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STRATEC SE

2022 Remuneration Report

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REPORT OF THE INDEPENDENT AUDITOR ON THE AUDIT OF THE
REMUNERATION REPORT PURSUANT TO SEC. 162 (3) AKTG 21

A. PRELIMINARY REMARKS

The provisions of § 162 of the German Stock Corporation Act (AktG) require a Remuneration Report to be compiled for the 2022 financial year. This has to be prepared by the Board of Management and the Supervisory Board and report on the remuneration of these two bodies.

The Remuneration Report presents and explains the remuneration granted and owed to current (and former) members of the Board of Management and Supervisory Board of STRATEC SE in the 2022 year under report on an individualized basis and in a clear and comprehensible manner. No remuneration was granted or owed to former members of the Board of Management or Supervisory Board in the 2022 and 2021 financial years; in this respect, Dr. Rudolf Eugster and Prof. Dr. Stefanie Remmele do not count as former members in the periods prior to their retirement from the Supervisory Board in the 2022 and 2021 financial years respectively.

Pursuant to § 162 (4) AktG, this Remuneration Report for members of the Board of Management and Supervisory Board has been published in the “Investors” section of the company’s website (www.stratec.com).

Furthermore, this Remuneration Report is subject to approval by the 2023 Annual General Meeting, which adopts the resolutions required for the 2022 financial year. The Remuneration Report prepared for the 2021 financial year and audited pursuant to § 162 (3) AktG was approved by resolution of the Annual General Meeting on May 20, 2022.

Unless otherwise indicated, the amounts presented in this Remuneration Report are stated in thousand euro amounts (€ 000s). Due to figures being rounded up or down as appropriate, individual figures in the Remuneration Report of STRATEC SE may not add up exactly to the totals. For the same reason, the percentages stated may not exactly reflect the absolute figures to which they refer.

B. REMUNERATION OF MEMBERS OF BOARD OF MANAGEMENT

(1) Previous and new remuneration system

Consistent with legal requirements, in the 2021 financial year the Supervisory Board adopted a new, clear, and comprehensible system for the remuneration of members of the Board of Management which complies both with the requirements of § 87a (1) Sentence 1 AktG and the recommendations of the German Corporate Governance Code (DCGK) and presented this for approval by the Annual General meeting pursuant to § 120a AktG. This “new” remuneration system was approved with a large majority at the Annual General Meeting on May 20, 2021 and has since been applicable to all management board employment contracts to be newly concluded, extended, or amended. The existing management board employment contracts already in place upon the adoption of the “new” remuneration system are protected from amendment through to the end of the respective current appointment.

As in the previous year, the Board of Management of STRATEC SE comprised the following members in the 2022 financial year: Marcus Wolfinger, Dr. Robert Siegle, and Dr. Claus Vielsack. No amendments were made to the respective management board employment contracts for the 2022 financial year. For the 2022 financial year, the “existing” remuneration system approved by a majority of shareholders at the Annual General Meeting on June 6, 2013 is therefore still relevant; this comprises fixed remuneration for each financial year, variable remuneration for each financial year, variable remuneration based on the financial year and the two following years, and long-term share-based remuneration. As a result, the explanations in this Remuneration Report refer to the “existing” remuneration system. Pursuant to § 120a (2) AktG, the “new” remuneration system applicable in future is presented in the “Investors” section of the company’s website (www.stratec.com).

By Supervisory Board resolution dated November 24, 2022, Dr. Georg Bauer was appointed to the Board of Management of STRATEC SE for a three-year term effective as of January 1, 2023. Furthermore, by Supervisory Board resolution dated December 16, 2022, Marcus Wolfinger, Dr. Robert Siegle, and Dr. Claus Vielsack were each appointed to the Board of Management of STRATEC SE for a further five years. The management board contracts concluded with the aforementioned members of the Board of Management as of January 1, 2023 each made application of the “new” remuneration system. The relevant reporting will therefore be provided in the Remuneration Report for the 2023 financial year.

(2) Components of “existing” remuneration system; strategy reference

Fixed remuneration for each financial year – This component comprises a basic amount paid out as a monthly salary, as well as ancillary benefits, such as the provision of a suitable car. The private use of bonus miles and other benefits gained in a professional context is expressly permitted to an appropriate extent. Furthermore, this remuneration component also includes insurance benefits and individual contractual arrangements concerning retirement, invalidity, and surviving dependent pensions. Further details can be found in our comments in Section “(4) Regulations governing regular termination of activity on Board of Management”.

Variable remuneration for each financial year (short-term incentive/STI) – This component includes target achievement and extended components. The target achievement component is set for each member of the Board of Management and measured in terms of a percentage of consolidated earnings before interest, taxes, depreciation and amortization (consolidated EBITDA) in accordance with International Financial Reporting Standards (IFRS) net of a fixed basic amount of € 7.7 million. The extended component, which amounts to a maximum of 30% of the basic amount, is determined by the Supervisory Board to honor any outstanding performance on the part of the Board of Management (appreciation bonus). The target achievement component is paid out following the Annual General Meeting of STRATEC SE for the 2022 financial year. Members of the Board of Management are entitled to a mutually agreed monthly prepayment of this component. Payment of the extended component is made directly after the Supervisory Board resolution approving the commitment of such.

Variable remuneration based on the financial year and the two following years (mid-term incentive/MTI) – This component consists in equal shares of a linked component, an individual component, and a supplementary component. The linked component consists of two sub-components. The targets determined for the linked components are based on percentage increases in consolidated sales and consolidated EBITDA. In this respect, 100% target achievement requires average annual growth of 12.5% over the period covered by the mid-term incentive. The individual components are based on both individual and collective targets agreed between the Supervisory Board and the individual member of the Board of Management. In particular, these also include targets based on non-financial performance indicators. Target achievement for the mid-term incentive (MTI) scheme is further based in terms of its timing on achievement of the targets set for the current financial year and the two following years and on a target bonus, i.e. the amount to be paid out in the event of 100% target achievement for all components. Target achievement for the individual components is capped on a percentage basis for each component (linked component: 50% - 200%; supplementary component: 0% - 200%), as well as in terms of the annual and overall amounts. The caps on the amounts of MTI 2022 committed in the 2022 financial year amount to € 62k annual and € 186k overall for Marcus Wolfinger, € 51k annual and € 153k overall for Dr. Robert Siegle, and € 39k annual and € 117k overall for Dr. Claus Vielsack. Furthermore, the linked component is only accounted for to the extent that three-year overall target of at least 50% is reached with due application of the lower thresholds and caps. The MTI is paid out following the Annual General Meeting of STRATEC SE for the next year but one, i.e. the MTI granted for 2020 (and 2021 and 2022 respectively) is paid out in 2023 (and 2024 and 2025

respectively). However, prepayments based on the respective achievement of individual and interim targets may be made, subject to agreement between the Board of Management and the Supervisory Board, at the end of each financial year. To date, no use has been made of this prepayment option.

Long-term share-based remuneration (long-term incentive/LTI) – This remuneration is based at a ratio of 75% to 25% both on contractual agreements in which payments are based on the long-term share price performance without any physical or real stocks actually being supplied (stock appreciation rights) and on stock options.

The **stock options** have the following basic features in respect of qualifying periods, performance targets, lapsing, cap, and exercise windows:

The stock options granted may be exercised in full at the earliest following the expiry of a qualifying period of four years and provided that the following market conditions are fully met:

- Increase in STRATEC's share price by at least twenty percent compared with the exercise price between the date of the option rights being granted and the date marking the expiry of the qualifying period.
- If this performance target is not met after the expiry of the four-year waiting period, the stock options granted may be exercised through to the end of their terms if, on the day preceding the respective exercise date, the closing price of STRATEC's share on the final trading day on the electronic trading system of the Frankfurt Stock Exchange (XETRA) has risen by an average of 0.417% of the exercise price per completed calendar month since the date of the option rights being granted.

Following the expiry of a seven-year term after being granted, the option rights lapse without compensation.

A cap also applies if, on the stock market trading day preceding the respective exercise date for the stock options, the closing price of STRATEC's share on the electronic trading system of the Frankfurt Stock Exchange (XETRA) exceeds the exercise price by more than 200%; in this case, the exercise price is increased to the extent that the difference only amounts to 200% of the original exercise price.

If the waiting period and performance target requirements have been met, the stock option rights may in each case only be exercised on the ten trading days on the electronic trading system of the Frankfurt Stock Exchange (XETRA) subsequent to the holding of the Annual General Meeting, or the publication of the definitive 6-month results, should such publication occur after the Annual General Meeting for the respective preceding financial year, or of the 9-month results (exercise windows). In these cases, the stock option rights may be exercised independently of each other in several of the aforementioned exercise windows.

No changes arose in the aforementioned terms and conditions in the 2022 financial year.

The stock options of the individual members of the Board of Management developed as follows in the 2022 financial year (§ 162 (1) No. 3 AktG):

Totals or €	Issue date	Exercise price €	Exercise date	Balance 01.01.2022 No.	Added Disposed No.	Balance 12.31.2022 No.
Marcus Wolfinger	01.25.2022	117.52	n/a	0	4,557	4,557
	03.08.2021	113.00	n/a	5,000	0	5,000
	01.23.2020	62.40	n/a	5,000	0	5,000
	01.15.2019	57.82	n/a	5,000	0	5,000
	10.25.2018	56.50	11.10.2022	5,000	-5,000	0
Dr. Robert Siegle	01.25.2022	117.52	n/a	0	2,500	2,500
	03.08.2021	113.00	n/a	2,500	0	2,500
	01.23.2020	62.40	n/a	2,500	0	2,500
	01.15.2019	57.82	n/a	2,500	0	2,500
	10.25.2018	56.50	11.10.2022	2,500	-2,500	0
Dr. Claus Vielsack	01.25.2022	117.52	n/a	0	2,500	2,500
	03.08.2021	113.00	n/a	2,500	0	2,500
	01.23.2020	62.40	n/a	2,500	0	2,500
	01.15.2019	57.82	n/a	2,500	0	2,500
	10.25.2018	56.50	11.13.2022	2,500	-2,500	0

Due to the stipulated maximum remuneration (CAP) being exceeded in the 2021 financial year, in the 2022 financial year the number of stock options granted to Marcus Wolfinger was reduced by 443.

The **stock appreciation rights** have the following basic features:

The rights refer to a payment to be made by the company to the member of the Board of Management, with the amount of payment being determined by reference to the share price performance of STRATEC SE (reference share) as documented in XETRA trading on the Frankfurt Stock Exchange over a predefined period. The rights should have a minimum term of five years calculated from the issue date, although initial payment of the value of the rights may be requested at the earliest after a “minimum waiting period” of two years. Any such payment prior to the expiry of the term of the rights (premature payment request) leads to a corresponding reduction in the terms of the rights. Should the term expire on a date within 30 stock market trading days prior to publication of figures for the quarterly or annual financial statements, the term is extended through to the first stock market trading day after the expiry of this timeframe. Any premature payment request must be addressed to the Supervisory Board Chair in writing and may not be issued within the aforementioned timeframe. Other than this, premature payment requests may also not be submitted when the requirements of insider trading law or predefined compliance requirements do not permit dealings with shares in

STRATEC SE at the given point in time. Unless otherwise laid down by the Supervisory Board, the payment claim is determined on the basis of the increase in the XETRA closing price of a reference share through to the end of the term (based on a 30-day average price plus dividends) compared with the XETRA closing price at the issue date (reference price). In this respect, the annual increase in the reference share price – without reference to the share price performance within the term – must amount to at least eight percent (exercise hurdle). Should the term of the rights not correspond to a full year, the share price increase must be determined on a time-apportioned basis. The amount of payment claim following expiry of the minimum waiting period or at the end of the term – assuming that the exercise hurdle is met – is calculated, unless otherwise stipulated by the Supervisory Board, as the difference between the reference price determined at the beginning of the term multiplied by the number of rights less the reference price determined at the end of the (abridged) term also multiplied by the number of rights. The payment itself is made with the next salary payment to the respective member of the Board of Management, and at the latest within two weeks of the end of the (abridged) term. For payment amounts of more than € 100,000.00, STRATEC SE may request that the payment be made in two equal installments after six and twelve months respectively, with an obligation to pay interest should this option be drawn on.

When determining and paying remuneration, the company did not deviate from the remuneration system or its components for any of the members of the Board of Management (§ 162 (1) Sentence 2, No. 5 AktG). In particular, no payments were committed or granted to members of the Board of Management by third parties in respect of their activities as members of the Board of Management (§ 162 (2) No. 1 AktG).

Strategy reference – § 162 (1) Sentence 2, No. 1 AktG requires an explanation to be provided of how the individual components of remuneration promote the company's long-term performance. The table below provides an overview by presenting the individual remuneration components, the underlying targets (including the strategy reference), and their specific structure in terms of the remuneration granted and owed in the 2022 period under report:

Fixed remuneration			
	Basic amount	Benefits in kind and other additional benefits	Company pension provision
Strategy reference	The fixed remuneration component has to be competitive and assist in attracting highly qualified managers to work on the Board of Management at STRATEC and retain them at the company on a sustainable basis.		
Establishment within remuneration system	<ul style="list-style-type: none"> • Fixed annual remuneration aligned to the scale and complexity of tasks to be performed and scope of responsibility borne by the respective member of the Board of Management. 	<ul style="list-style-type: none"> • Provision of a suitable company car and cellphone, in each case also for private use. • Private use of bonus miles acquired in a professional context. • Performance of an annual health check. 	<ul style="list-style-type: none"> • Direct pension commitment by STRATEC SE • Payments of dynamic employer contributions to reinsured pension funds • Provision for invalidity and surviving dependents

Variable remuneration			
	Short-term incentive	Mid-term incentive	Long-term incentive
Strategy reference	Strong operating earnings (consolidated EBITDA) and the recognition of outstanding performance lead to a secure basis of liquidity, form the foundation for a positive business performance, and provide adequate scope to manage operations.	Sustainable consolidated sales and sustainable operating earnings (consolidated EBITDA) lead to a sustainable basis of liquidity, form the foundation for organic growth, and provide scope for external growth. Furthermore, this should promote the company's value-driven and values-based development, e.g. in terms of expanding its market position, innovation, ESG targets, and implementation of the corporate strategy agreed with the Supervisory Board.	Supports STRATEC's long-term value-driven development and additionally accounts for shareholders' interest in the sustainable performance of their investment.

<p>Establishment within remuneration system</p>	<ul style="list-style-type: none"> • Annual bonus dependent on development in consolidated EBITDA and option of appreciation bonus for outstanding performance 	<ul style="list-style-type: none"> • Annual bonus dependent on medium-term development in consolidated sales, consolidated EBITDA, individual target achievement, and discretionary decision by Supervisory Board 	<ul style="list-style-type: none"> • Annual granting of stock options and stock appreciation rights, with payment of such dependent on achievement of qualifying periods and performance targets determined in advance
<p>Application in 2022 period under report</p>	<ul style="list-style-type: none"> • Marcus Wolfinger: 0.75% consolidated EBITDA less fixed amount, 100% appreciation bonus • Dr. Robert Siegle: 0.55% consolidated EBITDA less fixed amount, 100% appreciation bonus • Dr. Claus Vielsack: 0.45% consolidated EBITDA less fixed amount, 100% appreciation bonus 	<ul style="list-style-type: none"> • Marcus Wolfinger: Target achievement for 2019 MTI: consolidated sales 111%, consolidated EBITDA 67%, individual component 100%, supplementary component 100% • Dr. Robert Siegle: Target achievement for 2019 MTI: consolidated sales 111%, consolidated EBITDA 67%, individual component 100%, supplementary component 100% • Dr. Claus Vielsack: Target achievement for 2019 MTI: consolidated sales 111%, consolidated EBITDA 67%, individual component 100%, supplementary component 100% <p>The % rates account for the respective cap regulations in the 2019 MTI.</p>	<ul style="list-style-type: none"> • Marcus Wolfinger: Exercised 15,000 stock appreciation rights from T 1 2020 • Dr. Robert Siegle: Exercised 7,500 stock appreciation rights from T 1 2020 • Dr. Claus Vielsack: Exercised 7,500 stock appreciation rights from T 1 2020

Caps – Variable remuneration components are subject to requirements limiting them both individually and in combination in terms of their value and the degree of target achievement. Remuneration based on the target components within the “short-term incentive”, “mid-term incentive”, and “long-term incentive” schemes, for example, is limited for each member of the Board of Management to a maximum of twice basic salary plus certain ancillary benefits and pension commitments (maximum remuneration). The appreciation bonus for outstanding performance is not accounted for, while the stock options and stock appreciation rights granted in the financial year are accounted for at one third of the fair value determined in accordance with IFRS 2 (Share-based Payment) upon the grant date. Furthermore, the Supervisory Board is able to exercise the restrictions provided for by law. Moreover, the existing management board employment contracts do not include any provisions concerning the potential claw-back of variable remuneration components, neither was any such claw-back requested by STRATEC or its Supervisory Board in the 2022 financial year. A corresponding claw-back regulation has been included in the “new” remuneration system applicable in future.

The following table provides an overview of the applicable maximum remuneration for the 2022 and 2021 financial years.

		2022	2021
		€ 000s	€ 000s
Marcus Wolfinger	Maximum amount	875	859
	Variable remuneration	804	865
	Excess / shortfall	71	-6
Dr. Robert Siegle	Maximum amount	726	713
	Variable remuneration	546	593
	Excess / shortfall	180	120
Dr. Claus Vielsack	Maximum amount	529	530
	Variable remuneration	462	500
	Excess / shortfall	67	30

Due to an adjustment of € 4k in the amount included for pension commitments, when calculating the maximum remuneration of Marcus Wolfinger in the previous year the shortfall for the previous year was correspondingly reduced by twice this amount.

Should the variable remuneration exceed the applicable maximum amount, the number of stock options granted in the subsequent financial year is reduced accordingly. In the 2022 financial year, the number of stock options granted to Marcus Wolfinger was reduced in this respect by 443. This was based on the shortfall of € 5,803.91 calculated for the 2021 financial year and one third of the fair value calculated in accordance with IFRS 2 (Share-based Payment) for the stock options granted in 2022 financial year, amounting to € 39.30.

This reduction was not included in the applicable maximum remuneration for the 2022 financial year.

(3) Remuneration granted and owed

The tables below present the remuneration granted and owed to the members of the Board of Management in the 2022 and 2021 years under report pursuant to § 162 (1) Sentence 1 AktG. Accordingly, the tables include all amounts actually paid to the individual members of the Board of Management in the period under report (remuneration granted) as well as all remuneration legally due but not yet paid (remuneration owed). With regard to the amounts incurred in connection with the retirement, invalidity, and surviving dependents' pensions as a further component of fixed remuneration, reference is made to the information provided in Section "(4) Regulations governing regular termination of activity on Board of Management". The voluntary presentation of these amounts in the tables below has been foregone.

Remuneration claims in connection with the short-term incentive and the mid-term incentive are viewed as remuneration owed. The related payment amounts will therefore be stated in the reporting period in which the corresponding obligation for the financial year becomes due for payment pursuant to the respective management board employment contracts. As well as the amount of remuneration, the relative shares of total remuneration attributable to all performance-dependent and non-performance-dependent remuneration components have been presented pursuant to § 162 (1) Sentence 2, No. 1 AktG.

Marcus Wolfinger		2022	2021
		€ 000s	€ 000s
Fixed remuneration	Basic amount	272	272
	Ancillary benefits	21	21
Total		293	293
Variable remuneration	Short-term incentive	522	414
	Mid-term incentive	179	158
	Long-term incentive		
	- Stock options	179	166
	- Stock appreciation rights	927	863
Total		1,807	1,601
Relative share of fixed remuneration		14%	15%
Relative share of variable remuneration		86%	85%

Dr. Robert Siegle		2022	2021
		€ 000s	€ 000s
Fixed remuneration	Basic amount	239	239
	Ancillary benefits	13	13
Total		252	252
Variable remuneration	Short-term incentive	395	315
	Mid-term incentive	147	130
	Long-term incentive		
	- Stock options	98	83
	- Stock appreciation rights	463	432
Total		1,103	960
Relative share of fixed remuneration		19%	21%
Relative share of variable remuneration		81%	79%

Dr. Claus Vielsack		2022	2021
		€ 000s	€ 000s
Fixed remuneration	Basic amount	210	210
	Ancillary benefits	11	11
Total		221	221
Variable remuneration	Short-term incentive	327	262
	Mid-term incentive	113	100
	Long-term incentive		
	- Stock options	98	83
	- Stock appreciation rights	463	432
Total		1,001	877
Relative share of fixed remuneration		18%	20%
Relative share of variable remuneration		82%	80%

(4) Regulations governing regular termination of activity on Board of Management

The following regulations are in place for members of the Board of Management upon the regular termination of their activity:

Pension provision – Members of the Board of Management receive pension provision from STRATEC SE when they have reached pensionable age, i.e. between the age of 60 and the age of 67, and have concluded their activity as members of the Board of Management. Members have the option of receiving a one-off lump sum or lifelong pension payments. Pension claims remain valid, without reduction if specific conditions are met, in cases where members terminate their employment with the company before reaching pensionable age.

STRATEC SE finances the pension claims both directly and indirectly. Alongside the aforementioned benefits, the company has also agreed lifelong surviving dependents' provision with Marcus Wolfinger. In the 2022 financial year, the company recognized expenses, excluding the net interest result, of € 135k for Marcus Wolfinger (previous year: € 157k), € 120k for Dr. Robert Siegle (previous year: € 128k), and € 49k for Dr. Claus Vielsack (previous year: € 53k). The present values of the capital claims acquired in connection with the retirement benefits thereby committed as of December 31, 2022 have been determined in accordance with IAS 19 (Employee Benefits) and amounted to € 1,088k for Marcus Wolfinger (previous year: € 1,435k), € 770k for Dr. Robert Siegle (previous year: € 1,028k), and € 234k for Dr. Claus Vielsack (previous year: € 339k). The actual benefits may turn out higher or lower than presented here.

Retrospective prohibition on competition – For the duration of the 24-month retrospective prohibition on competition, each member of the Board of Management receives remuneration amounting to 75% of his most recent contractually agreed total remuneration for the first twelve months and 50% of the same amount for the subsequent twelve months. The amounts payable in connection with the prohibition on competition are disbursed on a monthly basis. STRATEC SE may waive compliance with the retrospective prohibition on competition on a conditional basis (for the 13th to the 24th month).

Stock appreciation rights – The stock appreciation rights granted to members of the Board of Management remain fully valid, including the right to request premature payment, through to the end of their term.

No changes to the aforementioned commitments arose in the 2022 financial year.

(5) Regulations governing premature termination of activity on Board of Management

The following regulations were in place as of the balance sheet date for members of the Board of Management upon the premature termination of their activity:

Severance payments – Contracts with members of the Board of Management are concluded for fixed terms. In the event of the contract being terminated prematurely, on the basis of mutual agreement, and without compelling reason justifying immediate termination, severance payments amounting to a maximum of two full-year remuneration packages based on the most recent full remuneration package for the previous financial year are payable (severance pay cap). In the event of positions being terminated due to a change of control pursuant to § 315a (1) No. 9 of the German Commercial Code (HGB), the member of the Board of Management receives severance payments amounting to 150% of the severance pay cap.

Retrospective prohibition on competition and retirement provision – For the retrospective prohibition on competition and retirement provision, corresponding application is made of the provisions governing these aspects upon the regular termination of activity on the Board of Management.

Permanent inability to work and fatality – Should a member of the Board of Management become permanently unable to work during the term of the employment contract, this contract is terminated three months after the end of the month in which the permanent inability to work is ascertained. Remuneration is based on the provisions governing regular termination of activity on the Board of Management. Should a member of the Board of Management die during the term of the employment contract, then his surviving dependents are entitled to continued payment of the fixed remuneration, including variable remuneration but excluding the appreciation bonus, for the month in which the member died and the following six months, nevertheless limited to the expiry of the employment contract irrespective of the death of the respective member.

Stock appreciation rights – Should the employment contract with a member of the Board of Management be terminated prematurely, the stock appreciation rights granted to the respective member of the Board of Management as of the date of his departure are settled on the basis of the average XETRA closing price in the 30 stock market trading days preceding the date of departure and in accordance with the conditions applicable to the rights at the end of their term. Any existing exercise hurdles in the form of specified percentage or absolute share price increases are calculated on a time-apportioned basis.

No changes to the aforementioned commitments arose in the 2022 financial year.

C. REMUNERATION OF SUPERVISORY BOARD MEMBERS

The remuneration of the Supervisory Board is governed by § 13 of the Articles of Association of STRATEC SE and takes due account of the responsibility and scope of activity of Supervisory Board members, as well as of the economic position and performance of the company.

Each member of the Supervisory Board receives fixed remuneration of € 25,000.00 for each financial year. The Supervisory Board Chair receives twice and the Deputy Chair receives one and a half times this amount of fixed remuneration. Supervisory Board members only belonging to the Supervisory Board for part of a given financial year receive one twelfth of the fixed remuneration for each month of activity commenced.

Furthermore, each member of the Supervisory Board receives a meeting allowance of € 750.00 for each meeting of the Supervisory Board attended in person. Where several meetings are held on the same day, the meeting allowance is paid only once. The meeting allowance is limited to a maximum of six meetings each financial year.

If the Supervisory Board forms one or more committees, each Supervisory Board member receives a meeting allowance of € 750.00 for each meeting attended. This meeting allowance is limited to a maximum of three committee meetings for each financial year.

Fixed remuneration and the meeting allowance are due for payment upon the conclusion of the respective financial year.

Furthermore, the company reimburses each member of the Supervisory Board for the necessary, appropriate volume of expenses incurred for him or her to perform his or her duties, as well as for any sales tax attributable to remuneration or the reimbursement of expenses.

Members of the Supervisory Board may be included in a pecuniary loss liability insurance policy concluded by the company at its own expense, at an appropriate amount, and in its interest. The company assumes the resultant premiums.

The following table presents the remuneration granted and owed to members of the Supervisory Board in the 2022 and 2021 financial years pursuant to § 162 (1) Sentence 1 AktG.

Prof. Dr. Georg Heni	2022		2021	
	€ 000s	Share	€ 000s	Share
Fixed remuneration	33	85%	0	0%
Meeting allowance	6	15%	0	0%
- of which for attendance of Audit Committee	1		0	
Total	39	100%	0	0%

Supervisory Board member since May 20, 2022
Supervisory Board Chair since May 20, 2022
Deputy Chair of Audit Committee since June 21, 2022

Dr.-Ing. Frank Hiller	2022		2021	
	€ 000s	Share	€ 000s	Share
Fixed remuneration	37	84%	37	88%
Meeting allowance	7	16%	5	12%
- of which for attendance of Audit Committee	2		0	
Total	44	100%	42	100%

Supervisory Board member since May 29, 2019
Deputy Chair of Supervisory Board since November 26, 2020; previously Supervisory Board Chair since May 29, 2019
Audit Committee member since January 28, 2021

Dr. Rolf Vornhagen	2022		2021	
	€ 000s	Share	€ 000s	Share
Fixed remuneration	25	78%	25	83%
Meeting allowance	7	22%	5	17%
- of which for attendance of Audit Committee	2		0	
Total	32	100%	30	100%

Supervisory Board member since July 21, 2020
Audit Committee Chair since January 28, 2021

Dr. med. Patricia Geller	2022		2021	
	€ 000s	Share	€ 000s	Share
Fixed remuneration	15	79%	0	0%
Meeting allowance	4	21%	0	0%
Total	19	100%	0	0%

Supervisory Board member since June 10, 2022

D. COMPARATIVE PRESENTATION OF EARNINGS PERFORMANCE AND ANNUAL CHANGE IN REMUNERATION

(1) Development in relevant key figures

As outlined in Section “B. REMUNERATION OF MEMBERS OF BOARD OF MANAGEMENT”, the variable remuneration of the Board of Management is mainly dependent on the short and medium-term development in the key financial figures of consolidated sales and consolidated EBITDA, as well as on the long-term development in the XETRA share price of STRATEC SE. Pursuant to § 162 (1) Sentence 2, No 2 AktG, these figures are supplemented by the development in the annual net income of STRATEC SE determined in accordance with the German Commercial Code (HGB). Consistent with the relief provided for in § 26j of the Introductory Act to the German Stock Corporation Act (EGAktG), the company has opted not to select the past five financial years as the comparative period for which average employee remuneration is presented.

The table presents the change in the key financial figures underlying the variable remuneration of the Board of Management and the change in annual net income determined in accordance with the German Commercial Code (HGB) pursuant to § 162 (1) Sentence 2, No. 2 AktG:

	2022 vs. 2021	2021 vs. 2020
Consolidated sales	-4%	15%
Consolidated EBITDA	-13%	28%
Annual net income (HGB)	28%	169%

The XETRA share price of STRATEC SE performed as follows in the period relevant to the variable remuneration of the Board of Management:

	12.31.2022	12.31.2021	12.31.2020	12.31.2019
XETRA share price	€ 81.80	€ 137.80	€ 122.80	€ 61.00

(2) Development in annual remuneration

Remuneration of members of Board of Management

The remuneration of members of the Board of Management presented in the following table represents the remuneration granted and owed to the respective member and thus corresponds to the figures presented in the remuneration tables for the 2022 and 2021 reporting period pursuant to § 162 (1) Sentence 1 AktG.

	2022 vs 2021	2021 vs 2020
Marcus Wolfinger	9.8%	0.3%
Dr. Robert Siegle	10.5%	2.5%
Dr. Claus Vielsack	10.1%	1.3%

Remuneration of incumbent Supervisory Board members

	2022 vs. 2021	2021 vs. 2020
Prof. Dr. Georg Heni	n/a	n/a
Dr.-Ing. Frank Hiller	4.8%	-20.8%
Dr. Rolf Vornhagen	6.7%	76.5%
Dr. med. Patricia Geller	n/a	n/a

Given the changes in the composition of the Supervisory Board during the period under report, to enhance comparability the percentage change in remuneration (comprising fixed remuneration and meeting allowance) of all Supervisory Board members who were members for either part or all of the 2022 and 2021 financial years is presented in the table below.

	2022 vs. 2021	2021 vs. 2020
All Supervisory Board members in 2022 and 2021 (and 2021 and 2020 respectively)	21.5%	-1.5%

Average remuneration of employees of STRATEC SE:

The comparison of the development in average employee remuneration for 2022 is based on the average remuneration of employees at STRATEC SE excluding one-off payments such as compensation for inflation or stock options. This in turn is based on the remuneration of all full-time employees who were employed by the company for the whole of the comparative period. No account has been taken of trainees, students, temporary employees, or employees in part-time retirement.

	2022 vs. 2021	2021 vs. 2020
Employees of STRATEC SE	2.2%	4.6%

The average remuneration of employees of STRATEC SE on which the calculation has been based amounted to € 69k in the 2022 financial year and to € 67k in the 2021 financial year.

Birkenfeld, March 2023

STRATEC SE

On behalf of the Supervisory Board

The Board of Management

Prof. Dr. Georg Heni
Chair of Supervisory Board

Marcus Wolfinger
Chair of Board of Management (CEO)

Dr. Robert Siegle
Member of Board of Management

Dr. Claus Vielsack
Member of Board of Management

Dr. Georg Bauer
Member of Board of Management

**REPORT OF THE INDEPENDENT AUDITOR ON THE AUDIT OF THE REMUNERATION
REPORT PURSUANT TO SEC. 162 (3) AKTG**

To STRATEC SE, Birkenfeld

Audit Opinion

We have conducted a formal audit of the remuneration report of STRATEC SE, Birkenfeld, for the financial year from 1 January to 31 December 2022 to determine whether the disclosures required by Sec. 162 (1) and (2) AktG [“Aktengesetz”: German Stock Corporation Act] have been made therein. In accordance with Sec. 162 (3) AktG we have not audited the content of the remuneration report.

In our opinion, the disclosures required by Sec. 162 (1) and (2) AktG have been made in the accompanying remuneration report in all material respects. Our opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with Sec. 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report in Accordance with Sec. 162 (3) AktG (IDW AuS 870). Our responsibilities under this provision and standard are further described in the “Auditor’s Responsibility” section of our report. As an audit firm, we applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1). We complied with the professional obligations pursuant to the WPO [“Wirtschaftsprüferordnung”: German Law Regulating the Profession of Wirtschaftsprüfer (German Public Auditor)] and the BS WP/vBP [“Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer”: Professional Charter for German Public Accountants/German Sworn Auditors] including the requirements regarding independence.

Responsibility of the Management Board and Supervisory Board

The management board and supervisory board are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, they are responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our objectives are to obtain reasonable assurance about whether the disclosures required by Sec. 162 (1) and (2) AktG are made in the remuneration report in all material respects and to express an opinion thereon in a report.

We planned and performed our audit so as to determine the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by Sec. 162 (1) and (2) AktG. In accordance with Sec. 162 (3) AktG, we have not audited the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

Consideration of Misrepresentations

In connection with our audit, our responsibility is to read the remuneration report considering the knowledge obtained in the audit of the financial statements and, in doing so, remain alert for indications of whether the remuneration report contains misrepresentations in relation to the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Stuttgart, 28 March 2023

Ebner Stolz GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft

Oliver Striebel
Wirtschaftsprüfer
[German Public Auditor]

Philipp Lessner
Wirtschaftsprüfer
[German Public Auditor]