



**Salzgitter Aktiengesellschaft**

**Salzgitter**

**Securities identification no. 620 200**

**ISIN: DE0006202005**

# **Calling of Shareholders' Meeting 2024**

**Information pursuant to Section 125 (1) and (5) AktG in conjunction with Art. 4 Paragraph 1 and Table 3 of Implementing Regulation (EU) 2018/1212 ("EU implementing regulation")**

**A. Content of the Communication**

1. Event unique identifier : 3fd172d8c4e6ee11b53000505696f23c
2. Type of notification: Calling of Shareholders’ Meeting (formal indication according to EU implementing regulation : NEWM)

**B. Information on the issuer**

1. ISIN: DE0006202005
2. Name of issuer: Salzgitter Aktiengesellschaft

**C. Information on the Shareholders’ Meeting**

1. Date of Shareholders’ Meeting: May 29, 2024 (formal indication according to EU implementing regulation : 20240529)
2. Time of the Shareholders’ Meeting: 11:00 a.m. CEST (formal indication according to EU implementing regulation : 9:00 a.m. UTC)
3. Type of Shareholders’ Meeting: Shareholders’ Meeting (formal indication according to EU implementing regulation : GMET)
4. Place of Shareholders’ Meeting: CongressPark Wolfsburg GmbH, Heinrich-Heine-Straße, 38440 Wolfsburg, Germany
5. Recording date: May 7, 2024, 24:00 hrs CEST (22:00 hrs UTC; formal information pursuant to EU implementing regulation:20240507) Record date within the meaning of section 123(4) sentence 2 AktG: May 7, 2024.
6. Website of Shareholders’ Meeting/ Uniform Resource Locator (URL): <https://www.salzgitter-ag.com/Hauptversammlung>

## **Agenda Overview**

- 1. Presentation of the Approved Annual Statement of Accounts of Salzgitter AG and the Group Statement of Accounts as of 31 December 2023 with the Combined Directors’ Report and the Report of the Supervisory Board**
- 2. Resolution as to the Use of the Annual Net Profit**
- 3. Resolution as to the Approval of Activities of the Members of the Board of Directors**
- 4. Resolution as to the Approval of Activities of the Members of the Supervisory Board**
- 5. Resolution as to the Appointment of Auditor for the Annual Statement of Accounts for the Financial Year 2024**
- 6. Resolution on the Approval of the Remuneration Report**
- 7. Resolution on the Approval of the Remuneration System for the Members of the Board of Directors**
- 8. Resolution on the Approval of the Remuneration of the Members of the Supervisory Board**
- 9. Resolution on the Amendment of § 8 of the Articles of Association with regard to Written Resolutions of the Supervisory Board**

**Dear Shareholders,**

We herewith invite you to the Annual Shareholders’ Meeting of Salzgitter Aktiengesellschaft that will take place on

**Wednesday, 29 May 2024 at 11:00 a.m. Central European Summer Time (CEST),**

in CongressPark Wolfsburg, Heinrich-Heine-Straße, 38440 Wolfsburg.

**A. Agenda**

**1. Presentation of the Approved Annual Statement of Accounts of Salzgitter AG and the Group Statement of Accounts as of 31 December 2023 with the Combined Directors’ Report and the Report of the Supervisory Board**

The Supervisory Board approved the annual financial statements and the consolidated financial statements for fiscal year 2023 (January 1 to December 31, 2023), presented by the Board of Directors, on March 14, 2024. The annual financial statements are thus adopted. The Shareholders’ Meeting, therefore, does not have to pass a resolution on this agenda item.

The annual financial statements, the consolidated financial statements, the combined directors’ report, the report of the Supervisory Board and the Board of Directors’ proposal for the appropriation of the annual net profit will be available on the Company’s website under <https://www.salzgitter-ag.com/Hauptversammlung> from the time the Shareholders’ Meeting is convened and will also be accessible there during the Shareholders’ Meeting. The explanatory report on the disclosures pursuant to § 289a sentence 1 and § 315a sentence 1 HGB will be available during the Shareholders’ Meeting.

**2. Resolution as to the Use of the Annual Net Profit**

The Board of Directors and the Supervisory Board propose that the following resolutions be adopted:

The annual net profit of EUR 27,100,000.00 for the financial year 2023 will be used as follows:

- Annual net profit	27,100,000.00 EUR
- Distribution of a dividend of EUR 0.45 per share on the 54,087,300 shares entitled to a dividend:	24,339,285.00 EUR
- Profit carried forward:	2,760,715.00 EUR

The proposal for the use of profits assumes that the 6,009,700 treasury shares held by the Company at the time of the proposal, which are not entitled to dividends pursuant to section 71b AktG, are not entitled to dividends even on the day of the Shareholders’ Meeting. Insofar as these shares are entitled to dividends on the day of Shareholders’ Meeting as a result of sale, the proposal for the appropriation of profits will be adjusted accordingly at the Shareholders’ Meeting with an unchanged distribution of EUR 0.45 per dividend-bearing share at the expense of the profit carried forward.

### **3. Resolution as to the Approval of Activities of the Members of the Board of Directors**

The Supervisory Board and the Board of Directors propose that the following be resolved:

The activities of the members of the Board of Directors in office in the financial year 2023 be approved in relation to that period.

### **4. Resolution as to the Approval of Activities of the Members of the Supervisory Board**

The Board of Directors and the Supervisory Board propose that the following be resolved:

The activities of the members of the Supervisory Board in office in the financial year 2023 be approved in relation to that period.

### **5. Resolution as to the Appointment of Auditor for the Annual Statement of Accounts for the Financial Year 2024**

On the recommendation of its Audit Committee, the Supervisory Board proposes that the following resolution be adopted:

EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Hanover, is appointed as auditor of the annual statement of accounts and consolidated financial statements of Salzgitter Aktiengesellschaft for the financial year 2024.

The Audit Committee declared in accordance with Art.16 Section 2, Subsection 3 of Regulation (EU) No. 537/2014 dated April 16, 2014, that its recommendation is free from influence by a third party and that the Audit Committee was not imposed any contractual obligation which would have restricted the options with respect to the choice of a specific auditor.

It is also intended to appoint EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Hanover, to obtain limited audit assurance as to whether the Company's sustainability reporting for the financial year 2024 complies with the requirements of Directive 2013/34/EU with regard to corporate sustainability reporting by enterprises.

### **6. Resolution on the Approval of the Remuneration Report**

In accordance with section 162 AktG, the Board of Directors and the Supervisory Board must prepare a remuneration report and submit it to Shareholders’ Meeting for approval in accordance with section 120a (4) AktG.

The remuneration report for the financial year 2023 prepared by the Board of Directors and Supervisory Board and audited by the auditor, EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft pursuant to section 162 (3) AktG, is available in Section B. under I. and otherwise available under <https://www.salzgitter-ag.com/fileadmin/finanzberichte/2023/gb2023/de/downloads/szag-verguetungsbericht-162AktG-2023-de.pdf>.

The Supervisory Board and the Board of Directors propose that the following resolution be adopted:

The remuneration report for the financial year 2023 prepared and audited in accordance with section 162 AktG is approved.

## **7. Resolution on the Approval of the Remuneration System for the Members of the Board of Directors**

Pursuant to section 120a(1) sentence 1 of the German Stock Corporation Act, the Shareholders’ Meeting of the listed company resolves on the approval of the remuneration system for the members of the Board of Directors submitted by the Supervisory Board at least every four years and in the event of any significant change to the remuneration system. Most recently, the Company’s Shareholders’ Meeting passed a resolution on this on July 8, 2020, so that a new resolution of the Shareholders’ Meeting is required in accordance with the legal requirements.

As part of the regular submission of the remuneration system to the 2024 annual Shareholders’ Meeting, the Supervisory Board reviewed the remuneration system for the Members of the Board of Directors. No changes to the remuneration system were made in the interests of continuity. The presentation of the remuneration system has been editorially revised with effect from January 1, 2024 in order to further increase the comprehensibility of the remuneration system.

The Supervisory Board proposes that the following resolution be adopted:

The Remuneration System for the members of the Board of Directors of Salzgitter AG is approved.

The remuneration system in the version adopted with effect from January 1, 2024 is printed following the agenda in section B. under II. and is accessible via our website under <https://www.salzgitter-ag.com/Hauptversammlung> from the convening of the Shareholders’ Meeting. In addition, the Remuneration System will also be accessible there during the Shareholders’ Meeting.

## **8. Resolution on the Approval of the Remuneration of the Members of the Supervisory Board**

The Supervisory Board and the Board of Directors propose that the following resolution be adopted:

The Remuneration of the members of the Supervisory Board approved by the Shareholders’ Meeting on May 23, 2013, confirmed on July 8, 2020 and amended on May 19, 2021 is confirmed.

The regulation on the remuneration of the members of the Supervisory Board, adopted by the Shareholders’ Meeting on May 23, 2013, confirmed on July 8, 2020 and amended on May 19, 2021, is as follows:

"I. Each member of the Supervisory Board receives a fixed remuneration of EUR 60,000.00 for each financial year, the Deputy Chairman of EUR 120,000.00 and the Chairman of the Supervisory Board of EUR 180,000.00.

Short financial years are remunerated in accordance with a separate resolution of the relevant Shareholders’ Meeting. Members of the Supervisory Board who are members of the Supervisory Board or one of its committees for only part of the financial year or who take a chairperson role of the Supervisory Board or one of its committees for only part of the financial year receive a correspondingly lower remuneration on a pro rata basis, whereby each month or part thereof is to be credited in full.

II. Each member of a committee of the Supervisory Board receives an additional fixed remuneration of EUR 5,000.00 for each financial year, the chairpersons of the committees and the members of the Audit Committee of EUR 10,000.00, the chairman of the Audit Committee of EUR 30,000.00, provided that in the course of the financial year and – if the committee membership only existed during part of the financial year – during the period of committee membership at least one committee meeting took place. In the case of the Presidium, instead of a meeting, an alignment via telephone is sufficient for the purpose of establishing the agreement of its members and passing resolutions. The chairman of the Supervisory Board and his deputy shall not

receive any other remuneration for committee memberships in addition to the remuneration set out in Section I. If a member of the Supervisory Board is a member of more than one committee, only the two most highly remunerated memberships are remunerated.

- III. Each member of the Supervisory Board and each member of a committee of the Supervisory Board receives an additional attendance fee of EUR 500.00 per meeting attendance. This also applies to participation in a face-to-face meeting by telephone or video conference and when participating in a meeting held entirely in the form of a telephone or video conference. The members of a committee do not receive attendance fees when attending committee meetings that take place on the day of a Supervisory Board meeting. Participation in a short telephone consultation and decision-making on individual issues shall not be considered as participation in a meeting. "

This remuneration scheme results in a maximum remuneration of EUR 120,000.00 for the Deputy Chairman and a maximum remuneration of EUR 180,000.00 for the Chairman of the Supervisory Board, in each case plus attendance fees of EUR 500.00 per meeting attendance. The maximum remuneration of the other members of the Supervisory Board is EUR 60,000.00 and is increased by EUR 10,000.00 for a committee chair or membership of the Audit Committee or EUR 30,000.00 for the chairman of the Audit Committee and by EUR 5,000.00 for all other memberships in committees of the Supervisory Board, whereby only the two most highly remunerated memberships in committees are remunerated; in addition, there are the attendance fees of EUR 500.00 per meeting participation.

A performance-related remuneration component has been waived in this remuneration to strengthen the independence of the Supervisory Board. This is because the extent of the workload and liability risk of the members of the Supervisory Board does not develop in line with the business success of the Company and the Company's earnings situation. Particularly in economically difficult times, when performance-related remuneration often declines, a high degree of monitoring and advisory activities of the Supervisory Board and its members is required.

In accordance with section 113(1) sentence 2 of the German Stock Corporation Act, the remuneration of the Members of the Supervisory Board is determined in the Articles of Association or approved by the Shareholders' Meeting. The Remuneration should be proportionate to the duties of the members of the Supervisory Board and to the situation of the Company (section 113(1) sentence 3 of the German Stock Corporation Act). The Board of Directors and the Supervisory Board continue to consider the remuneration scheme adopted in 2013 and adjusted in 2021 with regard to the granting of attendance fees at certain types of meetings to be appropriate.

## **9. Resolution on the Amendment of § 8 of the Articles of Association with regard to Written Resolutions of the Supervisory Board**

According to the current version of the Company's Articles of Association, the deadline for a written resolution of the Supervisory Board must be notified by registered mail (cf. Section 8 No. 5, 2nd paragraph of the Articles of Association). The fact that such deadlines can only be communicated by registered mail no longer seems up-to-date in times of advancing digitalisation and should therefore be adapted to the effect that the Articles of Association do not specify the form in which the written resolution of the Supervisory Board is to be initiated.

The Supervisory Board and the Board of Directors propose that the following resolution be adopted:

§ 8 No. 5, 2nd paragraph of the Articles of Association is reworded as follows:

'If, in the case of written resolutions, the Company does not receive a vote within a period of at least one week specified in the proposed resolution, the vote shall be deemed to be an abstention.'

**B. Reports and annexes to the agenda**

**I. Remuneration Report of the Board of Directors and Supervisory Board for the financial year 2023**



# REMUNERATION REPORT OF THE EXECUTIVE BOARD AND THE SUPERVISORY BOARD PURSUANT TO SECTION 162 GERMAN STOCK CORPORATION ACT (AKTG) FOR THE FINANCIAL YEAR 2023

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## BASIC COMPONENTS OF THE EXECUTIVE BOARD REMUNERATION SYSTEM

The Supervisory Board has adjusted the remuneration of the Executive Board, effective from the financial year 2019, to the methodology described in this remuneration report. The remuneration system pursuant to Section 120a(1) of the German Stock Corporation Act (AktG) was submitted to the Annual General Meeting of Shareholders on July 8, 2020, and approved by the majority of 98.56 %. The remuneration system applied to all Executive Board members active in the financial year 2023 and those who have left starting with 2019.

The remuneration of the members of the Executive Board is determined by their tasks and their own individual performance as well as by the success of the company. The amount of remuneration is based overall on the level customary in the comparable business environment. In the financial year 2022, the Supervisory Board mandated an external consultant with assessing the appropriateness of Executive Board remuneration. The peer group used in the process consisted of companies represented on the German "SDAX", Deutsche Börse AG's small cap index, to which Salzgitter AG belongs.

Executive Board remuneration is made up of fixed remuneration consisting of a basic salary, supplementary benefits and a pension commitment, along with variable remuneration (cf. Figure 1):

Figure 1: Overview of the components of Executive Board remuneration

FIXED REMUNERATION			
Basic salary			
Supplementary benefits			
Pension commitment			
VARIABLE REMUNERATION			
Annual bonus (one-year)	50 % short term	Performance cash award (multi-year)	Long-term
> 70 % financial target	50 % long-term	> 70 % financial target	
> 30 % non-financial target	share-based	> 30 % non-financial target	

## **Fixed remuneration**

### **Basic salary**

The basic salary is granted in the form of an amount of money per year individually agreed between the Supervisory Board and the respective Executive Board member in the Executive Board member's employment contract. The basic salary is to be paid out in twelve identical equal monthly installments at the end of the month respectively (monthly salary).

### **Supplementary benefits**

Supplementary benefits consist of benefits in kind, such as granting the private use of a company car, expenses for a collective accident insurance, assuming of the costs of medical check-ups, as well as any benefits in kind subject to flat-rate taxation.

### **Pension commitment**

The company pension commitments vary:

For the period up until December 31, 2018, all Executive Board members in active service for the company at the time received a commitment for payment of a pension, the amount of which depends on the length of service to the Group and the fixed basic salary (commitment to pension benefits). The pension commitments in favor of Executive Board members Becker and Kieckbusch existing as of December 31, 2018, were formalized as of this date. As from January 1, 2019, these commitments were supplemented by defined contribution commitments, as described in the following.

For the period starting January 1, 2019, Executive Board members Becker and Kieckbusch, as well as Mr. Groebler as from the date when he took up his office, received the commitment that the company will make certain amount of money available on a pension account (defined contribution commitment) for each year of Executive Board service. The annual pension contribution currently amounts to k€ 342 for Mr. Groebler and k€ 210 for Messrs Becker and Kieckbusch. In addition, a guaranteed annual interest credit that depends on the respectively valid statutory maximum technical interest rate applicable to the life insurance industry (guaranteed interest rate) in accordance with the actuarial reserve ordinance (DeckRV) will also be taken account of on the pension account. The amount is invested in accordance with the

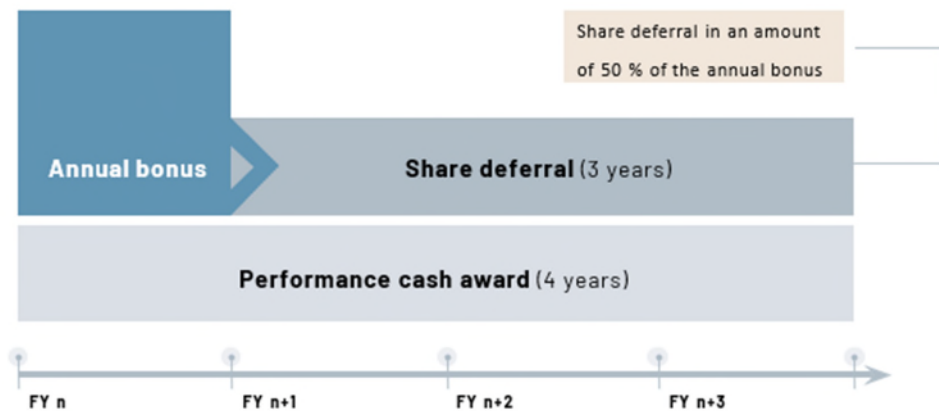
life cycle model defined under the conditions for deferred compensation in the Salzgitter Group (SZAG model), while taking account of the securities determined by the Investment Committee for the company pension scheme within the Salzgitter Group. If higher interest after tax is generated by the funds invested, the amount will be credited when pension payments begin.

If an Executive Board member leaves the service of the company before reaching retirement age under the statutory retirement pension scheme, the Board member will receive the plan assets on the pension account as a one-off retirement lump sum or, upon application, in ten annual installments. If an Executive Board member leaves the service of the company without having reached retirement age, the Board member will be granted a vested entitlement to the pension account in accordance with the statutory provisions of the German Occupational Retirement Provision Act. Upon request, the Executive Board member will receive early retirement capital, at the age of 62 at the earliest.

### **Variable remuneration**

Variable remuneration presupposes the achieving of targets. This remuneration consists, on the one hand, of an annual bonus, and of a performance bonus (Performance Cash Award) on the other. A target bonus is agreed in the Executive Board employment contract for the annual bonus, and a target amount for the performance bonus (cf. Figure 2).

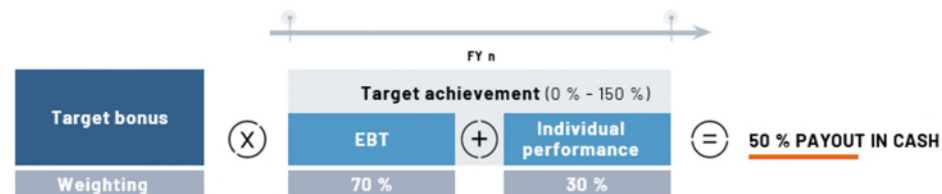
Figure 2: Overview of the variable remuneration components



### Annual bonus

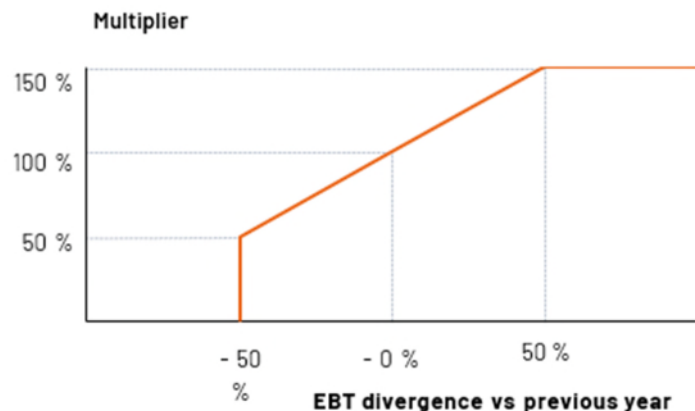
The precondition for the disbursement of an annual bonus is split as follows: 70 % for achieving a financial performance target, measured on the basis of earnings before taxes (EBT), and 30 % for individual performance, measured by qualitative criteria determined by the Supervisory Board at the beginning of each year and pertaining to the respective year (cf. Figure 3).

Figure 3: Annual bonus system



The payout multiplier for the EBT performance target is calculated by comparing the EBT of the respective financial year with the EBT of the preceding financial year (cf. Figure 4). If EBT remains the same compared with the previous year, the multiplier is 100 % of the target bonus agreed in the executive employment contract. If EBT is raised by 50 % compared with the previous year, the maximum multiplier of 150 % is achieved. If EBT is -50 % compared with the previous year, the minimum multiplier of 50 % is achieved. Linear interpolation is applied if targets are achieved between the fixed intervals. If the minimum multiplier is not achieved, the payout multiplier is 0 %. If EBT is negative for the second time in a row, or if EBT in the previous year or in the current financial year is less than € 1 million respectively, the Supervisory Board can determine the degree to which goals have been achieved at their own discretion. The same applies if an exceptional event occurs due to which the Executive Board member receives a higher or lower disbursement amount than he would have been entitled to had this exceptional event not taken place, without this having been warranted by the Board member's performance. If a positive EBT is achieved in the previous financial year and a negative EBT in the current financial year, the multiplier is 0 %.

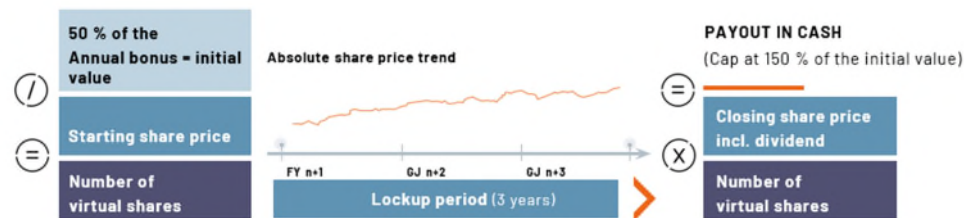
Figure 4: Bonus curve – EBT target annual bonus



In setting the criteria for individual performance the Supervisory Board may factor in a series of different aspects, such as strategic corporate development, specific projects, occupational safety and employee development. After a financial year has ended, the individual performance is assessed by the Supervisory Board using the predefined criteria. The degree to which targets have been achieved can be determined by the Supervisory Board on a linear basis between 0 % and 150 %.

The annual bonus is paid out at 50 % after the respective financial year has ended (one-year variable remuneration). The remaining 50 % (initial value) of the annual bonus is retained and converted into virtual shares of the company (share deferral) for a three-year period (lockup period) that commences at the end of the respective financial year (share deferral, cf. Figure 5). The number of virtual shares is calculated from the arithmetic average of the Salzgitter share's Xetra closing price on the Frankfurt Stock Exchange over the last 30 trading days prior to the beginning of the lockup period. Upon expiration of the lockup period, the number of virtual shares are multiplied by the arithmetic average of the Salzgitter share's Xetra closing price on the Frankfurt Stock Exchange over the last 30 days before the end of the lockup period, plus the fictitious dividend payments on the virtual shares, and paid out. The resulting amount disbursed is limited to 150 % of the initial value.

Figure 5: Share deferral system



In the event of exceptional, unforeseeable developments, the Supervisory Board may reduce the annual bonus at its own discretion.

The annual bonus is structured to be an incentive for implementing the company's strategic direction. In the opinion of the Supervisory Board, a key parameter for measuring the success of the corporate strategy and the company's long-term development consists of the earnings before taxes (EBT) achieved for the respective year. The Supervisory Board has therefore selected the achieving of stable or improved EBT measured against the previous year as the principal performance criterion for granting the annual bonus.

Along with this criterion, the Supervisory Board is of the opinion that non-financial criteria also have an effect on the success of the corporate strategy and the company's long-term good development. The Supervisory Board has therefore defined additional, annual performance criteria for the granting of the annual bonus. The Executive Board remuneration system thus also makes a definitive contribution to promoting the corporate strategy and the long-term development of the company.

Transferring part of the annual bonus to a share deferral component with a lockup period of three years promotes the corporate strategy and the company's long-term development by incentivizing the Executive Board members to increase the enterprise value and by directly aligning the interests of the Executive Board with those of the shareholders, as well as enhancing the company's attractiveness in the capital market. Share deferral therefore promotes the long-term development of the company.

## Performance cash award

The precondition for the disbursement of a performance cash award is also split at 70 % for achieving a financial performance target, in this case measured by the return on capital employed (ROCE) = EBIT I (= EBT + interest expense excluding the interest portion of allocations to pension provisions) in relation to the total of shareholders' equity (without calculation of accrued and deferred taxes), tax provisions, interest-bearing liabilities (excluding pension provisions) and liabilities from financial leasing and forfeiting expressed as an average of a four-year performance period, and at 30 % for achieving stakeholder objectives, e.g. sustainability objectives, set by the Supervisory Board at the beginning of each year for the respective performance period (cf. Figure 6).

Figure 6: Performance cash award system



The average of the ROCE figures achieved after the end of the respective financial years during the performance period is used to calculate the payout amount for the ROCE performance target. The average of the budgeted ROCE figures of the respective financial years is then deducted from this amount.

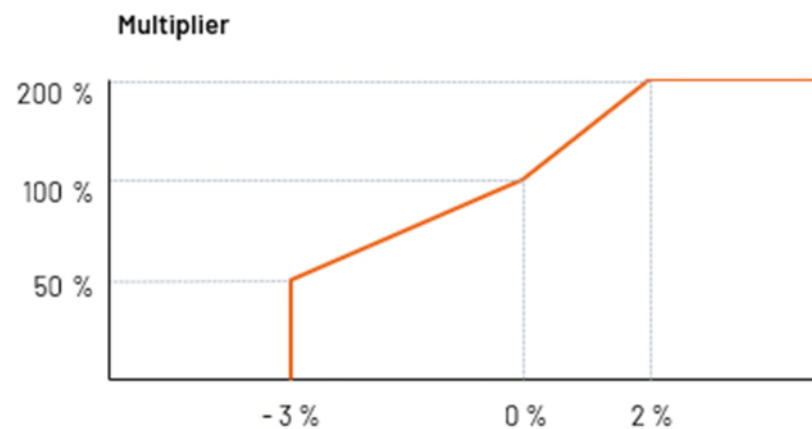
The resulting difference between the target figure and actual figure in percentage points is compared with the figures fixed by the Supervisory Board at the start of the respective performance period for a multiplier of 100% (target figure), of 50% (minimum figure) and of 200% (maximum figure) of the target amount agreed in the respective Executive Board member's employment contract, taking account of the general development of business and the economic prospects of Salzgitter AG. Linear interpolation is applied if targets are achieved between the fixed intervals. If an unusual event or an unusual development results in an Executive Board member receiving a higher or lower payout amount compared with the amount that he would have been

entitled to if this event or development had not occurred, without this being attributable to the performance of the respective Executive Board member, the Supervisory Board can raise or lower the payout amount.

If the minimum figure is not reached, the payout multiplier is 0 %. Exceeding the maximum figure will not increase the payout multiplier.

Example: If the target figure for the difference between the average ROCE achieved and the average budgeted ROCE is set at 0 %, with minimum set at -3 % and a maximum figure of 2 %, the multiplier is 100 % of the target amount assuming that the exact amount of the budgeted ROCE is achieved. If ROCE is one percentage point higher than budgeted, the multiplier will be 150 %. If ROCE is one percentage point lower than budgeted, the multiplier will be 83.33 %

Figure 7: Example of bonus curve - ROCE target performance cash award



In setting the aforementioned stakeholder objectives the Supervisory Board may factor in a series of different aspects, such as environmental matters, occupational safety or employee development. Achieving the targets is assessed by the Supervisory Board after the performance period has ended. The degree to which targets have been achieved can be determined by the Supervisory Board on a linear basis between 0 % and 200 %. The performance cash award is paid out at the end of the respective performance period.

The performance cash award is designed to provide incentives for implementing the company's strategy. One of the Group's key control parameters for the success of the corporate strategy and its long-term successful development is the achieving of return on capital employed (ROCE) that can be considered an indicator of whether and to what extent investments are eligible for implementation to promote sustainable growth. For this reason, the Supervisory Board has selected the achieving of the planned ROCE in the performance period as the principal performance criterion for the performance cash award.

Along with this criterion, the Supervisory Board is of the opinion that non-financial criteria also have an effect on the success of the corporate strategy and the company's long-term good development. In respect of granting the performance cash award, the Supervisory Board therefore additionally determines stakeholder and especially sustainability goals per year. The Executive Board remuneration system thus also makes a definitive contribution to promoting the corporate strategy and the long-term development of the company.

### **Remuneration of the current members of the Executive Board**

#### **Development of business and impact on Executive Board remuneration**

In the financial year 2023 that was dominated by high inflation rates and cooling economic momentum, the Salzgitter Group generated a pre-tax profit of € 238.4 million (2022: € 1,245.4 million). The Steel Production, Steel Processing and Technology business units were the main drivers of this result. From € 204.1 million after-tax profit yields a return on capital employed of 5.6% (ROCE; 2022: 20.1%).

Following an encouraging start to 2023, economic conditions in most markets increasingly deteriorated. Running counter to sector trends, only the filling and packaging machinery business performed very well over the year as a whole, enabling the Technology Business Unit to deliver a record result. The Group's external sales declined to € 10.8 billion due above all to lower average selling prices for steel products (2022: € 12.6 billion). This because most steel product prices declined from their high year-earlier level during virtually the entire financial year. Prices only bottomed out in the final quarter.

In accordance with the remuneration system, the development of all financial ratios directly impacts the achieved and expected amount of the Executive Board's performance-related variable remuneration components. Owing to the considerable reduction of around € 1 billion in earnings before taxes compared with the financial year 2022, the performance target that depends on how the EBT develops was not achieved, resulting in a target achievement of 0 %.

The end of the financial year 2023 marks the end of the lockup period and performance period of the share deferral and performance cash award granted in the financial year 2020. The payouts from these multi-year variable remuneration components have been taken into account accordingly in the 2023 remuneration granted and owed to Prof. Dr.-Ing. Fuhrmann, former Chief Executive Officer who has left the company in the financial year 2021, as well as to Executive Board members Messrs Becker and Kieckbusch.

### **Remuneration disclosure**

Executive Board remuneration in the 2023 financial year corresponded to the remuneration system approved by the Annual General Meeting of Shareholders on July 8, 2020 (available at <https://www.salzgitter-ag.com/en/company/executive-board.html>):

Table 1 shows a breakdown of the remuneration granted and owed to the individual Executive Board members in the financial year 2023, with separate disclosures on their relative share in overall remuneration and comparison with the previous financial year. Along with the basic salaries and the supplementary benefits effectively granted in the respective financial year, the variable remuneration components are shown for each year in which they were earned (one-year variable remuneration – annual bonus (50% cash portion)) and the year in which the lockup period (multi-year variable remuneration – share deferral) and the performance period (multi-year variable remuneration – performance cash award) ends, also if disbursement is only due at a later point in time. Similarly, special compensation is also disclosed in the year to which it pertains, even if disbursement is only at a later point in time.

Table 1: Remuneration granted and owed pursuant to Section 162 of the German Stock Corporation Act (AktG)

in k€		Gunnar Groebler Regular member of the Executive Board from 2021/05/17 until 2021/06/30, Chief Executive Officer since 2021/07/01				Burkhard Becker Chief Financial Officer since 2011/02/01				Michael Kieckbusch Chief Human Resources Officer since 2013/02/20			
		2023		2022		2023		2022		2023		2022	
		absolute	in %	absolute	in %	absolute	in %	absolute	in %	absolute	in %	absolute	in %
Fixed salary <sup>1</sup>		1,185	89 %	1,140	61 %	816	54 %	771	47 %	696	49 %	651	42 %
Benefits		20	2 %	31	2 %	24	2 %	25	2 %	48	3 %	45	3 %
<b>Total fixed salary</b>		<b>1,205</b>	<b>91 %</b>	<b>1,171</b>	<b>62 %</b>	<b>840</b>	<b>56 %</b>	<b>796</b>	<b>48 %</b>	<b>744</b>	<b>53 %</b>	<b>696</b>	<b>45 %</b>
One-year variable remuneration	Annual bonus (50 % cash portion)	124	9 %	713	38 %	65	4 %	435	26 %	65	5 %	435	28 %
Multi-year variable remuneration	Share deferral	-	0 %	-	0 %	221	15 %	179	11 %	221	16 %	179	12 %
	Performance cash award	-	0 %	-	0 %	383	25 %	239	14 %	383	27 %	239	15 %
<b>Total variable remuneration</b>		<b>124</b>	<b>9 %</b>	<b>713</b>	<b>38 %</b>	<b>669</b>	<b>44 %</b>	<b>852</b>	<b>52 %</b>	<b>669</b>	<b>47 %</b>	<b>852</b>	<b>55 %</b>
Special compensation		-	0 %	-	0 %	-	0 %	-	0 %	-	0 %	-	0 %
Pension payments		-	0 %	-	0 %	-	0 %	-	0 %	-	0 %	-	0 %
<b>Total remuneration</b>		<b>1,329</b>	<b>100 %</b>	<b>1,883</b>	<b>100 %</b>	<b>1,509</b>	<b>100 %</b>	<b>1,649</b>	<b>100 %</b>	<b>1,412</b>	<b>100 %</b>	<b>1,549</b>	<b>100 %</b>

<sup>1</sup> In the financial year 2023, Mr. Becker was granted an amount of k€120 (2022: k€60) for temporarily discharging additional duties as head of the Steel Processing Business Unit. The fixed salary for Mr. Groebler was increased by k€15 per month to k€110 effective October 2023. The fixed salary for Mr. Becker and Mr. Kieckbusch was increased by k€5 per month to k€58 effective October 2022.



Table 2 shows the contractually agreed target remuneration as well as pension expenses.

Table 2: Target remuneration figures for the financial year 2023

in k€		Gunnar Groebler Regular member of the Executive Board from 2021/05/17 until 2021/06/30, Chief Executive Officer since 2021/07/01				Burkhard Becker Chief Financial Officer since 2011/02/01				Michael Kieckbusch Chief Human Resources Officer since 2013/02/20			
		2022 Target	2023 Target	2023 min.	2023 max.	2022 Target	2023 Target	2023 min.	2023 max.	2022 Target	2023 Target	2023 min.	2023 max.
Fixed salary <sup>1</sup>		1,140	1,185	1,185	1,185	771	816	816	816	651	696	696	696
Benefits		31	20	20	20	25	24	24	24	45	48	48	48
<b>Total fixed salary</b>		<b>1,171</b>	<b>1,205</b>	<b>1,205</b>	<b>1,205</b>	<b>796</b>	<b>840</b>	<b>840</b>	<b>840</b>	<b>696</b>	<b>744</b>	<b>744</b>	<b>744</b>
One-year variable remuneration	Annual bonus (50% cash portion)	475	550	0	825	290	290	0	435	290	290	0	435
Multi-year variable remuneration	Share deferral	475	550	0	1,238	290	290	0	653	290	290	0	653
	Performance cash award	380	440	0	880	232	232	0	464	232	232	0	464
<b>Total variable remuneration</b>		<b>1,330</b>	<b>1,540</b>	<b>0</b>	<b>2,943</b>	<b>812</b>	<b>812</b>	<b>0</b>	<b>1,552</b>	<b>812</b>	<b>812</b>	<b>0</b>	<b>1,552</b>
Special compensation		-	-	-	-	-	-	-	-	-	-	-	-
Pension expenses <sup>2</sup>		253	182	182	182	391	352	352	352	434	360	360	360
<b>Total remuneration</b>		<b>2,754</b>	<b>2,927</b>	<b>1,387</b>	<b>4,330</b>	<b>2,000</b>	<b>2,004</b>	<b>1,192</b>	<b>2,744</b>	<b>1,943</b>	<b>1,915</b>	<b>1,103</b>	<b>2,655</b>

<sup>1</sup> In the financial year 2023, Mr. Becker was granted an amount of k€120 (2022: k€60) for temporarily discharging additional duties as head of the Steel Processing Business Unit. The fixed salary for Mr. Groebler was increased by k€15 per month to k€110 effective October 2023. The fixed salary for Mr. Becker and Mr. Kieckbusch was increased by k€5 per month to k€58 effective October 2022.

<sup>2</sup> Service cost pursuant to IAS 19

## Explanations on fixed remuneration

The amount of the basic salary fundamentally corresponds to the monetary amounts individually agreed in the Executive Board employment contracts. The supplementary benefits reflect the monetary value of the benefits in kind granted in the respective employment contract, which essentially consist of the benefit derived from the private use of a company car. At this point, reference is made to the presentation in Table 1 and to the following special circumstances:

The monthly salary of Chief Executive Officer Groebler has been raised by k€ 15 to k€ 110 as from October 1, 2023. The Supervisory Board examined the appropriateness of the increase in remuneration in 2022, both by way of an external comparison with other SDAX companies and also through an internal comparison with the development of the remuneration paid to the Salzgitter Group's employees. In raising Mr. Groebler's fixed salary, the initial mark-down in remuneration at the start of his employment compared with the former Chief Executive Officer has been compensated, along with the general increases in wages and salaries applicable since he took up office in May 2021.

In the financial year 2023, Mr. Becker was granted an amount of k€ 120 for temporarily discharging additional duties as head of the Mannesmann Business Unit.

## Explanations on variable remuneration

### Annual bonus

The 2023 annual bonus was calculated in accordance with the remuneration system comprising the target bonus and the multiplier (between 0 % and 150 %) agreed individually with each Executive Board member in their employment contracts. The target bonus amounted to 10 monthly salaries for all Executive Board members. The multiplier depended on fulfilling the performance criteria in the financial year 2023, specifically – as provided for under the remuneration system – 70 % of earnings before taxes (EBT) at Group level in the financial year 2023 in comparison with 2022 (the relevant performance criteria are precisely defined in the remuneration system) and 30 % depending on the individual performance in the financial year 2023, the latter measured by the criteria defined by the Supervisory Board at the beginning of the financial year for all Executive Board members equally, as follows:

- / Criterion 1: Reducing the occurrence of accidents (15 %-points): If the lost time injury frequency rate (LTIF rate: number of lost time injuries with days of incapacity per 1 million hours worked) is lowered by 5 % compared with 2022, target attainment was set at 100 %, at 50 % for lowering the LTIF rate by up to 2.5 %, and at 150 % for lowering the LTIF rate by 7.5 % or more. Linear interpolation between these minimum and maximum values is applied to target achievement. If the LTIF rate is reduced by less than 2.5 % compared with 2022 or rises compared with 2022, target attainment is 0 %.
- / Criterion 2 – Digitalization (15 %-points): Based on the digitalization concept drawn up in 2022, further training modules (also for commercial employees) were to be developed in 2023, along with implementing a concept for continuous professional development focusing on digitalization for managers, as well as fully digitalizing training at the Salzgitter Campus. If all three subtasks are fulfilled, the Supervisory Board set target attainment at 100 %, at between 75 % and 50 % if one or two subtasks respectively were underachieved, and at 115 %, 130 % and 150 % respectively if one, two or all three of the subtasks were overachieved. If all three subtasks were underachieved, target attainment was set at 0 %.

### Calculation of the multiplier

#### EBT target:

In the financial year 2023, EBT declined to € 238.4 million, down from € 1,245.4 million in the financial year 2022 and marking a decrease of more than 50 %. Target attainment is therefore calculated at 0 % for all Executive Board members.

#### Individual performance:

Re Criterion 1: an LTIF rate of 7.60 was achieved in the financial year 2023. Compared with the LTIF rate of 6.78 in the financial year 2022, this represents an increase of 12.1 %. Target attainment therefore amounts to 0 %. With regard to Criterion 2, the Supervisory Board determined a target attainment of 150 % based on its assessment of the degree to which tasks were achieved. The resulting individual multiplier amounts (amounts disbursed) for the 2023 annual bonus are shown in Table 3.

Table 3: Annual bonus 2023 calculations

	Target bonus	Multiplier EBT target (weighting 70 %)	Multiplier individual targets (weighting 30 %)	Annual bonus 2023 (of which 50 % cash/ 50 % share deferral)
Groebler	1,100,000 €	0 %	75 %	247,500 €
Becker	580,000 €	0 %	75 %	130,500 €
Kieckbusch	580,000 €	0 %	75 %	130,500 €

The 2023 annual bonus of each individual Executive Board member will be paid out in the financial year 2024 in accordance with the specifications of the remuneration system as follows: 50 % in cash and 50 % invested in virtual shares of the company (share deferral). The individually allocated virtual shares from share deferral 2023 are shown in Table 4. At the end of the three-year lockup period, i.e. at the start of 2026, the stock market value of the shares at that time, plus dividend disbursed during the lockup period, capped at 150 % of the initial value (50 % of the 2023 annual bonus), is to be paid out.

Table 4: Calculation of the number of virtual shares from 2023 share deferral

	Initial value share deferral (50 % of the annual bonus)	Ø XETRA closing prices	Number of virtual shares
Groebler	123,750 €	27.78067 €	4,454.536
Becker	65,250 €	27.78067 €	2,348.755
Kieckbusch	65,250 €	27.78067 €	2,348.755

*Outlook for the performance targets for assessing the annual bonus for the financial year 2024:*

The target and benchmark for the EBT financial performance target correspond to those set for the financial year 2023. With regard to assessing the individual performance, identical criteria were determined for all Executive Board members, as follows:

- / Criterion 1: Reducing the occurrence of accidents (15 %-points): If the LTIF rate is reduced by 5 % compared with 2023, target attainment is set at 100 %, at 50 % for a reduction of 2.5 %, and at 150 % for a reduction of by 7.5 % or more. Linear interpolation between these minimum and maximum values is applied to target achievement. If the reduction in the LTIF rate is less than 2.5 % compared with 2023, target attainment is 0 %. Target attainment is assessed taking account of the company's own workforce and the deployment of temporary staff outsourced. In addition, the Executive Board is required to craft an overarching strategy for health and safety at work at the Salzgitter Group.
- / Criterion 2: Demographic change / key functions (15 %-points): With regard to the imminent transformation process, the Executive Board has been requested to carry out

demographic and fluctuation analyses (most especially including employees with key qualifications), to prepare an analysis of the extent and the main reasons for unwanted fluctuation, to implement successor concepts in the major companies, and to develop further measures to enhance employer attractiveness and foster employee retention. Depending on the (employment-weighted) proportion of the companies in which the relevant analyses have been carried out and/or the successor concepts established, the Supervisory Board has defined specific target achievement levels at between 0 and 150 %.

**Performance cash award**

The performance cash award 2023 is calculated in accordance with the remuneration system based on the target amount agreed with each individual Executive Board member in their respective employment contracts and the multiplier (between 0 % and 200 %). The multiplier depends on the degree to which the performance criteria have been fulfilled in the performance period 2023 through 2026, – as laid down by the remuneration system – specifically 70 % depending on the return on capital employed (ROCE) and 30 % depending on the achievement of the stakeholder objectives of “ESG Rating Improvement” and “Scrap Recycling Expansion” determined by the Supervisory Board at the start of the financial year for all Executive Board members equally.

*Calculation of the payment multiplier for the performance cash award 2023*

ROCE target:

Regarding the target attainment of the return on capital employed (ROCE target) over the performance period 2023 through 2026, the Supervisory Board defined a target of 0 %-points, a minimum of -3 %-points, and a maximum of +3.5 %-points as deviation from an average ROCE budgeted at 7.8 % at the start of the financial year 2023. To obtain the multiplier at the end of the performance period – as provided for under the remuneration system – i.e. after the end of the financial year 2026, target attainment is calculated and the multiplier determined.

Stakeholder objective:

As non-financial objective, two objectives, each weighted at 15 %, were set over the period from 2023 to 2026, namely on the one hand, of achieving key sustainability certifications and ambitious ESG ratings and, on the other, of developing a recycling strategy that would enable the scrap volume to be continuously expanded during the performance period. The degree to which the targets have been attained will be assessed at the end of the performance period, i.e. once the financial year 2026 has

ended, and will depend on the quality of the ESG rating concept and the position the Salzgitter Group has achieved in the relevant ratings and certifications, along with growth in the scrap volume additionally secured.

The performance cash award 2023 will be paid out in cash after the end of the performance period from 2023 through 2026.

*Outlook for the performance targets for measuring the performance cash award in the financial year 2024:*

Regarding the ROCE financial performance target weighted at 70 %, the Supervisory Board defined the following over the performance period from 2024 to 2027: a target value of -0.6 %-points, a minimum value of -3.6 %-points and a maximum value of +3.4 %-points as deviation given an average ROCE budgeted at 8.6 %.

The sustainability goal of “Securing the Supply of Green Electricity” was set as a stakeholder objective. Target attainment in the performance period from 2024 through 2027 will be assessed depending on the proportion of electricity requirements of the respective subsequent year that can be secured via green electricity generated from renewable sources. To achieve 100% of the target in the first performance year 2024, a proportion of 40 % needs to be secured for the following year 2025, and a proportion of 50 % in each of the years following 2025 and 2026, with a proportion of 75% set in 2027 for the subsequent year of 2028.

### Explanations on multi-year variable remuneration in the financial year 2020

The end of the financial year 2023 marked the conclusion of the lockup period and the performance period of the multi-year variable remuneration granted to the Executive Board in the financial year 2020. The respective amounts disbursed are included in the remuneration granted and owed for the financial year 2023 (cf. Table 1).

### Share Deferral 2020

The calculation of the amounts disbursed from Share Deferral 2020 is shown in Table 5. The virtual shares allocated to each Executive Board member from the individual Annual Bonus 2019 are multiplied by the arithmetic average of the Salzgitter share’s Xetra closing price on the Frankfurt Stock Exchange over the last 30 days before the

end of the lockup period, plus the fictitious dividend payments on the virtual shares, and paid out. The resulting amount disbursed is limited to 150 % of the initial value.

Table 5: Calculation of the amount disbursed from Share Deferral 2020

	Share deferral initial value	Starting share price	Number of virtual shares	Closing share price	Dividend payouts during the lockup period	Share deferral disbursement amount
Prof. Dr.-Ing. Fuhrmann	277,500 €	18.55217 €	14,957.819	27.78067 €	1.75 €	416,250 €
Becker	147,075 €	18.55217 €	7,927.644	27.78067 €	1.75 €	220,613 €
Kieckbusch	147,075 €	18.55217 €	7,927.644	27.78067 €	1.75 €	220,613 €

### Performance cash award 2020

The performance cash award 2020 is calculated in accordance with the remuneration system based on the target amount agreed with each individual Executive Board member in their respective employment contracts and the multiplier (between 0 % and 200 %). The multiplier depends on the degree to which the performance criteria have been fulfilled in the performance period 2020 through 2023, – as laid down by the remuneration system – specifically 70 % depending on ROCE and 30 % depending on the achievement of the non-financial objectives determined by the Supervisory Board at the start of the financial year 2020 for all Executive Board members equally.

ROCE target:

Regarding the target attainment of the return on capital employed (ROCE target) over the performance period 2020 through 2023, the Supervisory Board defined a target value of -2.4 %-points, a minimum value of -5.4 %-points, and a maximum value of +0.6 %-points at the start of the financial year 2020 as deviation from an average ROCE budgeted at 7.4 % over the performance period. If the deviation between ROCE achieved on average and budgeted on average, between minimum and target value and between target and maximum value, the multiplier will be calculated by way of interpolation. The arithmetic mean of the ROCEs achieved in the financial years from 2020 through 2023 amounts to 9.5 % (2020: -3.9 %, 2021: +16.2 %, 2022: +20.1 %; 2023: +5.6 %), the deviation between ROCE achieved on average and budgeted on

average ROCE is therefore +2.1 %-points, and the multiplier for the ROCE target is therefore 200 %.

#### Stakeholder objectives:

The Supervisory Board defined the sustainable reduction in accident occurrence (Objective 1) and the sustainable stepping up of continuous professional development (Objective 2), each weighted at 15 %, as non-financial objectives over 2020 – 2023 performance period.

Achieving Objective 1 is to be measured using the average of the annual rate of change in the accident incidence rate over the performance period from 2020 through 2023. In the event of an average change in the accident incidence rate of 0 %, target attainment was set at 50 %, for a reduction of 5 % at 100 %, and for a reduction of 7.0 % or more at 200 % In the event of a higher accident incidence rate, target attainment was to be deemed not achieved.

Achieving Objective 2 was to be assessed based on whether a minimum of 80 % of the workforce had taken part in at least one training measure in the financial year 2020 and 95 % in each of the financial years 2021 through 2023. With regard to the financial years 2020 and 2021, the aforementioned participation rates were to be achieved only in the domestic Group companies and then worldwide in the years 2022 and 2023. Overall target attainment is calculated as the arithmetic average of the degrees to which targets were achieved in the four individual years, with a participation rate of 70 % needing to be achieved in each year as a lower limit for target attainment of 50 %. Given a participation rate of 90 % or more in the financial year 2020 and of 100 % in the years 2021 through 2023, target attainment was to be determined at 200 %. With participation rates of less than 70 %, target were to be deemed not achieved in the respective performance year.

Taking account of the results listed in Table 6, the Supervisory Board ascertained target attainment of Objective 1 at 81 % and of Objective 2 at 189.2 %.

Table 6: Non-financial objectives – Performance Cash Award 2020

	Objective 1 (accident occurrence)			Objective 2 (continuous professional development) <sup>1</sup>		
	Accident incidence rate previous year	Accident incidence rate	Change	Participant rate target	Participant rate actual	Target attainment
2020	13.63	11.33	-16.9%	80%	88.40%	184.0%
2021	11.33	12.81	13.1%	95%	99.64%	192.8%
2022	12.81	9.96	-22.2%	95%	99.13%	182.6%
2023	9.96	11.33	13.8%	95%	99.87%	197.4%
Ø			-3.1%			189.2%

<sup>1</sup> 2020/2021: Assessment on the basis of participation rate domestic, 2022/2023: assessment on the basis of participation rate worldwide.

The resulting amounts for disbursement for the Performance Cash Award 2020 are shown in Table 7.

Table 7: Calculation of the Performance Cash Award 2020

	Target	Multiplier ROCE target (weighting 70%)	Multiplier non-financial objectives (weighting 30%)	Performance cash award
Prof. Dr.-Ing. Fuhrmann	400,000 €	200%	135.1%	722,120 €
Becker	212,000 €	200%	135.1%	382,724 €
Kieckbusch	212,000 €	200%	135.1%	382,724 €

#### Other information

The option under the remuneration system of reclaiming variable remuneration components was not utilized as there was no occasion or the preconditions to justify this.

The maximum remuneration under the remuneration system stands at k€ 2,900 for regular Executive Board members and at k€ 5,100 for the Chairman of the Executive Board. A conclusive assessment as to whether the defined maximum remuneration was adhered to can only be made at the end after the amounts from the respective share deferrals and performance cash awards are determined and will therefore be reported in the remuneration report for the financial year 2026.

In the financial year 2020, the maximum remuneration determined for the financial year 2019 of k€ 5,100 for the Chief Financial Officer and of k€ 2,900 for the regular Executive Board Members – also taking account of the amounts meanwhile disbursed from the multi-year variable remuneration components – have been adhered to (cf. Table 8).

Table 8: Adherence to the maximum remuneration for the financial year 2020 (including the multi-year variable remuneration granted and owed in the financial year 2023)

in k€		Prof. Dr.-Ing. Fuhrmann Chief Financial Officer from 1996/10/01 until 2011/01/31, Chief Executive Officer from 2011/02/01 until 2021/06/30	Becker Chief Financial Officer since 2011/02/01	Kieckbusch Chief Personnel Officer since 2013/02/20
Fixed salary <sup>1</sup>		1,140	604	604
Benefits		22	27	47
<b>Total fixed salary</b>		<b>1,162</b>	<b>631</b>	<b>651</b>
One-year variable remuneration	Annual bonus (50 % cash portion)	278	147	147
Multi-year variable remuneration	Share deferral	416	221	221
	Performance cash award	722	383	383
<b>Total variable remuneration</b>		<b>1,416</b>	<b>750</b>	<b>750</b>
Special compensation		-	-	-
Pension expenses <sup>2</sup>		475	393	440
<b>Total remuneration</b>		<b>3,053</b>	<b>1,774</b>	<b>1,841</b>
<b>Maximum remuneration</b>		<b>5,100</b>	<b>2,900</b>	<b>2,900</b>

<sup>1</sup> Against the backdrop of the impact of the Corona pandemic and the resulting short-time work in the workforce, the Executive Board members voluntarily and individually waived 10 % of their monthly gross fixed salary for the six-month period from April through September 2020.

<sup>2</sup> Service cost pursuant to IAS 19

No benefits were granted or pledged by external parties to the individual members of the Executive Board in the financial year 2023 for their activities as Executive Board members.

In the event of regular termination of their service to the company, and upon reaching the age limits defined in retirement benefits commitments, the Executive Board members have been granted the payments shown in Table 9.

Table 9: Retirement benefits

in €		Annual payment upon pension eligibility <sup>1, 2, 3</sup>	Payment upon actual retirement (guaranteed amount)	Allocation to pension provision		Present value of the obligation	
				according to HGB	according to IFRS	according to HGB	according to IFRS
Groebl er	2023	0	900,499	237,661	226,316	792,274	671,551
Regular member of the Executive Board from 2021/05/17 until 2021/06/30, Chief Executive Officer since 2021/07/01	2022	0	557,106	231,888	106,978	554,613	445,235
Becker,	2023	348,299	965,765	1,103,353	1,755,851	10,946,758	8,790,883
Chief Financial Officer since 2011/02/01	2022	357,835	753,880	1,651,384	-1,963,700	9,843,405	7,035,032
Kieckbusch,	2023	353,213	965,765	754,589	1,343,219	9,539,109	7,358,286
Chief Personnel Officer since 2013/02/20	2022	342,925	753,880	1,542,041	-2,025,531	8,784,520	6,015,067

<sup>1</sup> Annual entitlement during service until the age of 65, including a former employer's pension commitment assumed against remuneration.

<sup>2</sup> A cap of 96 % on the specified final pension of the financial year 2018 was contractually agreed with Mr. Becker, with dynamization as from 2019 in accordance with Essener Verband group adjustments.

<sup>3</sup> A cap of 92 % of the specified final pension of the financial year 2018 was contractually agreed with Mr. Kieckbusch; dynamization as from 2019 in accordance with Essener Verband group adjustments.

Should Executive Board activities be terminated without an important reason (Mr. Becker and Mr. Kieckbusch) without a material reason for which an Executive Board member is responsible (Mr. Groebl er), the Executive Board members are entitled to the remuneration agreed until expiration of the respective contracts. This entitlement is, however, restricted to the amount of two years' remuneration (fixed and variable components (Mr. Becker and Mr. Kieckbusch) and to overall remuneration including supplementary benefits (Mr. Groebl er)). In the event of premature termination of Executive Board member activities due to a change of control, the Board members are entitled under certain conditions to settlement in the amount of overall remuneration for the remaining term of their contracts of employment. This entitlement is capped at the value of three years of average overall remuneration (Mr. Becker) and at two years of average overall remuneration (Mr. Groebl er and Mr. Kieckbusch), whereby the annual overall remuneration is to include overall remuneration including supplementary benefits (Mr. Becker and Mr. Kieckbusch) and the fixed salary and variable remuneration (Mr. Groebl er).

## Remuneration of former Executive Board members

Table 10 below shows the remuneration granted and owed in the past financial year to former Executive Board members whose service to the company ended in the last ten years, including the respective relative share pursuant to Section 162 AktG. In the financial year ended, exclusively lifetime pension payments to be remitted and remuneration for performing Supervisory Board mandates in the company's subsidiaries were granted.

Table 10: Remuneration granted and owed to former members of the Executive Board in the financial year 2023 pursuant to Section 162 AktG

	Wolfgang Eging Executive Board member Mannesmann 2003/10/01 until 2014/09/30		Prof. Dr.-Ing. Heinz-Jörg Fuhrmann Chief Financial Officer from 1996/10/01 until 2011/01/31, Chief Executive Officer from 2011/02/01 until 2021/06/30		Heinz Groschke Executive Board member Trading 2006/01/01 until 2014/09/30		Peter-Jürgen Schneider Executive Board member Personnel and Services 2003/04/01 until 2013/02/19	
	in €	in %	in €	in %	in €	in %	in €	in %
Share deferral 2020	0	0 %	416,250	22 %	0	0 %	0	0 %
Performance Cash Award 2020	0	0 %	722,120	37 %	0	0 %	0	0 %
Pension payments	386,018	100 %	793,000	41 %	427,905	100 %	150,933	100 %
Supervisory Board remuneration	0	0 %	0	0 %	0	0 %	0	0 %
<b>Total remuneration</b>	<b>386,018</b>	<b>100 %</b>	<b>1,931,370</b>	<b>100 %</b>	<b>427,905</b>	<b>100 %</b>	<b>150,933</b>	<b>100 %</b>

## Remuneration of Supervisory Board members

### Supervisory Board remuneration system

Each member of the Supervisory Board receives a fixed remuneration of € 60,000 per financial year. This remuneration is double the amount for the Vice Chairman and three times the amount for the Chairman. In addition, each member receives € 5,000 for committee activities, each committee chairman and each member of the Audit Committee € 10,000, and the chairman of the Audit Committee € 30,000. The Chairman of the Supervisory Board and the Vice Chairman are not remunerated for membership in the committees. The other Supervisory Board members are compensated for a maximum of two memberships in committees. An attendance fee of € 500 is paid for participation in each Supervisory Board meeting (also by way of telephone or video conference); participation in a brief telephone consultation and decision making by way of telephone do not count insofar as participating in a meeting.



## Remuneration received by the individual members of the Supervisory Board:

The individual members of the Supervisory Board received the following remuneration and attendance fees:

Table 11: Remuneration of Supervisory Board members in the financial year 2023

		Annual remuneration						
		Fixed salary		Remuneration for committee duties		Attendance fee		Total remuneration
		in €	in %	in €	in %	in €	in %	in €
Heinz-Gerhard Wente (Chairman)	2023	180,000	97 %	0	0 %	5,500	3 %	185,500
	2022	180,000	97 %	0	0 %	5,000	3 %	185,000
Prof. Dr. Hans-Jürgen Urban (Vice Chairman)	2023	120,000	96 %	0	0 %	5,500	4 %	125,500
	2022	120,000	96 %	0	0 %	5,000	4 %	125,000
Konrad Ackermann	2023	60,000	79 %	10,000	13 %	5,500	7 %	75,500
	2022	60,000	74 %	15,000	19 %	6,000	7 %	81,000
Manuel Bloemers	2023	60,000	75 %	15,000	19 %	5,000	6 %	80,000
	2022	60,000	75 %	15,000	19 %	5,000	6 %	80,000
Ulrike Brouzi	2023	60,000	96 %	0	0 %	2,500	4 %	62,500
	2022	60,000	95 %	0	0 %	3,000	5 %	63,000
Hasan Cakir	2023	60,000	79 %	10,000	13 %	5,500	7 %	75,500
	2022	60,000	80 %	10,000	13 %	5,000	7 %	75,000
Dr. Bernd Drouven	2023	60,000	88 %	5,000	7 %	3,500	5 %	68,500
	2022	60,000	88 %	5,000	7 %	3,500	5 %	68,500
Roland Flach (until 2022/12/31)	2023	0	0 %	0	0 %	0	0 %	0
	2022	60,000	79 %	10,000	13 %	5,500	7 %	75,500
Marco Gasse (since 2023/02/21)	2023	55,000	95 %	0	0 %	3,000	5 %	58,000
	2022	0	0 %	0	0 %	0	0 %	0
Gabriele Handke	2023	60,000	96 %	0	0 %	2,500	4 %	62,500
	2022	60,000	95 %	0	0 %	3,000	5 %	63,000
Karin Hardekopf (since 2023/01/01)	2023	60,000	81 %	10,000	13 %	4,500	6 %	74,500
	2022	0	0 %	0	0 %	0	0 %	0
Gerald Heere (since 2023/01/03)	2023	60,000	84 %	8,333	12 %	3,500	5 %	71,833
	2022	0	0 %	0	0 %	0	0 %	0

								Annual remuneration	
		Fixed salary		Remuneration for committee duties		Attendance fee		Total remuneration	
Reinhold Hilbers	2023	0	0 %	0	0 %	0	0 %	0	
(until 2022/12/31)	2022	60,000	80 %	10,000	13 %	5,000	7 %	75,000	
Norbert Keller	2023	5,000	100 %	0	0 %	0	0 %	5,000	
(until 2023/01/31)	2022	60,000	96 %	0	0 %	2,500	4 %	62,500	
Frank Klingebiel	2023	60,000	95 %	0	0 %	3,000	5 %	63,000	
	2022	60,000	95 %	0	0 %	3,000	5 %	63,000	
Prof. Dr. Susanne Knorre	2023	60,000	95 %	0	0 %	3,000	5 %	63,000	
	2022	60,000	95 %	0	0 %	3,000	5 %	63,000	
Heinz Kreuzer	2023	60,000	95 %	0	0 %	3,000	5 %	63,000	
	2022	60,000	95 %	0	0 %	3,000	5 %	63,000	
Dirk Markowski	2023	40,000	95 %	0	0 %	2,000	5 %	42,000	
(since 2023/05/25)	2022	0	0 %	0	0 %	0	0 %	0	
Volker Mittelstädt	2023	25,000	94 %	0	0 %	1,500	6 %	26,500	
(until 2023/05/25)	2022	60,000	95 %	0	0 %	3,000	5 %	63,000	
Klaus Papenburg	2023	60,000	80 %	10,000	13 %	5,000	7 %	75,000	
	2022	60,000	90 %	3,333	5 %	3,500	5 %	66,833	
Anja Piel	2023	60,000	95 %	0	0 %	3,000	5 %	63,000	
	2022	60,000	97 %	0	0 %	2,000	3 %	62,000	
Prof. Dr. Joachim Schindler	2023	60,000	63 %	30,000	31 %	5,500	6 %	95,500	
	2022	60,000	63 %	30,000	31 %	5,500	6 %	95,500	
Christine Seemann	2023	60,000	79 %	10,000	13 %	5,500	7 %	75,500	
	2022	60,000	95 %	0	0 %	3,000	5 %	63,000	
Prof. Dr. Dr.-Ing. Birgit Spanner-Ulmer	2023	25,000	94 %	0	0 %	1,500	6 %	26,500	
(until 2023/05/25)	2022	60,000	90 %	5,000	7 %	2,000	3 %	67,000	
Clemens Spiller	2023	60,000	95 %	0	0 %	3,000	5 %	63,000	
	2022	60,000	95 %	0	0 %	3,000	5 %	63,000	
Dr. Susanna Zapreva-Hennerbichler	2023	40,000	95 %	0	0 %	2,000	5 %	42,000	
(since 2023/05/25)	2022	0	0 %	0	0 %	0	0 %	0	
<b>Total</b>	<b>2023</b>	<b>1,450,000</b>		<b>108,333</b>		<b>84,500</b>		<b>1,642,833</b>	

				Annual remuneration	
		Fixed salary	Remuneration for committee duties	Attendance fee	Total remuneration
2022	1,440,000	103,333	79,500	1,622,833	

In addition, the following Supervisory Board members received remuneration for Supervisory Board mandates of subsidiaries:

Table 12: Remuneration of Supervisory Board members serving at subsidiaries in the financial year 2023

		Annual remuneration						
		Fixed salary		Remuneration for committee duties		Attendance fee		Total remuneration
		in €	in %	in €	in %	in €	in %	in €
Konrad Ackermann (KHS)	2023	10,000	93 %	0	0 %	750	7 %	10,750
	2022	10,000	91 %	0	0 %	1,000	9 %	11,000
Hasan Cakir (SZFG)	2023	8,000	95 %	0	0 %	400	5 %	8,400
	2022	8,000	94 %	0	0 %	500	6 %	8,500
Roland Flach (KHS)	2023	0	0 %	0	0 %	0	0 %	0
	2022	10,000	91 %	0	0 %	1,000	9 %	11,000
Marko Gasse (MPTDE / HKM)	2023	12,500	94 %	0	0 %	750	6 %	13,250
	2022	0	0 %	0	0 %	0	0 %	0
Gabriele Handke (PTG)	2023	5,000	93 %	0	0 %	400	7 %	5,400
	2022	5,000	93 %	0	0 %	400	7 %	5,400
Norbert Keller (MPTDE)	2023	0	0 %	0	0 %	0	0 %	0
	2022	2,084	95 %	0	0 %	100	5 %	2,184
Dirk Markowski (MPTDE)	2023	5,000	94 %	0	0 %	300	6 %	5,300
	2022	0	0 %	0	0 %	0	0 %	0
Volker Mittelstädt (ILG)	2023	1,875	95 %	0	0 %	100	5 %	1,975
	2022	7,500	95 %	0	0 %	400	5 %	7,900
Prof. Dr. Hans-Jürgen Urban (SZFG)	2023	12,000	97 %	0	0 %	400	3 %	12,400
	2022	12,000	96 %	0	0 %	500	4 %	12,500
Total	2023	54,375		0		3,100		57,475
	2022	54,584		0		3,900		58,484

Die gewerkschaftsangehörigen Arbeitnehmervertreter haben erklärt, ihre Vergütung nach den Richtlinien des Deutschen Gewerkschaftsbundes an die Hans-Böckler-Stiftung abzuführen.

## COMPARATIVE CHART OF REMUNERATION AND EARNINGS TREND

The following comparative chart illustrates the year-on-year change in remuneration granted and owed to current and former members of the Executive Board and of the Supervisory Board, the company's earnings trend and employee remuneration based on full-time equivalents.

The remuneration of members of the Executive Board and of the Supervisory Board corresponds to the remuneration granted and owed in the respective financial years within the meaning of Section 162 (1) sentence 1 AktG and therefore to the disclosures in Tables 1 and 10 as well as 11 and 12 of this report. Along with the development of Salzgitter AG's annual net income, key indicators for the earnings trend also include consolidated earnings before taxes (EBT) that also functions as an assessment basis for the financial performance component as part of the annual bonus. The core workforce of the Salzgitter Group's companies domiciled in Germany was taken as a basis for assessing employee remuneration development. The internal group used for comparison purposes was deliberately restricted to Germany as the majority of the workforce (around 80 %) are employed here and because structural changes over time in the proportion of staff members employed abroad in the overall workforce would skew the informative value of a representative comparison on a global scale.

Table 13 shows a comparison of the percentage change in Executive Board member remuneration and Salzgitter AG's earning trend against the average employee remuneration on a full-time equivalent basis, compared with the previous year. Table 14 illustrates this comparison for members of the Supervisory Board.

Table 13: Comparison of the remuneration and earnings trend for members of the Executive Board (year-on-year change respectively)

	2023	2022	2021
<b>Current members of the Executive Board</b>			
Groeblner	-29 %	31 %	(start of employment 2021)
Becker	-8 %	55 %	37 %
Kieckbusch	-9 %	51 %	29 %
<b>Former members of the Executive Board</b>			
Eging	7 %	2 %	-2 %
Prof. Dr.-Ing. Fuhrmann	27 %	-16 %	27 %
Groschke	3 %	1 %	-1 %
Schneider	8 %	2 %	0 %
<b>Earnings trend</b>			
Annual profit SZAG (HGB)	-62 %	23 %	(turnaround 2021 vs. 2020)
Earnings before taxes (EBT) Salzgitter Group (IFRS)	-81 %	76 %	(turnaround 2021 vs. 2020)
<b>Employees</b>			
Domestic workforce	-2 %	6 %	12 %

The significant reduction in compensation granted and owed in the financial year 2023 compared with the previous year is essentially due to the decline in the Salzgitter Group's result and the ensuing elimination of the financial portion of the one-year variable remuneration in 2023. Lower remuneration in the case of Messrs Becker and Kieckbusch is more moderate compared with Mr. Groeblner as payment of the Performance Cash Award 2020 to Messrs Becker and Kieckbusch was due and the amount owed was significantly higher than the Performance Cash Award 2019 due and payable the year before. The decline in average employee remuneration in the financial year 2023 compared with the financial year 2022 is mainly attributable to the fact that the inflation-induced dynamic increase in basic salaries was overcompensated by the earnings-related decline in the performance-related remuneration owed for the 2023 financial year.

Table 14: Comparison of the remuneration and earnings trend for members of the Supervisory Board (year-on-year change respectively)

	2023	2022	2021
<b>Current members of the Supervisory Board</b>			
Heinz-Gerhard Wente (Chairman)	0 %	1 %	5 %
Prof. Dr. Hans-Jürgen Urban (Vice Chairman)	0 %	1 %	6 %
Konrad Ackermann	-6 %	4 %	4 %
Manuel Bloemers (since 2021/07/01)	0 %	113 %	(start 2021)
Ulrike Brouzi	-1 %	2 %	6 %
Hasan Cakir	0 %	3 %	4 %
Dr. Bernd Drouven	0 %	1 %	8 %
Marko Gasse (since 2023/02/21)	(start 2023)	-	-
Gabriele Handke	-1 %	1 %	6 %
Karin Hardekopf (since 2023/01/01)	(start 2023)	-	-
Gerald Heere (since 2023/01/03)	(start 2023)	-	-
Frank Klingebiel (since 2021/05/19)	0 %	52 %	(start 2021)
Prof. Dr. Susanne Knorre	0 %	2 %	6 %
Heinz Kreuzer	0 %	2 %	6 %
Dirk Markowski (since 2023/05/25)	(start 2023)	-	-
Klaus Papenburg (since 2021/07/01)	12 %	112 %	(start 2021)
Anja Piel (since 2021/07/22)	2 %	97 %	(start 2021)
Prof. Dr. Joachim Schindler	0 %	3 %	5 %
Christine Seemann	20 %	2 %	6 %
Clemens Spiller	0 %	2 %	6 %

	2023	2022	2021
Dr. Susanna Zapreva-Hennerbichler (since 2023/05/25)	(start 2023)	-	-
<b>Former members of the Supervisory Board</b>			
Annelie Buntenbach (until 2021/06/30)	-	-	-48 %
Roland Flach (until 2022/12/31)	-	3 %	5 %
Reinhold Hilbers (until 2022/12/31)	-	3 %	5 %
Norbert Keller (until 2023/01/31)	-92 %	-4 %	8 %
Dr. Dieter Köster (until 2021/06/30)	-	-	-47 %
Bernd Lauenroth (until 2021/06/30)	-	-	-49 %
Volker Mittelstädt (until 2023/05/25)	-60 %	1 %	6 %
Prof. Dr. Dr.-Ing. Birgit Spanner-Ulmer (until 2023/05/25)	-60 %	-1 %	7 %
Dr. Werner Tegtmeier (until 2021/05/19)	-	-	-56 %
<b>Earnings trend</b>			
Annual profit SZAG (HGB)	-62 %	23 %	(turnaround 2021)
Earnings before taxes (EBT) Salzgitter Group (IFRS)	-81 %	76 %	(turnaround 2021)
<b>Employees</b>			
Domestic workforce	-2 %	6 %	12 %

Salzgitter, March 14, 2024



Handwritten signatures of Gunnar Groebler, Burkhard Becker, and Heinz-Gerhard Wente.

(Gunnar Groebler) (Burkhard Becker) (Heinz-Gerhard Wente)  
Chairman of the Executive Board and CEO Member of the Executive Board Chairman of the Supervisory Board  
Finance

## II. Remuneration System for the Board of Directors

### Remuneration System for the Board of Directors of Salzgitter AG

#### **A. Preamble**

According to § 87a para. 1 of the German Stock Corporation Act (AktG), the Supervisory Board of a listed company adopts a clear and comprehensible system for the remuneration of the members of the Board of Directors. The previous remuneration system of the Board of Directors of Salzgitter AG (hereinafter referred to as "Salzgitter" or "the Company") was put to a vote at the annual Shareholders' Meeting on July 8, 2020 and approved by the Shareholders' Meeting with an approval rate of 98.56%.

Section 120a (1) of the German Stock Corporation Act provides that the Shareholders' Meeting of the listed company is to decide on the approval of the remuneration system for the members of the Board of Directors submitted by the Supervisory Board in the event of any significant change in the remuneration system, but at least every four years.

Against this backdrop, the Supervisory Board reviewed the previous remuneration system in the 2023 financial year. In particular, the fit with the Company's current strategy as well as market practice and investor expectations were considered. The results of this review confirmed that the remuneration system continues to make a significant contribution to the implementation of Salzgitter's business strategy and promotes the sustainable and long-term development of the Company. No changes to the remuneration system were made in the interests of continuity. The presentation of the remuneration system has been editorially revised to further increase the comprehensibility of the remuneration system.

The Supervisory Board proposes to re-approve the remuneration system for the members of the Board of Directors as described below.

#### **B. Compensation components at a glance**

The remuneration of the members of the Board of Directors of Salzgitter AG consists of fixed and variable components. The fixed remuneration includes a base salary, fringe benefits and a pension commitment. The variable compensation consists of an annual bonus, which has a short-term and a long-term component, and a long-term performance cash award. The remuneration components are supplemented by other components of the remuneration system, such as the maximum remuneration pursuant to Section 87a of the German Stock Corporation Act, malus and clawback provisions and regulations in the event of early termination of the activities of the member of the Board of Directors.

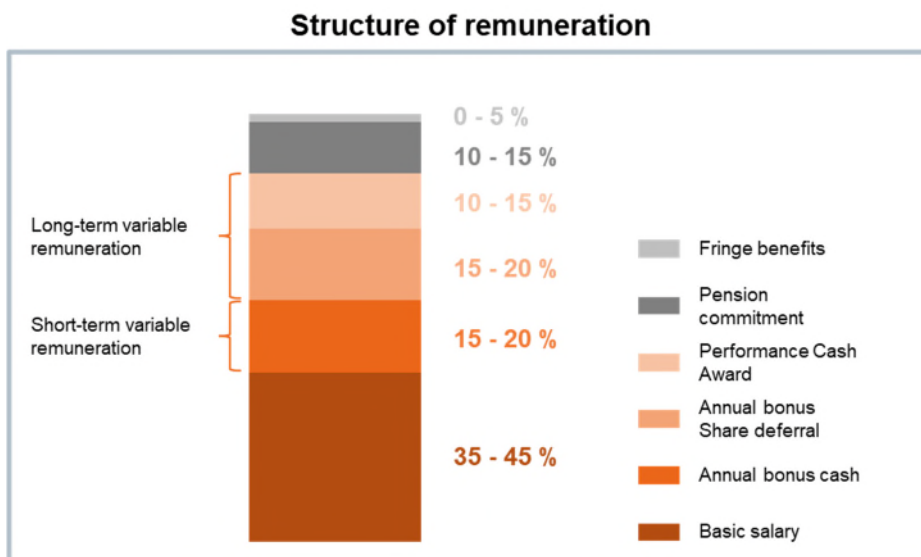
The following overview provides a summary overview of the components of the remuneration system:

## Overview of the remuneration system

<b>Fixed remuneration</b>	<b>Basic salary</b>	Fixed annual remuneration paid out monthly in equal instalments
	<b>Fringe benefits</b>	Fringe benefits in the form of non-cash benefits, in particular the granting of private use of a company car, expenses for group accident insurance or the assumption of costs for preventive medical check-ups
	<b>Pension commitment</b>	Defined contribution company pension scheme
<b>Variable compensation</b>	<b>Short-term variable remuneration</b>	<ul style="list-style-type: none"> <li>/ Type: Annual bonus</li> <li>/ Performance criteria: <ul style="list-style-type: none"> <li>&gt; Earnings before taxes (EBT) (70 %)</li> <li>&gt; Individuelle performance criterion (30 %)</li> </ul> </li> <li>/ Cap: 150 % of the target bonus</li> <li>/ Pay-out: <ul style="list-style-type: none"> <li>&gt; 50 % in bar after expiry of the financial year</li> <li>&gt; 50 % conversion to virtual share deferral</li> </ul> </li> </ul>
	<b>Long-term variable remuneration</b>	<ul style="list-style-type: none"> <li>/ Type: Virtual share deferral</li> <li>/ Starting value: 50 % of the annual bonus achieved</li> <li>/ Lock-up period: 3 years</li> <li>/ Cap: 150 % of the starting value</li> <li>/ Pay-out: in cash after expiry of the 3-years lock-up period</li> </ul> <hr/> <ul style="list-style-type: none"> <li>/ Type: Performance Cash Award</li> <li>/ Performance period: 4 years</li> <li>/ Performance criteria: <ul style="list-style-type: none"> <li>&gt; Return on Capital Employed (ROCE) (70 %)</li> <li>&gt; Stakeholder goals, in particular sustainability goals (30 %)</li> </ul> </li> <li>/ Cap: 200 % of the target amount</li> <li>/ Pay-out: in cash after expiry of the 4-years performance period</li> </ul>
<b>Maximum remuneration in accordance with § 87a AktG</b>		<ul style="list-style-type: none"> <li>/ Chairman of the Board of Directors: 5,800,000 €</li> <li>/ Ordinary member of the Board of Directors: 3,100,000 €</li> </ul>
<b>Malus &amp; Clawback</b>		Option to partially or fully reduce (malus) or claw-back in case of a compliance offence
<b>Premature expiry of service as member of the Board of Directors</b>		In case of a premature expiry of the service as member of the Board of Directors without a cause for which the member of the Board of Directors is responsible, a severance payment will be made as part of the remuneration system that is capped at two full years' remunerations and does not remunerate a time span exceeding the remaining term of the employment agreement

### C. Total and maximum compensation

The relative shares of the individual remuneration components in the total remuneration – assuming 100% target achievement in the variable remuneration components (target remuneration) – of an ordinary member of the Board of Directors with a defined contribution pension scheme (without the previous commitment) are around the following values:



The ratio of long-term to short-term variable compensation is around 64% to 36% at target compensation, which places a strong focus on the long-term development of the Company. In addition, the long-term variable remuneration (annual bonus share-deferral and performance cash award) is predominantly share-based, which means that the interests of the Board of Directors and our shareholders are strongly linked.

In addition to the separate limitation of each individual variable remuneration component, the Supervisory Board has set a maximum remuneration in accordance with section 87a (1) sentence 2 no. 1 of the German Stock Corporation Act. This limits the total amount of all remuneration promised for a financial year, i.e. the sum of all fixed and variable components, including all fringe benefits and expenses for the company pension scheme, regardless of the date of payment.

The maximum remuneration of the members of the Board of Directors for a financial year may be achieved if, in addition to the payment of the basic remuneration, the granting of fringe benefits and the granting of the pension commitment with regard to the components of the variable remuneration, the following circumstances exist at the same time in relation to the financial year:

- Achievement of the maximum payout factor for obtaining the annual bonus, i.e. 150% achievement of the EBT target and the targets set by the Supervisory Board for individual performance
- 50% increase in the price of the Company's shares during the three-year lock-up period of the share deferral following the financial year
- Achievement of the maximum payout factor for obtaining the Performance Cash Award, i.e. 200% achievement of the ROCE target and the stakeholder targets set by the Supervisory Board – in particular sustainability targets – in the four-year performance period.

If all of these conditions are met and taking into account any adjustments to the remuneration in the context of the general development of wages and salaries over the next four years as well as the valuation-related fluctuation in the length of service required for the pension commitment, the maximum remuneration for the ordinary members of the Board of Directors is EUR 3,100,000 and for the Chairman of the Board of Directors EUR 5,800,000.

## **D. Remuneration components in detail**

### **a) Fixed remuneration components**

The fixed remuneration components consist of the basic salary, fringe benefits and the pension commitment.

#### **Basic salary**

The basic remuneration is granted in the form of a sum of money per year individually agreed between the Supervisory Board and the member of the Board of Directors in the employment contract, to be paid out in twelve equal monthly instalments at the end of each month (monthly salaries).

#### **Fringe benefits**

The fringe benefits include non-cash benefits such as the granting of private use of a company car, expenses for group accident insurance, the assumption of costs for preventive medical check-ups, attendance fees for intra-group supervisory board mandates and, if applicable, lump-sum taxed benefits in kind, e.g. tickets for concert events supported by the Company.

#### **Pension commitment**

For the purpose of retirement provision, the Company sets aside a certain amount of money for the member of the Board of Directors in a pension account for each year of service on the Board of Directors (defined contribution commitment). The prerequisite for the granting of

pension contributions is that the member of the Board of Directors has not yet reached the standard retirement age in the statutory pension insurance scheme at the beginning of the respective contribution year.

Until the pension event occurs, an annual interest credit is taken into account in the pension account in the amount of the applicable statutory maximum actuarial interest rate for the life insurance industry in accordance with the Insurance Provisions Ordinance. If higher interest after tax is achieved by investing the pension contributions, this will be credited to the pension account when the pension event occurs.

#### Investment

The investment is carried out in accordance with the life cycle model defined in the terms and conditions for deferred compensation in the Salzgitter Group ("SZAG model") and taking into account the securities determined by the Investment Committee for company pension schemes in the Salzgitter Group. The Supervisory Board may, at its own equitable discretion (Section 315 of the German Civil Code), decide on a different investment.

#### Retirement capital

If the member of the Board of Directors retires from the service of the Company at or after reaching the standard retirement age in the statutory pension insurance, the member of the Board of Directors receives the pension assets as a one-off retirement capital or, upon application, in ten annual instalments. If the member of the Board of Directors retires before reaching the standard retirement age, the member of the Board of Directors will receive an early retirement capital upon application at the earliest after reaching the age of 62.

#### Pension assets in the event of occupational disability and death

If the member of the Board of Directors retires from the service of the Company due to occupational disability or death before reaching the standard retirement age in the statutory pension insurance scheme, the pension balance on the pension account that has already been achieved is increased by as many pension contributions as the member of the Board of Directors would have received if he or she had continued to be employed until the age of 60. A maximum of ten pension contributions are added. The pension assets accrued during active service are paid out to the member of the Board of Directors or to the surviving dependents of the member of the Board of Directors, plus any additions, as a lump sum or in up to ten annual instalments. In the case of payment in instalments, interest is paid on the instalments from the date of occurrence of the pension event until the respective due date of the instalment in the same way as previously on the pension contributions.

### Early termination of employment

If the member of the Board of Directors leaves the Company's services without a pension event having occurred, the member of the Board of Directors retains a vested entitlement from the pension account in accordance with the statutory provisions of the Occupational Pensions Act.

### Modification or cancellation of the pension commitment

The Company has reserved the right to reduce or discontinue benefits if the circumstances prevailing at the time of the introduction of this pension commitment have changed so significantly that the Company can no longer be expected to maintain the promised pension contributions or benefits, even if the interests of the beneficiary are adequately taken into account. Contributions that have already been paid into the pension account are excluded from this.

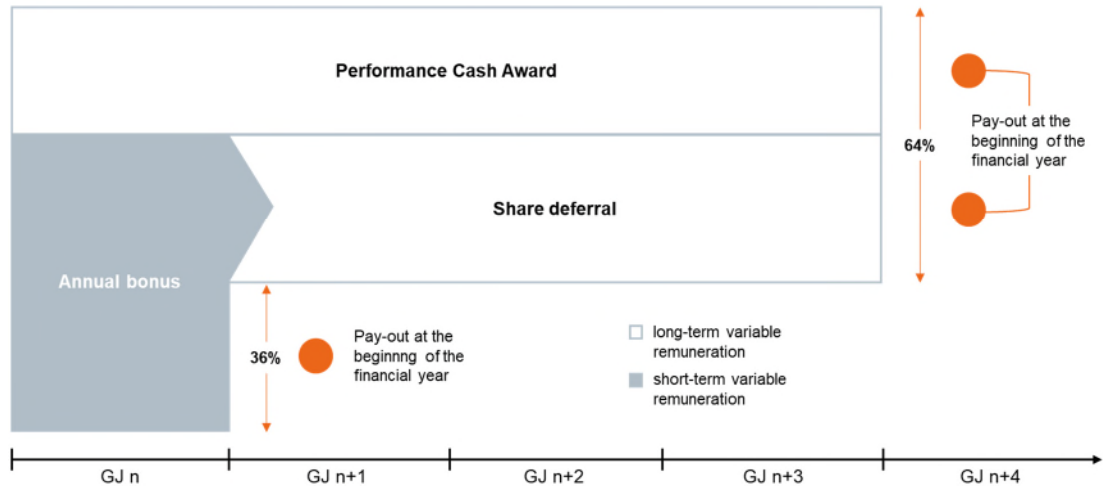
### Previous pension commitments

The pension commitments currently made to active members of the Board of Directors do not exclusively constitute the type of commitment provided for in the Board of Directors remuneration system (defined contribution commitment): The pension benefit commitments previously made to the members of the Board of Directors Burkhard Becker and Michael Kieckbusch were fixed as of December 31, 2018 and were supplemented by a defined contribution commitment under the new remuneration system as of January 1, 2019.

## **b) Variable compensation components**

The variable remuneration consists of the annual bonus and the Performance Cash Award. Half of the annual bonus is paid in cash at the end of the financial year. This half represents the short-term variable remuneration of the members of the Board of Directors. The other half of the annual bonus will be converted into a virtual share deferral with a three-year lock-up period. The share deferral, together with the second long-term compensation component, the Performance Cash Award with a performance period of four years, represents the long-term variable remuneration of the members of the Board of Directors.

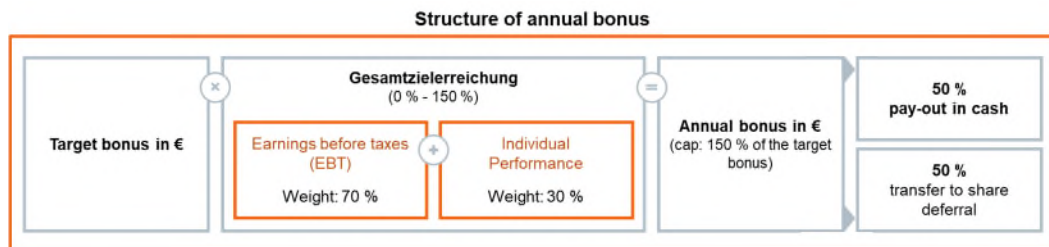
## Variable remuneration



### Annual Bonus

The annual bonus is dependent on the fulfilment of performance criteria and is paid out in cash. To this end, a target bonus in the form of a number of months' salaries is agreed in the employment contract of the member of the Board of Directors, so that the target bonus is adjusted in the event of an adjustment to the basic salary. Half of the annual bonus is paid at the end of the financial year. The remaining half will be converted into a virtual share deferral with a lock-up period of three years.

The way the annual bonus works is as follows:



### Relevant performance criteria

Performance criteria are earnings before taxes (EBT) according to the Annual Report as a financial performance criterion and the individual performance of the member of the Board of Directors as a non-financial performance criterion. The payout factor for the EBT criterion is weighted at 70% and the payout factor for the individual performance criterion at 30%.

The remuneration should include incentives to implement the strategic direction of the Company. In the opinion of the Supervisory Board, a key indicator of the success of the business strategy and the long-term successful development of the company is the annual result from ordinary activities (EBT). For this reason, the Supervisory Board has chosen the achievement of a stable positive or better EBT compared to the previous year as the main performance criterion for the annual bonus.

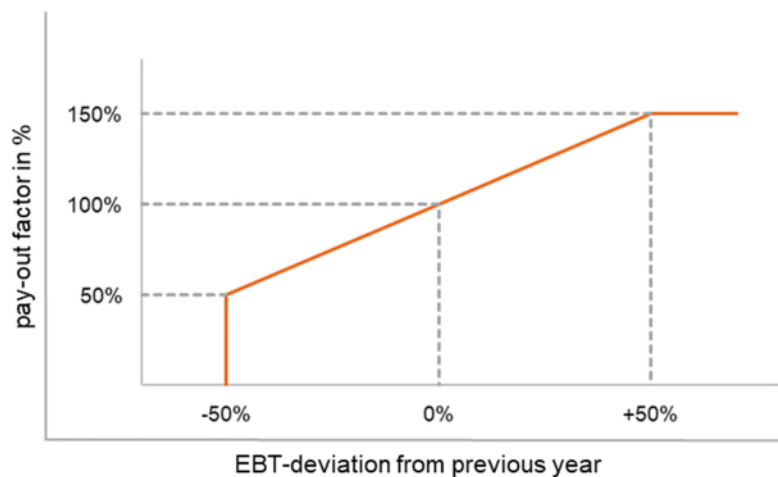
In addition, in the opinion of the Supervisory Board, non-financial criteria also have a significant influence on the success of the business strategy and the long-term good development of the Company. For this reason, it also sets individual performance criteria for the annual bonus on an annual basis. In this way, the remuneration system of the Board of Directors makes

a significant contribution to the promotion of the Company's business strategy and long-term development.

#### EBT (financial performance criterion)

The payout factor for EBT is determined on the basis of an actual/actual comparison. The actual value of EBT in the respective financial year is compared with the actual value of EBT in the previous financial year ("previous year"). If EBT remains the same compared to the previous year, the payout factor is 100% of the target bonus. If EBT is increased by +50% compared to the previous year, the maximum payout factor of 150% ("maximum value") is reached. With an EBT of -50% compared to the previous year, the minimum payout factor of 50% ("minimum value") is reached. Target achievement between the defined target achievement points (50%; 100%; 150%) is linearly interpolated. If the maximum value is reached, further increases in EBT will not lead to an increase in the payout factor. If the minimum value is not reached, the payout factor is 0%.

#### **Bonus curve EBT**



If EBT is negative in both the previous year and the respective financial year, the Supervisory Board is entitled to determine the achievement of targets at its reasonable discretion (Section 315 of the German Civil Code (BGB)). The same applies if the EBT of the previous year or the respective financial year is less than 1 million. EUR. If a positive operating EBT is achieved in the previous year and a negative EBT in the respective financial year, the payout factor is 0%. The application of the EBT performance criterion is reported in the remuneration report for the respective financial year.



### Individual performance (non-financial performance criterion)

The criteria for assessing the individual performance of the member of the Board of Directors are determined by the Supervisory Board at the beginning of each financial year, at the latest within the first three months, or – if the employment relationship of the member of the Board of Directors begins later in the course of a financial year – at the time of recruitment. The following aspects can be taken into account as criteria for the individual performance of the member of the Board of Directors and defined in more detail by the Supervisory Board:

#### **Catalogue of criteria for individual goals**



It is at the discretion of the Supervisory Board to define further criteria in addition to the above-mentioned aspects. The Supervisory Board determines the extent to which the individual goals of the individual members of the Board of Directors or goals for all members of the Board of Directors together are decisive.

The Supervisory Board evaluates the performance of the members of the Board of Directors on the basis of the previously defined criteria. The Supervisory Board can determine the degree to which targets have been achieved on a linear basis between 0% and 150%. The application of the individual performance criterion is reported in the remuneration report for the respective financial year.

The overall target achievement of the annual bonus is calculated from the weighted achievement of the two performance criteria of operating profit before tax and individual performance. The annual bonus is calculated by multiplying the target bonus by the total target achievement and is limited to 150% of the target bonus. In the event of extraordinary, unforeseen developments, the Supervisory Board may reduce the annual bonus as provided for by Section 87 (1) sentence 3 half-sentence 2 of the German Stock Corporation Act.

#### Payment of the annual bonus

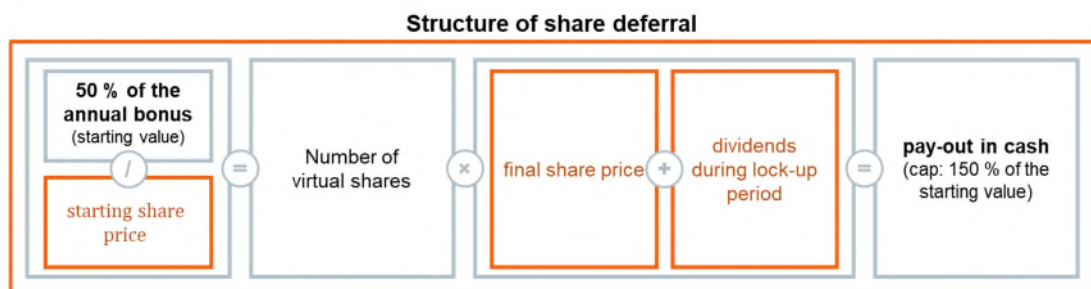
50% of the determined annual bonus will be paid out in cash as soon as the Supervisory Board has determined the degree to which the respective targets have been achieved at the end of the respective year. The remaining 50% (starting value) will be transferred to a virtual share deferral, i.e. retained and invested virtually in shares of Salzgitter AG for three years (share deferral) in order to ensure that the variable remuneration is based on shares.

### Share deferral

The conversion of part of the variable remuneration into a share deferral promotes the business strategy and the long-term development of the Company by incentivising the members of the Board of Directors to increase the value of the Company and directly aligns the interests of the Board of Directors and shareholders as well as increasing the attractiveness of the Company on the capital market. This is one of the prerequisites for the long-term development of the Company.

The share deferral is subject to a lock-up period of three years (lock-up period). The lock-up period begins at the end of the respective financial year for which the annual bonus is granted. The number of shares of the share deferral at the beginning of the lock-up period is calculated by dividing the initial value by the starting share price. The starting share price is the arithmetic average of the XETRA closing price of the Company's shares on the Frankfurt Stock Exchange over the last 30 trading days before the start of the lock-up period.

The payout amount resulting from the share deferral at the end of the lock-up period is calculated by multiplying the number of units of the virtual shares by the final share price plus the dividend payments attributable to the virtual shares during the lock-up period. The final share price is the arithmetic average of the XETRA closing price of the Company's shares on the Frankfurt Stock Exchange over the last 30 trading days before the end of the lock-up period.



The payout amount resulting from the share deferral is capped at 150% of the initial value.

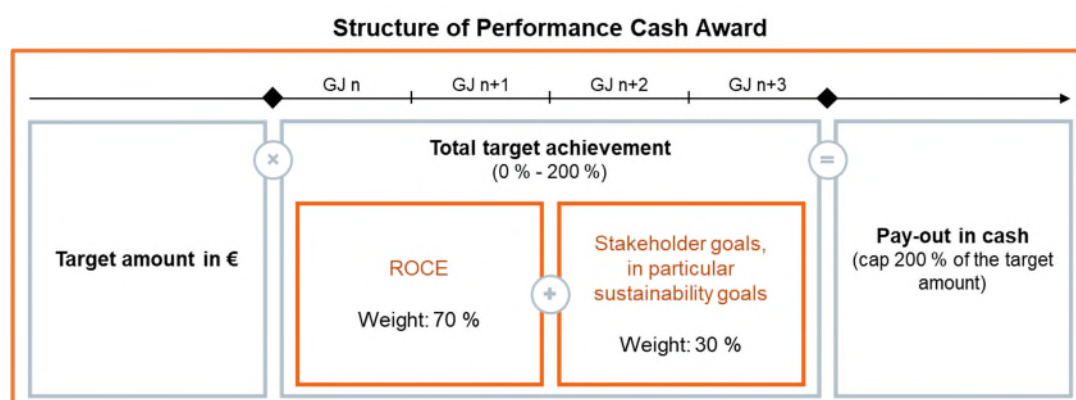
## Adaptations

If an extraordinary event or development results in a member of the Board of Directors receiving a higher or lower payout amount from the annual bonus than the amount to which he or she would have been entitled in the absence of this event or development, without this being justified by the performance of the member of the Board of Directors, the Supervisory Board is entitled to reduce or increase the payout amount.

## **Performance Cash Award**

The Performance Cash Award is also dependent on the fulfilment of performance criteria (performance-based) and is paid out in cash. It is allocated annually (tranche). Each tranche has a term of four full financial years (performance period). Each performance period begins at the beginning of the financial year for which the tranche is allocated (the allocation year) and ends at the end of the fourth full financial year.

The following overview summarizes how the Performance Cash Award works:



In the employment contract of the member of the Board of Directors, a target amount in the form of a number of monthly salaries is agreed. This enables the Supervisory Board to take into account different requirements for the individual functions of members of the Board of Directors. It also means that the target amount is adjusted in the event of an adjustment to the basic salary.

## Relevant performance criteria

Performance criteria are the return on capital employed (ROCE) at Group level in the performance period ("ROCE target") – financial performance target – and the achievement of stakeholder targets, in particular sustainability goals – non-financial performance targets. The achievement of the ROCE target is weighted at 70% and the achievement of the stakeholder targets at 30%.

The remuneration should include incentives to implement the strategic direction of the Company. A key performance indicator for the success of the Group's business strategy and its long-term successful development is the return on capital employed (ROCE), which can be seen as an indicator of whether and to what extent investments can be implemented in terms of sustainable growth. For this reason, the Supervisory Board has chosen the achievement of the planned ROCE values in the performance period as the main performance criterion for the Performance Cash Award.

In addition, in the opinion of the Supervisory Board, non-financial criteria also have a significant influence on the success of the business strategy and the long-term positive development of the Company. For this reason, it also sets stakeholder targets, in particular sustainability goals, for the Performance Cash Award every year. In this way, the remuneration system of the Board of Directors makes a significant contribution to the promotion of the Company's business strategy and long-term development.

#### ROCE (Financial Performance Criterion)

ROCE recognises the return generated from the Group's business [EBIT (= EBT + interest expense excluding interest from the allocation to pension provisions) over the sum of equity (excluding calculation of deferred taxes), tax provisions, interest-bearing liabilities (excluding pension provisions) and liabilities from finance leases, forfeiting and asset-backed securitization]. It measures how efficiently and profitably the Company has used its tied-up capital.

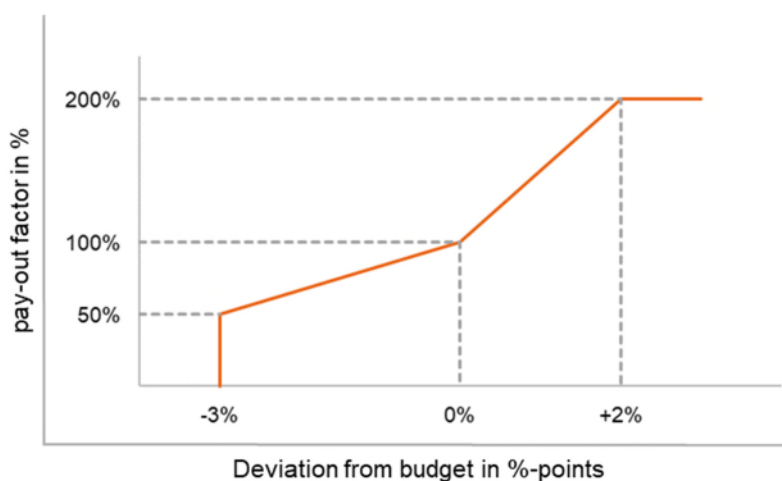
In order to determine the achievement of the ROCE targets, a comparison is made between the ROCE actually achieved and the budgeted ROCE. At the end of the performance period, the average of the ROCE values achieved annually after the end of the respective financial years during the performance period is determined; the average of the budgeted ROCE values for the respective financial years is then subtracted from this in order to determine a deviation between the planned value and the actual value in percentage points ( $\emptyset$  [actual values] –  $\emptyset$  [planned values]).

Taking into account the general business development and the economic prospects of Salzgitter AG, the Supervisory Board determines a value for the deviation of the average ROCE achieved from the budgeted ROCE in percentage points for each new tranche to be issued, which leads to a payout factor of 100% of the target amount agreed in the employment contract of the member of the Board of Directors (target value), as well as values for a payout factor of 50% (minimum value) and 200% (maximum value). Target achievement between the defined target achievement points (50%; 100%; 200%) is linearly interpolated. If the minimum value is not reached, the payout factor is zero. If the maximum value is reached, further increases in the average ROCE will not lead to an increase in the payout factor.

For example, if the target value for the deviation of the average ROCE achieved from the average budgeted ROCE is set to 0%, the minimum value is -3% and the maximum value is set to 2%, the payout factor increases from 100% by 50 percentage points per percentage point of average ROCE achieved above the average budgeted ROCE. For every percentage point of the average ROCE achieved below the average budgeted ROCE, the payout factor decreases by 16.67 percentage points from 100%. This example results in the following payout curve:

## Bonus curve ROCE (example)

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The application of the ROCE performance criterion is reported in the remuneration report for the respective financial year.

### Stakeholder goals, in particular sustainability goals (non-financial performance criterion)

In addition to the financial performance target, the Supervisory Board of Salzgitter AG sets stakeholder targets, in particular sustainability goals, when allocating each tranche, at the latest within the first three months of the allocation year or – if the employment of the member of the Board of Directors begins later in the course of a financial year – at the time of recruitment. In doing so, the Supervisory Board may take into account the following objectives and define them more precisely:

## Catalogue of criteria Stakeholder goals, in particular sustainability goals

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It is at the discretion of the Supervisory Board to define further criteria in addition to the stated objectives. The Supervisory Board evaluates the performance of the member of the Board of Directors on the basis of the previously defined objectives. The degree to which targets have been achieved for the respective performance period is determined by the Supervisory Board at the end of the respective performance period and can be set by the Supervisory Board on a linear basis between 0% and 200%. The application of the non-financial performance criterion is reported in the remuneration report for the respective financial year.

The overall target achievement is determined by the weighted target achievement of the two performance criteria ROCE and stakeholder targets. The payout amount is calculated by multiplying the target amount by the total target achievement and is limited to 200% of the target amount specified in the employment contract of the member of the Board of Directors.

### Adaptations

If an extraordinary event or development results in a member of the Board of Directors receiving a higher or lower payout amount than the amount to which he or she would have been entitled in the absence of that event or development, without this being justified by the performance of the member of the Board of Directors, the Supervisory Board may reduce or increase the payout amount.

### Reduction and clawback regulation

In the event of extraordinary, unforeseen developments, the Supervisory Board may reduce the payment of the Performance Cash Award within the meaning of Section 87 (1) sentence 3 half-sentence 2 of the German Stock Corporation Act.

The Supervisory Board is entitled to reduce the amount of the Performance Cash Award resulting from the achievement of targets in part or in full to zero if the member of the Board of Directors has breached grossly negligently or intentionally

- a material duty of care within the meaning of Section 93 of the German Stock Corporation Act,
- a material provision of the Code of Conduct of Salzgitter AG, or
- one of his other essential contractual obligations.

In making its decision, the Supervisory Board must take into account in particular the seriousness of the violation and the resulting disadvantages for the Company. If the payout amount has already been paid out at the time of the reduction decision because the Supervisory Board only became aware of the violation by the member of the Board of Directors after the end of the performance period, the member of the Board of Directors must repay the overpayments received in accordance with the reduction decision. In addition, in this case, the Company is entitled to offset against other remuneration claims of the member of the Board of Directors. The plea of depletion within the meaning of § 818 (3) German Civil Code is excluded in this respect.

## **E. Remuneration-related legal transactions**

### Contracts

The employment contracts of the Board of Directors have a maximum term of five years. As a rule, initial appointments of members of the Board of Directors are made for a maximum of three years. The contracts do not provide for the possibility of ordinary termination; the mutual right to terminate the contract without notice for good cause remains unaffected.

### Start of activity

When the member of the Board of Directors is appointed for the first time, the Supervisory Board decides, on the proposal of the Presidium, whether and to what extent the following additional remuneration benefits are to be promised in an individual contract:

Depending on the fact that previous remuneration benefits are forfeited as a result of the move to Salzgitter AG (e.g. long-term variable remuneration commitments or pension commitments), the Supervisory Board may promise compensation in the form of pension commitments in accordance with the section Pension Commitment in D. a) or cash payments.

Insofar as a change of residence is necessary due to the appointment as a member of the Board of Directors, relocation reimbursements may be granted up to an appropriate maximum amount to be determined individually in the contract. For an appropriate transitional period to be determined in the individual contract, the Supervisory Board may promise to cover the rent plus ancillary costs of any second home at the place of employment or in its immediate vicinity up to an appropriate maximum amount to be determined individually in the contract.

### Termination of activity

In the event of early termination of the service as member of the Board of Directors without a reason for which the member of the Board of Directors is responsible, the members of the Board of Directors are entitled to the agreed remuneration until the expiry of the contract, but this entitlement is limited to the value of two total annual remunerations (base remuneration, fringe benefits, pension commitment and variable target remuneration). In the event of termination of the activities of the member of the Board of Directors due to a change of control, the members of the Board of Directors are entitled to severance pay in the amount of the total remuneration for the term of their employment contract that has not yet expired, whereby this entitlement is limited to the value of two (in the case of member of the Board of Directors Burkhard Becker, who is retiring on March 31, 2024, for historical reasons, still three) total annual remunerations (in this case, base pay and variable target remuneration).

A change of control within the meaning of this provision shall be deemed to exist in particular, but not exclusively, if one or more shareholders of the Company acting jointly or a third party:

- have acquired control of the Company in accordance with section 29 (2) of the WpÜG,
- notify the Company that they reach or exceed 50% or 75% of the voting rights in the Company, or
- conclude an intercompany agreement with the Company as a dependent company within the meaning of Section 291 of the German Stock Corporation Act and this will result in a significant change in the position of the member of the Board of Directors, or
- the Company is merged into another company or the Company is integrated into another company and this will result in a significant change in the position of the member of the Board of Directors.

This does not affect the special provisions of the Coal and Steel Codetermination Supplement Act applicable to the Company for the composition of the Supervisory Board and its competences.

### Dealing with variable remuneration in the event of entry and departure of the member of the Board of Directors during the year

If the employment relationship of the member of the Board of Directors begins in the course of a financial year, the target bonus and the target amount of the tranche of the Performance Cash Award allocated for that financial year will be reduced on a pro rata basis.

If the employment relationship of the member of the Board of Directors ends before the end of the performance period or if the appointment as a member of the Board of Directors is revoked by the Supervisory Board before the end of the performance period, the outstanding payout amounts at that time are to be determined in accordance with the general plan regulations, subject to forfeiture in accordance with the following section; there will be no early calculation and payment of the payout amounts. The same applies to share deferrals whose lock-up period has not yet expired at the time of termination of the employment relationship. The target bonus as well as the tranche of the Performance Cash Award for the year in which the employment relationship of the member of the Board of Directors ends or the appointment as a member of the Board of Directors is revoked will be reduced on a pro rata basis.

If the employment relationship of the member of the Board of Directors is terminated in the course of a financial year or before the end of the performance period by an extraordinary termination by the Company for good cause within the meaning of Section 626 (1) of the German Civil Code or is terminated prematurely at the instigation of the member of the Board of Directors without the Company having set an important reason for such early termination within the meaning of Section 626 (1) of the German Civil Code and without a change of control within the meaning of the



employment contract of the member of the Board of Directors, the entitlement to the annual bonus as well as all claims arising from ongoing share deferrals whose blocking periods have not yet expired at the time of the notice of termination shall cease to apply without replacement or compensation. As part of the Performance Cash Award, all tranches whose performance period has not yet ended at the time of the early termination of the employment relationship will forfeit without replacement or compensation.

If the employment relationship of the member of the Board of Directors ends prematurely due to his or her death or permanent incapacity for service within the meaning of the employment contract of the member of the Board of Directors, the annual bonus is calculated on a pro rata basis for the current financial year. In this case, the calculation of the annual bonus assumes an overall target achievement of 100% and the entire resulting annual bonus is paid within two months of the termination of the employment relationship. In addition, all share deferrals whose lock-up period has not yet expired at the time of termination of the employment relationship will be paid out within two months of the termination of the employment relationship. The payout amount corresponds to the cumulative number of virtual shares of the outstanding share deferrals multiplied by the arithmetic average of the XETRA closing price of the Company's shares on the Frankfurt Stock Exchange over the last 30 trading days prior to the date of early termination of the employment relationship plus the dividend payments attributable to the virtual shares during the respective lock-up periods up to the date of early termination. As part of the Performance Cash Awards, all tranches whose performance period has not yet ended at the time of early termination will be paid out within two months of termination of employment. The payout amounts correspond to the cumulative target values, whereby the tranche of the allocation year in which the employment relationship of the member of the Board of Directors ended is reduced on a pro rata temporis basis.

#### **F. Procedures for the determination, implementation and review of the remuneration system**

The Presidium of the Supervisory Board had already designed the basic structure of this remuneration system for the Board of Directors in several meetings in 2017 with the support of an independent external consultant. Subsequently, after deliberations between the employee representatives and the shareholder representatives on the Supervisory Board, it was discussed intensively in the plenary session of the Supervisory Board in the absence of the Board of Directors. The system, which was subsequently further developed taking into account the further suggestions resulting from the discussion, was finally approved by the Supervisory Board in March 2018.

On behalf of the Supervisory Board, the independent external consultant then subjected the remuneration system to a new horizontal comparison with other SDAX companies in terms of amount and structure in 2022. The results of the investigation were presented to the Supervisory Board at its meeting in September 2022. Furthermore, on behalf of the Supervisory Board, the independent external consultant developed further proposals for the revision of the remuneration system in 2023, which were repeatedly discussed by the Presidium of the Supervisory Board. The results of these discussions were presented to the Supervisory Board at its meetings in September and December 2023. In view of the continued alignment with the business strategy, no changes have been made to the remuneration system in the interests of continuity. The revised and editorially adjusted remuneration system was finally approved by the Supervisory Board at its meeting on March 14, 2024.

It is not necessary to amend the current employment contracts of members of the Board of Directors for the implementation of this remuneration system, as they already comply with it. Individual arrangements have been made with regard to the previously existing pension commitments (see section Pension commitments in D. a)).

It is envisaged that the Supervisory Board will review the structure of the remuneration system for the Board of Directors from time to time, in particular in the case of new contracts for the employment of members of the Board of Directors and on an ad hoc basis. In the event of significant changes to the system and at least every four years, it will submit the remuneration system to the Shareholders' Meeting for approval. At the same time, it regularly reviews the amount of the individual elements of the remuneration system to determine whether there is a need for adjustment. In particular, it compares the adequacy in the horizontal external and vertical internal comparisons and makes adjustments if necessary.

Conflicts of interest are avoided by requiring Supervisory Board members to disclose them to the Supervisory Board. How to deal with an existing conflict of interest is decided on a case-by-case basis. In particular, a member of the Supervisory Board who is affected by a conflict of interest may not participate in a meeting or individual deliberations and decisions of the Supervisory Board or the Presidium.

## **G. Determination of the specific target total remuneration and determination of the amount of remuneration**

### Vertical internal comparison

In order to take into account the remuneration and employment conditions of employees in the Salzgitter Group when determining the remuneration system presented here, the Supervisory Board drew a comparison with the remuneration of senior management and the workforce in the Group in Germany – as it had done in the past in every review and, if necessary, redetermination of the amount of individual remuneration elements within the framework of the former remuneration system. Both the current level of remuneration and the level of remuneration in the development of the last five years were compared. According to the determination of the Supervisory Board, the senior management group included the group of managing directors of the larger Group companies on the one hand and the group of managing directors of the smaller Group companies on the other. With regard to the workforce, a distinction was made between employees covered by collective bargaining agreements and employees not covered by collective bargaining agreements. In view of the different qualifications, tasks, performance requirements and responsibilities as well as the terms and conditions of employment between members of the Board of Directors on the one hand and the included groups of employees on the other, the Supervisory Board assessed the differences in remuneration as appropriate.

### Horizontal external comparison

The Supervisory Board has ensured that the total remuneration of the Company's members of the Board of Directors is at a standard market level in terms of structure and amount and is competitive at the same time. In 2022 and 2023, the Supervisory Board, with the support of an independent external consultant, used the remuneration data – as far as available – of the companies represented in the German Small-Cap Stock Index (SDAX) of Deutsche Börse AG, to which Salzgitter AG belongs, to assess market practice. The index aggregates smaller publicly traded companies with roughly similar market capitalization and exchange turnover sizes. Taking into account relevant company data such as sales, number of employees and market capitalization, the Supervisory Board came to the conclusion that the elements of the compensation system and their level are in line with market practice.

## **H. Temporary deviation from the remuneration system**

If it is necessary in the interest of the long-term well-being of the Company, the Supervisory Board may temporarily deviate from the remuneration system submitted to the Shareholders' Meeting in accordance with Section 87a (2) sentence 2 of the German Stock Corporation Act. Whether such a case exists and how specifically deviations are to be made is determined by the Supervisory Board by resolution after prior involvement and on the recommendation of its Presidium and after consultation. The components of the remuneration system from which it is possible to deviate are the performance criteria for the annual bonus and the Performance Cash Award, the proportions of the individual elements of the remuneration, the maximum remuneration and temporary expenses for extraordinary fringe benefits.

## C. Registration and more Information relating to the Shareholders' Meeting

### 1. Precondition for Participation in the Shareholders' Meeting and the Exercise of Voting Rights

Shareholders are entitled to participate in the Shareholders' Meeting and to exercise their voting rights if they have registered by the end of **May 22, 2024** at the latest at the following address

Salzgitter AG  
c/o Computershare Operations Center  
80249 München  
anmeldestelle@computershare.de

in text form and have proven their entitlement by means of a special proof of share ownership issued in text form by the custodian bank. Proof of shareholding pursuant to section 67c (3) AktG is sufficient. The receipt of the registration and the proof at the above address is decisive for meeting the deadline. The proof of shareholding has to be issued with reference to the end of business of **May 7, 2024 (24:00 p.m. CEST)** – hereinafter referred to as the "Record Date".

In relation to the Company, only those who have provided proof of shareholding on the Record Date shall be deemed to be entitled to participate in Shareholders' Meeting and to exercise voting rights as shareholders. **The registration is not accompanied by a block on the salability of the shareholdings, so that shareholders can continue to freely dispose of their shares at any time even after registration and proof of shareholding has been provided.** Shareholders who have duly registered and provided proof are entitled to participate in the Shareholders' Meeting and to exercise their voting rights even if they have sold the shares after the Record Date. Shareholders who acquired their shares after the Record Date are not entitled to participate in the Shareholders' Meeting or to exercise voting rights.

Shareholders may have the registration and submission of proof carried out by their custodian institute; for this purpose, the institute must be commissioned with the registration in time. The institute takes over the required registration and confirms the relevant shareholding to the above-mentioned address. The registered shareholders will then receive an entry ticket for the Shareholders' Meeting. In order to ensure the timely receipt of the entry ticket, we recommend that you register as early as possible. The entry ticket contains the information required for participation in the Shareholders' Meeting and for exercising voting rights.

### 2. Voting by Proxy

Shareholders who do not wish to attend the Shareholders' Meeting in person have the option of exercising their voting rights by proxy, which is explained in more detail below. In order to ensure that a high proportion of the share capital is represented at the Shareholders' Meeting, we would like to ask these shareholders to exercise their voting rights by using one of the options described below.

#### a) Exercise of Voting Rights by Proxy

Shareholders may authorise a bank, a shareholders' association or any other person of their choice to exercise their voting rights. For this purpose, timely registration and proof of shareholding as described under section 1 are required. If the shareholder appoints more than one proxy, the Company may reject one or more of them.

The granting of the proxy, its revocation and proof of the authorization towards the Company must be in text form, unless the power of attorney is granted to an intermediary or equivalent representative pursuant to section 135 (8) AktG. Please use the electronic online service at the Internet

address below or use the power of attorney form attached to the entry ticket. **Even after the proxy has been issued, the shareholder can continue to freely dispose of his shares at any time.**

The power of attorney can be handed over to the authorized representative with the entry ticket. Furthermore, the power of attorney can be transmitted to the Company no later than **May 28, 2024, 24:00 p.m. CEST** (receipt) via the electronic online service at the Internet address <https://www.salzgitter-ag.com/Hauptversammlung> using the access data sent with the entry ticket or in writing by post or by email to the address

Salzgitter AG  
c/o Computershare Operations Center  
80249 München  
anmeldestelle@computershare.de.

Section 135 (1) to (7) AktG applies to the authorization of intermediaries (e.g. credit institutions). In particular, the proxy statement must be verifiably recorded by the proxy and must also be complete and may only contain declarations related to the exercise of voting rights. The same applies to shareholders' associations, proxy advisors and persons who offer themselves commercially to shareholders to exercise voting rights at the Shareholders' Meeting, unless the person who wishes to exercise the voting right is the legal representative, spouse or life partner of the shareholder or related to him up to the fourth degree or in-laws. In these cases, shareholders should consult with the proxy holder on the form of the proxy.

#### **b) Exercise of Voting Rights by Proxies appointed by the Company**

We offer shareholders the option of authorizing the proxies appointed by the Company to exercise their voting rights at the Shareholders' Meeting. Here, too, a timely registration and proof of shareholding as described under section 1 and then the granting of a power of attorney are required.

The granting of the power of attorney, its revocation and the proof of the authorization towards the Company must be in text form. To grant a power of attorney, please use the electronic online service at the Internet address below or use the power of attorney form attached to the entry ticket. When granting proxy, instructions must be given for the exercise of voting rights. Without these instructions, the power of attorney for the proxies appointed by the Company is invalid. The issuing of voting instructions to proxies is only possible with regard to such motions and election proposals for which there are resolutions proposed by the management pursuant to section 124 (3) AktG or by shareholders pursuant to section 122 (2) AktG with this convocation or subsequently published or which have been made available pursuant to sections 126, 127 AktG. The proxies are obliged to vote as instructed.

It is possible to submit the power of attorney with the instructions by **May 28, 2024, 24:00 p.m. CEST** (receipt) either by post or by email to the address

Salzgitter AG  
c/o Computershare Operations Center  
80249 München  
anmeldestelle@computershare.de

or to the Company via the electronic online service at the Internet address <https://www.salzgitter-ag.com/Hauptversammlung> using the access data sent with the entry ticket. **Even after the proxy has been issued, the shareholder can continue to freely dispose of his shares.**

### **3. Rights of Shareholders pursuant to Sections 122 (2), 126 (1), 127, 131 AktG**

#### **a) Addition to the Agenda (Section 122 (2) AktG)**

Shareholders whose shares together amount to EUR 500,000.00 of the Company's share capital (corresponding to 185,927 shares) may request that items be placed on the agenda and published. Each new item must be accompanied by a statement of reasons or a draft decision. The request must be made to the Company in writing at the following address by **April 28, 2024, 24:00 p.m. CEST**:

Salzgitter AG  
The Board of Directors  
Dep. Legal, Compliance & Insurance  
Eisenhuettenstraße 99  
38239 Salzgitter, Germany

The applicants must prove that they have been holders of the shares for at least 90 days prior to the date of receipt of the request and that they hold the shares until the decision of the Board of Directors on the request, whereby section 70 AktG applies to the calculation of the share ownership period.

#### **b) Countermotions and Election Proposals (Section 126 (1) and § 127 AktG)**

Countermotions by shareholders and proposals by shareholders for the election of Supervisory Board members or auditors, including the reasons (election proposals do not need to be justified), must be addressed exclusively to the following address:

Salzgitter AG  
Dep. Legal, Compliance & Insurance  
Eisenhuettenstraße 99  
38239 Salzgitter, Germany  
hv@salzgitter-ag.de

Countermotions and election proposals by shareholders to be made available, including the name of the shareholder as well as reasons to be made available and, if applicable, provided with the content to be supplemented in accordance with section 127 sentence 4 AktG, will be made available on the Company's website immediately upon receipt. In this context, countermotions and election proposals to items on the agenda which have been submitted by **May 14, 2024, 24:00 p.m. CEST**, at the address mentioned will be taken into account. Any comments of the administration will also be made available on the Company's website.

#### **c) Requests for Information (Section 131(1) AktG)**

Upon request at the Shareholders' Meeting, the Board of Directors must provide each shareholder with information on matters relating to the Company, the Company's legal and business relationships with affiliated companies as well as on the situation of the group and the companies included in the consolidated financial statements, insofar as the information is necessary for the proper assessment of an item on the agenda.

#### **4. Publications on the Website**

This calling of the Shareholders' Meeting, the documents to be made available, shareholder motions and further information in connection with Shareholders' Meeting are available at the Internet address <https://www.salzgitter-ag.com/Hauptversammlung>.

#### **5. Information on Data Protection**

The Company processes personal data of its shareholders and any shareholder representatives in order to prepare and conduct its Shareholders' Meeting. This data includes in particular the name, place of residence or address, any email address, the respective shareholding, the entry ticket number and the granting of any power of attorney. Depending on the circumstances of the case, other personal data may also be relevant.

##### **a) Controller, Purpose and Legal Basis**

The Company is responsible for data processing. The purposes of data processing are to comply with the requirements of stock corporation law and to enable shareholders and shareholder representatives to exercise shareholder rights before and during the Shareholders' Meeting. The legal basis for data processing is Art. 6 para. 1 sentence 1 lit. c) EU General Data Protection Regulation (GDPR) in conjunction with the provisions of the German Stock Corporation Act (AktG). In addition, processing may take place to safeguard legitimate interests such as the proper conduct of Shareholders' Meeting or for internal statistical purposes. The legal basis in this respect is Art. 6 para. 1 sentence 1 lit. f) GDPR.

##### **b) Receiver**

At its Shareholders' Meeting, the Company commissions various service providers and consultants who only receive such personal data from the Company as are necessary for the execution of the respective order. The service providers and consultants process this data exclusively in accordance with the instructions of the Company. In addition, personal data is made available to shareholders and shareholder representatives within the framework of the statutory provisions.

##### **c) Storage Time**

The personal data will be stored as long as this is required by law or the Company has a legitimate interest in the storage, for example in the event of judicial or out-of-court disputes on the occasion of the Shareholders' Meeting. Subsequently, the personal data will be deleted.

##### **d) Data Subjects' Rights**

Under certain legal conditions, shareholders and shareholder representatives registered for Shareholders' Meeting have a right to information, correction, restriction, objection and deletion with regard to their personal data or their processing as well as a right to data portability in accordance with Chapter III GDPR. In addition, they have the right to lodge a complaint with the data protection supervisory authorities pursuant to Art. 77 GDPR.

## Contact details

The contact details of the Company are:

Salzgitter AG  
Eisenhüttenstraße 99  
38239 Salzgitter, Germany

You can contact our data protection officer at:

datenschutz.holding@salzgitter-ag.de  
Phone: +49 (0) 5341 21-01

or at the following address:

Salzgitter AG  
Data protection supervisor  
Eisenhüttenstraße 99  
38239 Salzgitter, Germany

## **6. Total number of shares and voting rights**

At the time of the calling of the Shareholders' Meeting, the total number of shares and the total number of voting rights amounts to 60,097,000 each. There are no different classes of shares. At this time, of the 60,097,000 shares, 6,009,700 are treasury shares, from which the Company has no rights.

Salzgitter, April 2024

Salzgitter Aktiengesellschaft  
The Board of Directors