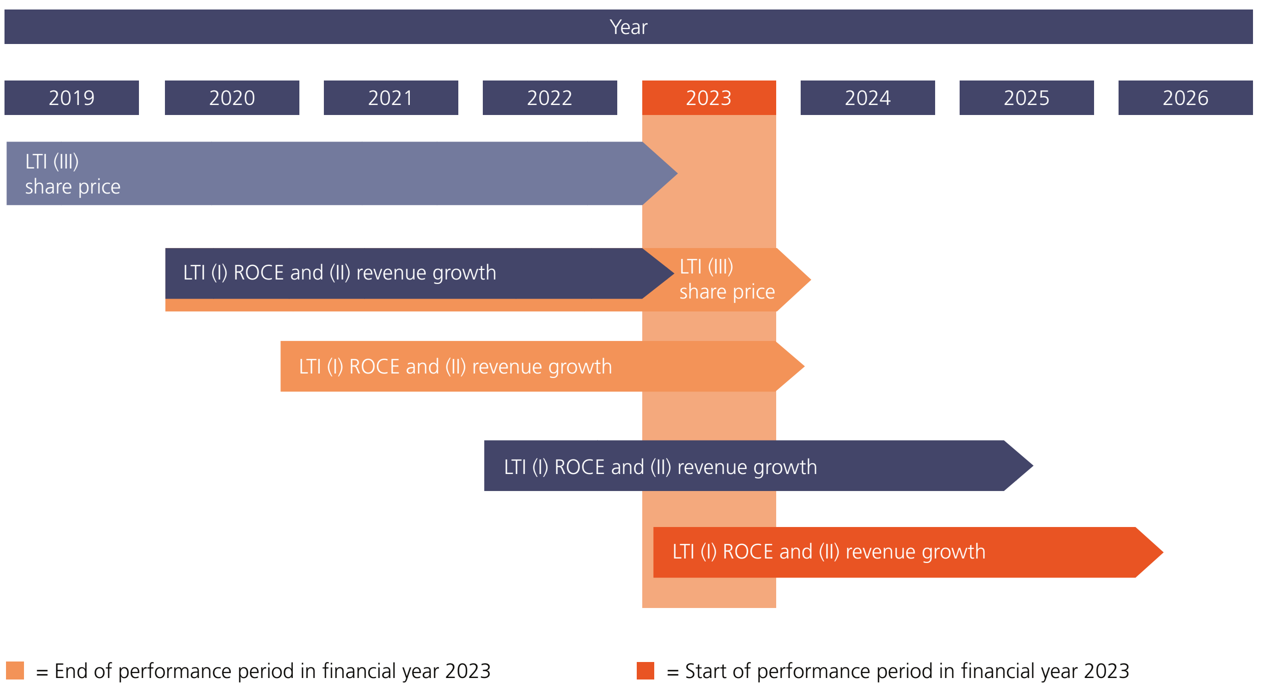
Organic revenue growth performance target corridor

	Threshold value	Target value	Maximum value
Revenue growth outcome	Revenue growth ≤ 0.5x change in GDP in Ströer markets	Revenue growth = change in GDP in Ströer markets	Revenue growth ≥ 1.5x or 2x change in GDP in Ströer markets
Target attainment	0%	100%	200%/300%

At the end of the three-year performance period, the Supervisory Board of the general partner determines the extent to which the two performance targets have actually been achieved using the corridors specified at the beginning of the performance period and consolidates the results into a weighted average.

Actual performance under the LTI criteria for the relevant tranche for the purposes of determining the remuneration granted and owed:
The outcomes under the LTI financial performance indicators and the extent to which the members of the Board of Management have attained the targets are set out below, as also shown in the table presenting the remuneration granted and owed. The performance periods for the LTI tranches that were granted in 2020 and 2021 (2020–2023 period and 2021–2023 period) ended in 2023. The following diagram shows an overview of the LTI tranches currently initiated:

Current LTI tranches



Until 2020, the LTI consisted of three components. In 2021, the LTI consisted of just two components (ROCE and revenue growth). The share price component (with a four-year term) was not included in 2021.

The degree to which the performance targets were achieved in the LTI tranches whose performance period ended in 2023 is shown in the following tables, together with the resulting LTI amounts payable to the individual members of the Board of Management:

Performance target attainment and individual payments

	Target value and target attainment per LTI component									Final payment amount (EUR)
	ROCE			Revenue growth			Share price			
	Target amount (EUR)	Target attainment 2021–2023 (%)	Payment (EUR)	Target amount (EUR)	Target attainment 2021–2023 (%)	Payment (EUR)	Target amount (EUR)	Target attainment 2020–2023 (%)	Payment (EUR)	
Udo Müller	450,000	300	1,350,000	450,000	300	1,350,000	135,000	71.1	95,985	2,795,985
Christian Schmalzl	375,000	300	1,125,000	375,000	300	1,125,000	82,500	71.1	58,657	2,308,657
Henning Gieseke[1]	61,250	200	122,500	61,250	200	122,500	0	0	0	245,000

[1] Joined on June 1, 2021

Share-based payment

In 2023, the Supervisory Board of the general partner granted options under the 2019 Stock Option Plan to one member of the Board of Management and options under the 2023 Stock Option Plan to all members of the Board of Management. The stock options constitute further long-term remuneration components. Their aim is to create performance incentives focusing on the sustainable, enduring success of the business. The option rights can be exercised at the earliest at the end of a four-year vesting period beginning on the option grant date. The options have a contractual term of eight years (2019 SOP) or seven years (2023 SOP). The Company has the right to settle the options in cash instead of granting new shares.

The right to exercise the stock options is dependent on the fulfillment of a certain length of service (vesting period), the Company's share price, and the Group's EBITDA (adjusted). The gain that option holders can achieve by exercising their stock options must not exceed three times the relevant exercise price.

In 2023, the following stock options were granted with the conditions shown:

		Plan features					
Current Board of Management members	**Options granted in 2023**	**Plan**	**Grant date**	**Period of service**	**Performance targets**	**Performance period**	**Exercise period**
Henning Gieseke	20,000	2019 SOP	Jun. 1, 2023	Jun. 1, 2023 – May 31, 2027	EBITDA/ share price	Jan. 1, 2026 – May 31, 2027	Jun. 1, 2027 – May 31, 2031
Udo Müller	700,000	2023 SOP	Aug. 16, 2023	Aug. 16, 2023 – Aug. 15, 2027	EBITDA/ share price	Jan. 1, 2026 – Aug. 15, 2027	Aug. 16, 2027 – Aug. 15, 2030
Christian Schmalzl	700,000	2023 SOP	Aug. 16, 2023	Aug. 16, 2023 – Aug. 15, 2027	EBITDA/ share price	Jan. 1, 2026 – Aug. 15, 2027	Aug. 16, 2027 – Aug. 15, 2030
Henning Gieseke	100,000	2023 SOP	Aug. 16, 2023	Aug. 16, 2023 – Aug. 15, 2027	EBITDA/ share price	Jan. 1, 2026 – Aug. 15, 2027	Aug. 16, 2027 – Aug. 15, 2030

The exercise price has been set at EUR 45.57 (2019 SOP) and EUR 45.56 (2023 SOP).

No stock options were granted to former members of the Board of Management.

Outlook

In the new system, the performance cash plan is being transformed into a performance phantom share plan. The component financial targets will remain in place and their weighting will not change. As the new system will be a performance share plan, the change in the share price will be added into the equation. The new LTI is therefore a share-based payment component. The new LTI payment will be uniformly capped at 300% of the target amount for all members of the Board of Management. The Stock Option Plan will be run off.

Other remuneration components in 2023

Special remuneration

No special remuneration was paid to the members of the Board of Management in 2023.

Benefits from third parties

No benefits from a third party were promised or granted to any Board of Management member in 2023 for their work as a board member.

Remuneration for internal and external positions on supervisory boards

No remuneration was granted to any member of the Board of Management in the reporting year in return for holding positions on supervisory boards inside or outside the Ströer Group.

Share ownership guidelines

There were no share ownership guidelines in 2023.

Malus/clawback

No malus/clawback provisions applied in 2023. Accordingly, there were no requests for the return of any variable remuneration components.

Post-employment benefits for members of the Board of Management

There are no retirement benefit plans or other pension commitments in the event of ordinary termination of employment. Consequently, no such benefits were paid in 2023.

Provisions in the event of early termination of Board of Management membership

No benefits were paid in 2023 in respect of the premature termination of Board of Management membership.

Non-compete clause

Non-compete clauses have been agreed with the members of the Board of Management. For the duration of the validity of the non-compete clause and for each full year in which the clause applies, the Company undertakes to pay remuneration corresponding to half of the most recent amount of remuneration granted under the contract of employment.

Outlook

The new remuneration system for members of the Board of Management includes malus/clawback provisions. At its discretion, the Supervisory Board of the general partner may reduce a payment amount by up to 100% (malus) if a member of the Board of Management is found to be responsible for relevant misconduct (malus justification) during the variable remuneration measurement period, i.e. during the relevant financial year in the case of the short-term incentive or during the four-year performance period in the case of the performance share plan. Malus may be justified on the basis of individual misconduct or the failure of the organization. If the justification for malus arises in a year that falls within the measurement period for multiple variable remuneration components, a reduction can be specified for each of these variable remuneration components. In other words, it is also possible for multiple variable remuneration components with multi-year measurement periods to be subject to malus as a result of the same circumstances. If circumstances that would have originally justified malus only come to light or are only discovered retrospectively, the Supervisory Board of the general partner has the right, at its discretion, to claw back up to 100% of the gross payment amount. In the case of the performance share plan, this applies for each measurement period that includes the year in which the circumstances giving rise to malus arise. No clawback is possible if more than three years have passed since the variable remuneration component was paid. The same applies if it later transpires that some or all of the payment was made in error because of incorrect information when the payment amount was calculated and the targets had not actually been achieved or had not been achieved to the extent assumed.

Application of the maximum remuneration provision in 2023

The maximum remuneration can only be reviewed definitively once the payment from the LTI tranche relating to the year in question falls due. The maximum remuneration for 2023 can therefore finally be reviewed only after the end of the performance period for the LTI tranche initiated in 2023.

Outlook

In the new remuneration system, maximum remuneration applies to the amount that can be received. Total remuneration for this purpose comprises the basic salary paid for the relevant financial year, the fringe benefits granted for the relevant financial year, the short-term incentive granted for the relevant financial year and paid out in the subsequent year, and the long-term incentive paid out in the relevant financial year whose performance period ended immediately before the relevant financial year.

If the Supervisory Board of the general partner grants fringe benefits that are time-limited or that continue for the entire duration of the employment contract to new Board of Management members, these benefits also count toward the maximum remuneration in the year for which they are granted.

Under the new system, the maximum remuneration is EUR 3,000,000 gross per year for each member of the Board of Management and EUR 7,000,000 gross per year for the CEO/each of the Co-CEOs. If the total calculated remuneration exceeds the maximum remuneration, the amount to be paid under the short-term incentive is reduced. If a cut in the short-term incentive is insufficient to keep the overall amount within the maximum remuneration, the Supervisory Board of the general partner may use its discretion to make deductions from other remuneration components or request the return of remuneration already paid.

Disclosures on the amount of Board of Management remuneration in 2023

The following table presents the fixed and variable remuneration components granted and owed to the current members of the Board of Management in 2023. The figures are reported on an accrual basis, including the relative proportions of the remuneration pursuant to section 162 AktG. Remuneration granted equates to the remuneration received or vested for the reporting year; remuneration owed relates to amounts that have been legally established, but have not yet been received by the person concerned. The STI is shown as the amount owed (but already vested) for 2023 in place of the STI for 2022 that was actually received in 2023. This means that the reporting can clearly present the link between remuneration and performance for the relevant year, making it transparent and easy to understand. The following tables show the details of the annual fixed remuneration paid in the reporting year, the fringe benefits granted in the reporting year, the STI owed/vested for 2023, and the LTI issued in 2020 and in 2021 that are vested during the 2020–2023 and 2021–2023 performance periods respectively and will be received in 2024. For the stock options granted in 2023, the tables also show their fair value because they are deemed to be granted as soon as they are allocated. There is no company pension plan.

Remuneration granted and owed to current members of the Board of Management in 2023

	Udo Müller Co-CEO, member of the Board of Management since 2002	
EUR k	2023	2023 (%)
Basic salary	1,420	16.9
Fringe benefits	40	0.5
Pension payment	0	0.0
Total fixed remuneration	**1,460**	**17.4**
2023 one-year variable remuneration[1]	921	10.9
Multi-year variable remuneration		
LTI1 (2021–2023 revenue growth)	1,350	16.0
LTI2 (2021–2023 EBIT/ROCE)	1,350	16.0
LTI3 (2020–2023 share price)	96	1.1
LTI4 (stock options issued in 2023)	3,241	438.5
Total variable remuneration	**6,958**	**82.6**
Other (e.g. severance payment)	0	0.0
Service cost for occupational pension plan	0	0.0
Total remuneration	**8,418**	**100.0**

[1] Equates to the final value of the provision.

	Christian Schmalzl Co-CEO, member of the Board of Management since 2012	
EUR k	2023	2023 (%)
Basic salary	1,300	17.2
Fringe benefits	7	0.1
Pension payment	0	0.0
Total fixed remuneration	**1,307**	**17.3**
2023 one-year variable remuneration[1]	705	9.3
Multi-year variable remuneration		
LTI1 (2021–2023 revenue growth)	1,125	14.9
LTI2 (2021–2023 EBIT/ROCE)	1,125	14.9
LTI3 (2020–2023 share price)	59	0.8
LTI4 (stock options issued in 2023)	3,241	42.9
Total variable remuneration	**6,255**	**82.7**
Other (e.g. severance payment)	0	0.0
Service cost for occupational pension plan	0	0.0
Total remuneration	**7.562**	**100.0**

[1] Equates to the final value of the provision.

	Henning Gieseke CFO, member of the Board of Management since June 1, 2021	
EUR k	2023	2023 (%)
Basic salary	520	33.6
Fringe benefits	10	0.6
Pension payment	0	0.0
Total fixed remuneration	**530**	**34.2**
2023 one-year variable remuneration[1]	190	12.3
Multi-year variable remuneration		
LTI1 (2021–2023 revenue growth)	123	7.9
LTI2 (2021–2023 EBIT/ROCE)	123	7.9
LTI3 (2020–2023 share price)	0	0.0
LTI4 (stock options issued in 2023)	583	37.6
Total variable remuneration	**1,019**	**65.8**
Other (e.g. severance payment)	0	0.0
Service cost for occupational pension plan	0	0.0
Total remuneration	**1,549**	**100.0**

[1] Equates to the final value of the provision.

In accordance with article 9 (3) sentence 1 of the articles of association of Ströer SE & Co. KGaA, the general partner (Ströer Management SE) also received annual remuneration of EUR 5k for managing the Company. No remuneration was granted or owed to former members of the Board of Management in 2023.

Changes in Board of Management remuneration and earnings

In accordance with section 162 (1) sentence 2 no. 2 AktG, the following table shows a comparison between, on the one hand, the changes in remuneration granted and owed to the members of the Board of Management in the year in question and, on the other, the changes in average employee remuneration and in earnings based on profit for the period and EBITDA (adjusted) in the same year.

The employee remuneration figure includes all employees (full-time equivalents) with a German contract.

Five-year comparison

EUR k	2019	2020	Change	2021	Change	2022	Change	2023	Change
Remuneration for Board of Management members (EUR k)									
Current Board of Management members									
Udo Müller	5,214	4,777	–8.38%	4,851	1.55%	4,672	–3.69%	8,418	80.18%
Christian Schmalzl	3,127	2,780	–11.10%	3,562	28.13%	3,389	–4.86%	7,562	123.13%
Henning Gieseke (from June 1, 2021)	–	–	–	557	–	770	38.24%	1,549	101.17%
Former Board of Management members									
Bernd Metzner (until April 30, 2019)	177	–	–	–	–	–	–	–	–
Christian Baier (until July 31, 2022)	403	925	129.53%	1,030	11.35%	1,439	39.71%	–	–
Earnings performance of the Company[1]									
Consolidated profit for the period of Ströer SE & Co. KGaA (IFRS)[2]	64,383	48,205	–25.13%	130,254	170.21%	151,817	16.55%	112,423	–100.00%
Consolidated EBITDA (adjusted) of Ströer SE & Co. KGaA (IFRS)	538,339	452,772	–15.89%	513,272	13.36%	541,401	5.48%	568,841	–100.00%
Profit for the period of Ströer SE & Co. KG (HGB)	71,152	65,635	–7.75%	134,959	105.62%	156,457	15.93%	115,028	–26.48%
Average remuneration of employees	41.1	40.6	–1.2%	42.1	3.7%	47.1	11.9%	47.6	1.0%

[1] The changes shown relate to the most recently published amounts.
[2] Consolidated profit for the period included continuing operations and discontinued operations.

Remuneration for Supervisory Board members

The remuneration system described for the Supervisory Board constitutes the applicable remuneration system pursuant to section 162 (1) sentence 2 no. 1 AktG. Pursuant to article 15 of the Company's articles of association, the remuneration of the members of Ströer SE & Co. KGaA's Supervisory Board is laid down by the shareholder meeting subject to the consent of the general partner.

Remuneration from 2021

Effective October 1, 2021, the remuneration shown below relates to the Supervisory Board of Ströer SE & Co. KGaA, which has fewer responsibilities than the Supervisory Board of the general partner. Consequently, its remuneration is slightly less.

Fixed remuneration for members of the Supervisory Board (EUR)	
Chairman of the Supervisory Board	25,000
Deputy Chairman of the Supervisory Board	15,000
Ordinary member of the Supervisory Board	6,000

Additional fixed remuneration for committee members (EUR)	
Chairman of the Audit Committee	15,000
Ströer Supervisory Board ESG Officer on the Audit Committee	15,000
Ordinary member of the Audit Committee	5,000
Chairman of the Nomination Committee	10,000
Ordinary member of the Nomination Committee	5,000

If the Chairman of the Supervisory Board carries out other functions in the Supervisory Board's committees, he only receives the remuneration of an ordinary committee member for this committee work. Moreover, the Chairman and Deputy Chairman of the Supervisory Board do not receive any additional remuneration as ordinary members of the Supervisory Board. The chairmen of the Supervisory Board committees do not receive any additional remuneration as ordinary members of the committees concerned, nor does the ESG Officer on the Audit Committee receive any additional remuneration as an ordinary member of the Audit Committee. In all other cases, the individual remuneration amounts are added together if a number of positions or functions are held or carried out at the same time.

The remuneration of the members of the Supervisory Board relates to the financial year. Supervisory Board members who have only belonged to the Supervisory Board or a committee, or have only carried out the above functions, for part of the year receive pro rata remuneration. Members of the Supervisory Board are also reimbursed for reasonable documented out-of-pocket expenses (notably travel costs) in connection with their attendance at in-person meetings of the Supervisory Board as well as for any VAT incurred in connection with the Supervisory Board remuneration. There are no variable remuneration components.

A feature specific to the legal form of a partnership limited by shares (SE & Co. KGaA) is that there is a further Supervisory Board at the general partner that oversees the Board of Management of the general partner and therefore has more extensive monitoring and oversight options and rights. Pursuant to article 14 of the articles of association, the remuneration of the members of the Supervisory Board of the general partner, Ströer Management SE, is approved by the shareholder meeting of Ströer Management SE. The members of the Supervisory Board of the general partner also receive time- and work-based remuneration from the general partner that comprises fixed, non-performance-related remuneration, together with the reimbursement of out-of-pocket expenses. The remuneration of the Supervisory Board of Ströer Management SE is charged on to Ströer SE & Co. KGaA in accordance with article 9 (3) sentence 2 of the articles of association of Ströer SE & Co. KGaA.

Adoption of a resolution to approve the remuneration system for the members of the Supervisory Board

The remuneration system for the Supervisory Board of Ströer SE & Co. KGaA was submitted to the annual shareholder meeting on September 3, 2021 in accordance with section 113 (3) AktG and approved by a majority of 99.0%.

Remuneration granted and owed to current and former members of the Supervisory Board in 2023[1]

In EUR	Dec. 31, 2023
Current Supervisory Board members	
Georg Altenburg	46,000
Martin Diederichs	71,000
Stephan Eilers	42,935
Andreas Güth	6,000
Sabine Hüttinger	6,000
Christian Kascha	6,000
Simone Kollmann-Göbels	6,000
Elisabeth Lepique	30,457
Barbara Liese-Bloch	6,000
Tobias Meuser	6,000
Tobias Schleich	6,000
Christian Sardiña Gellesch	2,935
Stephan Somberg	6,000
Petra Sontheimer	11,000
Christoph Vilanek	120,109
Ulrich Voigt	100,000
Supervisory Board members who stepped down during 2023	
Andreas Huster	2,370
Kai Sauermann	34,500
Total Supervisory Board remuneration in 2023	**509,306**

[1] Includes the remuneration of the Supervisory Board of Ströer SE & Co. KGaA and the remuneration of the Supervisory Board of the general partner.

Changes to the composition of the Supervisory Board

The employee representative Andreas Huster left the Supervisory Board with effect from April 1, 2023. By resolution of the Cologne local court dated June 28, 2023, he was replaced by Christian Sardiña Gellesch. With effect from the end of the shareholder meeting on July 5, 2023, Dr. Kai Sauermann stepped down from the Supervisory Board. In his place, Professor Stephan Eilers was elected to the Supervisory Board as a new shareholder representative at the shareholder meeting on July 5, 2023. That meeting also confirmed the appointment of Dr. Karl-Georg Altenburg and Barbara Liese-Bloch for a term of three years each.

Changes in Supervisory Board remuneration and earnings

In accordance with section 162 (1) sentence 2 no. 2 AktG, the following table shows a comparison between, on the one hand, the changes in remuneration granted and owed to the members of the Supervisory Board in the year in question and, on the other, the changes in average employee remuneration and in earnings based on profit for the period and EBITDA (adjusted) in the same year.

The employee remuneration figure includes all employees (full-time equivalents) with a German contract.

Five-year comparison

EUR k	2019	2020	Change	2021	Change	2022	Change	2023	Change
Remuneration for Supervisory Board members (EUR k)									
Current Supervisory Board members									
Georg Altenburg	–	21	–	44	109.52%	46	4.55%	46	0.00%
Martin Diederichs	34	34	0.00%	50	47.06%	65	30.00%	71	9.23%
Stephan Eilers	–	–	–	–	–	20	–	43	115.00%
Andreas Güth	–	–	–	–	–	3	–	6	100.00%
Sabine Hüttinger	2	2	0.00%	7	250.00%	6	–14.29%	6	0.00%
Christian Kascha	–	–	–	–	–	3	–	6	100.00%
Simone Kollmann-Göbels	–	–	–	–	–	3	–	6	100.00%
Elisabeth Lepique	–	–	–	–	–	3	–	30	900.00%
Christian Sardina Gellesch	2	3	50.00%	7	133.33%	3	–57.14%	3	0.00%
Barbara Liese-Bloch	–	1	–	6	500.00%	6	0.00%	6	0.00%
Tobias Meuser	2	3	50.00%	7	133.33%	6	–14.29%	6	0.00%
Tobias Schleich	–	–	–	–	–	3	–	6	100.00%
Stephan Somberg	–	–	–	–	–	3	–	6	100.00%
Petra Sontheimer	2	3	50.00%	8	166.67%	10	25.00%	11	10.00%
Christof Vilanek	77	77	0.00%	94	22.08%	117	24.47%	120	2.56%
Ulrich Voigt	52	53	1.92%	71	33.96%	94	32.39%	100	6.38%
Former Supervisory Board members									
Vincente Vento Bosch	34	17	–50.00%	–	–	–	–	–	–
Dirk Ströer	52	53	1.92%	28	–47.17%	–	–	–	–
Simone Thiäner	2	1	–50.00%	–	–	–	–	–	–
Angela Barzen	2	3	50.00%	7	133.33%	3	–57.14%		
Petra Loubek	2	3	50.00%	7	133.33%	2	–71.43%		
Rachel Marquardt	2	2	0.00%	5	150.00%	3	–40.00%		
Thomas Müller	1	2	100.00%	7	250.00%	3	–57.14%		
Nadine Reichel	2	3	50.00%	7	133.33%	3	–57.14%		
Raphael Kübler	32	32	0.00%	38	18.75%	20	–47.37%		
Kai Sauermann	–	–	–	20	–	46	130.00%	35	–23.91%
Andreas Huster	2	3	50.00%	7	133.33%	6	–14.29%	2	–66.67%
Total	**302**	**316**		**420**		**477**		**509**	
Earnings performance of the Company[1]									
Consolidated profit for the period of Ströer SE & Co. KGaA (IFRS)[2]	64,383	48,205	–25.13%	130,254	170.21%	151,817	16.55%	112,423	–100.00%
Consolidated EBITDA (adjusted) of Ströer SE & Co. KGaA (IFRS)	538,339	452,772	–15.89%	513,272	13.36%	541,401	5.48%	568,841	–100.00%
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Average remuneration of employees	41.1	40.6	–1.2%	42.1	3.7%	47.1	11.9%	47.6	1.0%

[1] The changes shown relate to the most recently published amounts.
[2] Consolidated profit for the period included continuing operations and discontinued operations.

Remuneration outlook for the next financial year

The Supervisory Board of the general partner regularly reviews the Board of Management's remuneration, in particular to ascertain whether it is appropriate and typical for the market and with regard to compliance and its suitability as an incentive. The first remuneration reports of this kind will also be carefully monitored in order to ascertain what emerges as best practice and to adapt the Company's reporting for the next financial year if necessary.

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE EXAMINATION OF THE REMUNERATION REPORT PURSUANT TO SECTION 162 (3) AKTG

To Ströer SE & Co. KGaA, Cologne

Opinion

We have formally examined the remuneration report of Ströer SE & Co. KGaA, Cologne, for the financial year from January 1 to December 31, 2023, to determine whether the disclosures pursuant to Section 162 (1) and (2) AktG have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not examined the content of the remuneration report.

In our opinion, the accompanying remuneration report complies, in all material respects, with the disclosure requirements pursuant to Section 162 (1) and (2) AktG. Our opinion does not cover the content of the remuneration report.

Basis for the Opinion

We conducted our examination of the remuneration report in compliance with Section 162 (3) AktG taking into account the IDW assurance standard: Examination of the remuneration report pursuant to Section 162 (3) AktG (IDW AsS 870 (09.2023)). Our responsibilities under this regulation and this standard are further described in the "Auditor's Responsibilities" section of our assurance report. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1) (09.2022). We have complied with our professional duties pursuant to the German Public Accountants Act [WPO] and the Professional Charter for Auditors/Chartered Accountants [BS WP/vBP], including the independence requirements.

Responsibilities of the Board of Management and the Supervisory Board

The Board of Management and the Supervisory Board are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. In addition, they are responsible for such internal controls as they have determined necessary to enable the preparation of the remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the remuneration report complies, in all material respects, with the disclosure requirements pursuant to Section 162 (1) and (2) AktG, and to issue an assurance report that includes our opinion.

We planned and performed our examination to obtain evidence about the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have not examined whether the disclosures are correct or individual disclosures are complete or whether the remuneration report is fairly presented.

Cologne, March 22, 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft

Nölgen	**Dr. Ohmen**
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

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