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INVITATION

TO THE ANNUAL GENERAL MEETING OF KLÖCKNER & CO SE

May 17, 2023

Klöckner & Co SE
with registered office in Duisburg, Germany

– ISIN DE000KC01000 / Security Identification No. (Wertpapierkennnr.) KC0100 –

– ISIN DE000KC01V16 / Security Identification No. (Wertpapierkennnr.) KC01V1 –

– ISIN DE000KC01W15 / Security Identification No. (Wertpapierkennnr.) KC01W1 –

– ISIN DE000KC01VN7 / Security Identification No. (Wertpapierkennnr.) KC01VN –

Invitation
to the Annual General Meeting

(unique identifier of the event: GMETKCO123RS)

Dear Shareholders,

We hereby invite you to the Annual General Meeting of Klöckner & Co SE on Wednesday, May 17, 2023, at 10:30 a.m. (CEST, UTC+2) at Congress Center Düsseldorf (CCD Süd), Messe Düsseldorf, Stockumer Kirchstraße 61, 40474 Düsseldorf, Germany.

The entire Annual General Meeting will be broadcast live via our Online Service for the Annual General Meeting at https://www.kloeckner.com/en/investors/annual-general-meeting/online-service.html on May 17, 2023 from 10:30 a.m. (CEST). The opening of the Annual General Meeting by the chairman of the meeting, the CEO's speech and the report by the Supervisory Board will additionally be broadcast live online on the day of the Annual General Meeting at https://www.kloeckner.com/en/investors/annual-general-meeting.html.

Contents

This document is a convenience translation of the German original.
In case of discrepancy between the English and German versions, the German version shall prevail.

I. Agenda

1. Presentation of the adopted annual financial statements, the approved consolidated financial statements and the combined management report for Klöckner & Co SE and the Group and the report of the Supervisory Board, each for fiscal year 2022, as well as resolution on the appropriation of net income for fiscal year 2022

The Management Board and the Supervisory Board propose that the net income of Klöckner & Co SE available for distribution for fiscal year 2022 in the amount of EUR 73,321,201.73 be appropriated as follows:

Distribution of a dividend of EUR 0.40 per share vested with a dividend right; at 99,750,000 shares vested with dividend rights, this corresponds to a total distribution of EUR 39,900,000.

Allocation to other retained earnings (*andere Gewinnrücklagen*): EUR 33,421,201.73.

The dividend will be paid out on May 22, 2023.

The annual and consolidated financial statements were approved by the Supervisory Board on **March 3, 2023**. The annual financial statements have thus been adopted. Therefore, no resolution by the Annual General Meeting is required. However, the above-mentioned documents must be made available to the Annual General Meeting and can therefore be downloaded as from the convocation date of the Annual General Meeting at https://www.kloeckner.com/en/investors/annual-general-meeting.html.

2. Ratification of the actions of the members of the Management Board for fiscal year 2022

The Management Board and the Supervisory Board propose that the actions of the members of the Management Board who held office in fiscal year 2022 be ratified for that year.

3. Ratification of the actions of the members of the Supervisory Board for fiscal year 2022

The Management Board and the Supervisory Board propose that the actions of the members of the Supervisory Board who held office in fiscal year 2022 be ratified for that year.

4. Supervisory Board election

Pursuant to Article 40 (3) of the European Company (SE) Regulation in conjunction with Section 9 (1) of the Articles of Association, Klöckner & Co SE's Supervisory Board consists of six members, all of whom are elected by the shareholders.

The term of office of Supervisory Board member Dr. Ralph Heck will expire at the close of the Annual General Meeting on May 17, 2023, resulting in the need to elect a new Supervisory Board member.

Based on the recommendation of the Presidium acting as Nomination Committee, the Supervisory Board proposes to elect

> Dr. Ralph Heck, Meggen (Switzerland), Chairman of the Management Board of Bertelsmann Stiftung and Director Emeritus McKinsey & Company

as member of the Supervisory Board.

The election is effective as of the close of the Annual General Meeting on May 17, 2023, for a term of office until the close of the Annual General Meeting that ratifies the actions of the Supervisory Board for the third fiscal year following commencement of the term of office, not including the fiscal year in which the term of office begins.

In addition, notification is hereby given that in the event of his election by the Annual General Meeting, Dr. Ralph Heck intends to remain available as Deputy Chairman of the Supervisory Board and in this respect to stand for election by the Supervisory Board.

Supplementary information on the candidate with regard to Recommendation C.13 of the German Corporate Governance Code:

Dr. Ralph Heck
Dr. Ralph Heck is a member and Deputy Chairman of the Company's Supervisory Board since May 16, 2018. According to the assessment of the Supervisory Board, Dr. Ralph Heck has no personal or business relationship with Klöckner & Co SE or its Group companies, the governing bodies of Klöckner & Co SE, or any shareholder with a material interest in Klöckner & Co SE which would need to be disclosed.

The Supervisory Board's election nomination is based on the recommendation of the Presidium in its capacity as Nomination Committee, is in accordance with the objectives for the Supervisory Board's composition resolved by the Supervisory Board and aims at fulfilling the profile of skills and expertise developed by the Supervisory Board while having due regard to diversity on the Supervisory Board as a whole. The objectives adopted by the Supervisory Board and the profile of skills and expertise, including their implementation status, are published in the Corporate Governance Statement for fiscal year 2022. This is included in the Annual Report 2022 and is part of the documents referred to under agenda item 1, which are available at https://www.kloeckner.com/en/investors/annual-general-meeting.html and will be sent to shareholders on request.

The election nomination is also in line with the new target for the percentage of women on the Supervisory Board set in 2022 by the Supervisory Board in accordance with Section 111 (5) of the German Stock Corporation Act (*AktG*). That target is for the percentage of women on the Supervisory Board to be at least 33.3% until June 30, 2027, corresponding to two women in the case of six Supervisory Board members. The Supervisory Board currently includes only one woman, Ute Wolf, which means that the new target is not yet achieved. In view of his particular skills and experience, as well as his current and intended future role as Deputy Chairman of the Supervisory Board, the Supervisory Board is of the opinion that the re-election of Dr. Ralph Heck is in the best interests of the Company and its shareholders, despite the fact that the target percentage is not yet met and taking into account in particular the aim of increasing the percentage of women on the Supervisory Board. The Supervisory Board will continue to give priority to the aforementioned target percentage in the next Supervisory Board elections, with the next regular elections due to take place no later than 2026, provided that suitable female candidates are available at the time of any vacancy; the same applies with regard to further increasing diversity in the long term.

The résumé and further information on the candidate nominated for election are provided under section II. of this Invitation. The résumés of all members of the Supervisory Board are available on the Company's website at https://www.kloeckner.com/en/supervisory-board.html.

5. Election of the auditor for the annual financial statements, consolidated annual financial statements and for the review of interim financial statements

Pursuant to Regulation (EU) No 537/2014 of the European Parliament and of the Council of April 16, 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (the *EU Audit Regulation*), Klöckner & Co SE is required to change the auditor on a regular basis. The periods of time applicable to Klöckner & Co SE in this regard have been shortened by the Financial Market Integrity Strengthening Act (*FISG*). Although pursuant to the transitional provisions to the FISG a change is not mandatory before fiscal year 2024, Klöckner & Co SE is already seeking a change of auditor for fiscal year 2023. For this purpose, it conducted a selection procedure in accordance with Article 16 of the EU Audit Regulation in fiscal year 2022. On the basis of that procedure, the Audit Committee has made its recommendations and preference for the Supervisory Board. For further information on the background to the tender, please refer to the document on this agenda item 5 published on the Annual General Meeting website page (https://www.kloeckner.com/en/investors/annual-general-meeting.html).

At the recommendation of the Audit Committee, the Supervisory Board proposes electing PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, Germany,

a) as auditor and Group auditor fiscal year 2023,

b) as auditor for the possible review, if applicable, of the condensed financial statements and the interim management report of the half-yearly financial report for fiscal year 2023, and

c) as auditor for the possible review, if applicable, of any additional interim financial information in the fiscal years 2023 and 2024, insofar as it complies with the requirements for the condensed financial statements and for the interim management report of the half-yearly financial report (Section 115 (7) of the German Securities Trading Act (*WpHG*)) and insofar as it is prepared prior to the 2024 Annual General Meeting.

For the aforementioned audit services, the Audit Committee has recommended to the Supervisory Board, in accordance with Article 16 (2) of the EU Audit Regulation

1. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, Germany, and

2. Grand Thornton AG Wirtschaftsprüfungsgesellschaft, Düsseldorf, Germany,

and expressed a preference for PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, Germany. This was preceded by a selection procedure conducted in accordance with Article 16 of the EU Audit Regulation, on which the Audit Committee based its recommendations and its expressed preference.

The Audit Committee declared that its recommendation had not been improperly influenced by third parties and that no restriction with respect to its choice of a certain auditor within the meaning of Article 16 (6) of the EU Audit Regulation had been imposed on it.

6. Resolution on the approval of the remuneration report for fiscal year 2022

Pursuant to Section 120a (4) AktG, the Annual General Meeting must pass a resolution on the approval of the remuneration report for the previous fiscal year prepared and audited in accordance with Section 162 AktG.

The remuneration report for fiscal year 2022 was prepared by the Management Board and the Supervisory Board in accordance with Section 162 AktG and audited by the Company's auditor whether the statutory disclosures required in Section 162 (1) and (2) AktG had been made. Beyond the statutory requirements, the auditor also conducted a substantive audit. The remuneration report and the auditor's report on its audit are reprinted under section III. of this Invitation and may be viewed separately as a document for this Annual General Meeting at https://www.kloeckner.com/en/investors/annual-general-meeting.html, and will also be available on the Company's website at https://www.kloeckner.com/en/group/management-board/management-board-remuneration.html following the resolution of the Annual General Meeting for at least ten years.

The Supervisory Board and the Management Board propose that the remuneration report for fiscal year 2022 be approved.

7. Resolution on the authorization of the Management Board to hold virtual General Meetings and the corresponding amendment to the Articles of Association as well as amendment of Section 15 (2) of the Articles of Association

The German Act on the introduction of Virtual General Meetings at Stock Corporations and amendment of cooperative and insolvency and restructuring regulations of July 20, 2022 (*Gesetz zur Einführung virtueller Hauptversammlungen von Aktiengesellschaften und Änderung genossenschafts- sowie insolvenz- und restrukturierungsrechtlicher Vorschriften* – Federal Law Gazette (*Bundesgesetzblatt*) of July 26, 2022, p. 1166 et seq.) permits General Meetings to be held also in future without the physical presence of the shareholders or their proxy holders at the venue of the General Meeting (so-called "virtual General Meeting"). A respective provision in the Articles of Association must be time-limited to a maximum of five years from registration of the corresponding amendment to the Articles of Association in the Commercial Register for the Company.

In order to have the flexibility to decide on the format of General Meetings appropriately, the Management Board is to be authorized to decide the format of each General Meeting, rather than the holding of virtual General Meetings being prescribed directly in the Articles of Association. The Management Board will make this decision at its due discretion on the basis of the factual criteria that are relevant in each case. In addition to health protection aspects, these include, inter alia, the objective of efficient and comprehensive communication with shareholders and sustainability considerations as well as a participation as easy as possible, also for international investors in particular. In case the Management Board makes use of the proposed authorization and decides to hold a General Meeting as a virtual General Meeting, shareholders' rights are adequately safeguarded under the new statutory requirements. In particular, it is ensured that shareholders' rights of participation are equivalent to those at a General Meeting held in person.

In the event of a virtual General Meeting, the Management Board intends to disclose in the invitation the reasons for it being held as a virtual General Meeting.

With regard to the term of the authorization, the authorization is to be limited to two years, i.e., two years after its registration in the Commercial Register.

In addition, the opportunity is to be taken for an editorial revision of the wording of the provision on convening in Section 15 (2) of the Articles of Association: instead of "be published in the electronic Federal Gazette of the Federal Republic of Germany (*elektronischer Bundesanzeiger*)," it is to read in future "be published in the Federal Gazette of the Federal Republic of Germany (*Bundesanzeiger*)."

The Management Board and the Supervisory Board therefore propose that the following resolution be adopted:

7.1 Section 15 (2) of the Articles of Association is amended and shall be read as follows:
"(2) The convening of the meeting must be published in the Federal Gazette of the Federal Republic of Germany (*Bundesanzeiger*) at least 30 days before the day at the end of which the shareholders must have notified their attendance (Section 16), not counting the day of the announcement and the last day on which the shareholders have to submit their notification."

7.2 The following new paragraph (3) is added to Section 15 of the Articles of Association:
"(3) The Management Board is authorized, for a period of two years after registration of the addition of this Section 15 (3) to the Articles of Association resolved by the General Meeting of May 17, 2023, to provide for the General Meeting to be held as a virtual General Meeting without the physical presence of the shareholders or their proxy holders at the venue of the General Meeting (virtual General Meeting); with respect to the time period of this authorization the date of the virtual General Meeting shall be decisive. If a virtual General Meeting is held, the applicable statutory requirements shall be complied

with. In all other respects, all provisions of these Articles of Association for General Meetings shall apply to the virtual General Meeting unless otherwise required by law or unless expressly otherwise stipulated in these Articles of Association."

8. Amendment of Section 16 of the Articles of Association (possibility for members of the Supervisory Board to attend General Meetings virtually)

Generally, the members of the Supervisory Board attend General Meetings in person. However, pursuant to Section 118 (3) sentence 2 AktG, the Articles of Association may provide for certain cases in which members of the Supervisory Board may attend in General Meetings by means of video and audio transmission. This possibility is to be used to enable attendance in situations where physical presence at the venue of the General Meeting is impossible or would cause considerable effort, and also in cases of virtual General Meetings.

The Management Board and the Supervisory Board therefore propose that the following new paragraph (5) is added to Section 16 of the Articles of Association :

"(5) The members of the Supervisory Board, with the exception of the Chairman of the General Meeting, may, in consultation with the Chairman of the Supervisory Board, also attend in General Meetings by means of video and audio transmission (i) if the General Meeting is held as a virtual General Meeting, (ii) for reasons relating to the health of the Supervisory Board member concerned or for reasons of general health protection, (iii) if the Supervisory Board member concerned would have to travel to the General Meeting from abroad and has a one-way travel distance of more than 500 kilometers, or (iv) if the Supervisory Board member concerned assures being unable to travel to the General Meeting due to other professional obligations or other important personal reasons."

9. Resolution on the amendment of the remuneration system for members of the Supervisory Board and the corresponding amendment to the Articles of Association

Section 113 (1) sentence 2 AktG provides for that the remuneration of members of the Supervisory Board may be specified in the Articles of Association or approved by the General Meeting. The remuneration of the members of the Supervisory Board of Klöckner & Co SE is specified in Section 14 of the Articles of Association and was lastly adjusted by the 2013 Annual General Meeting. The remuneration system for the Supervisory Board then adopted was, in unchanged form, presented to the 2021 Annual General Meeting pursuant to Section 113 (3) sentence 1 AktG, and confirmed by it.

The Management Board and the Supervisory Board consider a change in the remuneration – specifically, an increase in the fixed annual remuneration – to be indicated. This is primarily based on the following considerations:

- Overall, Supervisory Board remuneration must be competitive in order to continue to meet the targets set by the Company – and also demanded by many investors – for the Supervisory Board to be composed of qualified, internationally experienced mandate holders and having due regard to diversity aspects.
- The international market and business environment, the regulatory framework and also the responsibilities of the Supervisory Board have become significantly more complex since the last adjustment to Supervisory Board remuneration in 2013 and will also continue to gain in complexity; this is accompanied by increased demands and expectations with respect to the Supervisory Board service.
- A review based on an external remuneration study and a peer group comparison with selected listed companies of comparable size and business activities has shown that the current remuneration of the Supervisory Board is no longer in line with other listed companies of comparable size and business

activities. The proposed adjustment is intended to bring the Supervisory Board remuneration at the Company up to a level that can be considered comparable and/or competitive, also in comparison with the remuneration at other listed companies of comparable size and business activities.

The considerations of the Management Board and the Supervisory Board may also be read in more detail in the supplementary information on this agenda item 9 under section IV. of this Invitation. Further information on the proposed amended remuneration system for the Supervisory Board pursuant to Section 113 (3) sentence 3 and Section 87a (1) sentence 2 AktG is also presented under the same section.

The Management Board and the Supervisory Board therefore propose that the following resolution be adopted:

9.1 The amended remuneration system for the members of the Supervisory Board of Klöckner & Co SE, as presented under section IV. of this Invitation, is approved and Section 14 (1) of the Company's Articles of Association is amended and shall be read as follows:

"(1) The members of the Supervisory Board shall receive, in addition to the reimbursement of their reasonable cash expenses and the value added tax accruing on their compensation and expenditures, a fixed annual compensation in the amount of EUR 60,000."

Apart from that, Section 14 of the Articles of Association remains unaltered.

9.2 The amendment to the Articles of Association proposed under 9.1 applies for the first time for the fiscal year beginning on January 1, 2023.

II. Supplementary information on agenda item 4

Résumé of the candidate for election to the Supervisory Board

Name	**Dr. Ralph Heck**
Residence	Meggen (Switzerland)
Year of birth	1956
Place of birth	Eupen (Belgium)
Nationality	Belgian
Occupation/ profession	Director Emeritus McKinsey & Company, Meggen, Switzerland and Chairman of the Management Board of Bertelsmann Stiftung, Gütersloh, Germany

Education

Studied industrial engineering (Dipl.-Wirtschaftsingenieur)
and doctorate at the University of Karlsruhe (Dr. rer. pol.)

Career

1982–1987	McKinsey & Company Consultant
1988–1994	McKinsey & Company Principal
1995–2016	McKinsey & Company Director
Since 2016	Entrepreneur and advisor Member of various supervisory and advisory boards
Since 2020	Bertelsmann Stiftung Chairman of the Management Board

Special knowledge and experience for Supervisory Board service

As a member of various supervisory and advisory boards, Dr. Ralph Heck has extensive experience in committee work. During his time at McKinsey & Company he worked in several countries on different continents and gained extensive expertise in various positions (operations, strategy, organization) as well as in diverse industries such as trading/distribution, automotive, media and services. In addition, he has also acted as advisor in the steel industry. His clients included, inter alia, large family-owned companies, medium-sized enterprises and DAX-listed companies.

Membership in domestic statutory supervisory boards

- Klöckner & Co SE (listed), Deputy Chairman of the Supervisory Board

Membership in comparable German or foreign corporate supervisory bodies

- Adolf Würth GmbH & Co. KG (unlisted), Member of the Advisory Board
- Formel D GmbH (unlisted), Chairman of the Advisory Board

Other significant activities

None

All references in the remuneration report to websites contain unaudited voluntary information that has been critically read by the auditors

III. Remuneration Report

This Remuneration Report summarizes the main features of the remuneration systems for the Management Board and the Supervisory Board and describes the structure and the amounts of remuneration in the reporting year. The Remuneration Report takes into account the recommendations of the German Corporate Governance Code (hereinafter referred to as the "Code") in the version of April 28, 2022, published on June 27, 2022. In accordance with Section 162 (1) of the German Stock Corporation Act, the Remuneration Report was prepared jointly by the Management Board and Supervisory Board and is audited by the auditor.

Review of fiscal year 2022

Following 2021, in which the Group generated its best results since the 2006 IPO in a fiscal year dominated by the COVID-19 pandemic, the business performance of the Group as a whole was significantly impacted in the 2022 reporting year by the macroeconomic effects of the Russian war of aggression against Ukraine and the monetary policy shift by central banks in response to rising inflation rates. The conflict in Ukraine led to significant price increases in the market during the first half of the year. However, a marked price correction set in over the remainder of the reporting year, with a negative impact on Group operating income in the second half-year. The effects of this were mitigated by consistent net working capital management and an active inventory reduction drive. On the demand side, negative effects came from ongoing shortages of semiconductor products for the automotive industry and the deteriorating macroeconomic environment in the second half of the year.

For further information on the business development of Klöckner & Co in the reporting year, please refer to the Management Report for fiscal year 2022.

Management Board remuneration

Annual General Meeting vote on the 2021 remuneration system; appraisal
On May 12, 2021, the Annual General Meeting of the Company approved the new remuneration system for the Management Board as submitted by the Supervisory Board, with a majority of 71.2% of valid votes cast. At its meeting following the Annual General Meeting (also on May 12, 2021), the Supervisory Board then adopted that remuneration system (hereinafter also referred to as the "2021 Remuneration System") in the form submitted to and approved by the shareholders. At its meeting in December 2021, the Supervisory Board consulted intensively on the outcome of the vote and on the related points of criticism raised with regard to the 2021 remuneration system (among other things regarding the personal investment in shares as a long-term incentive component (in the sense of an LTI component) and the possibility to provide a discretionary bonus). For further details, please see the relevant information in the Remuneration Report 2021.

Annual General Meeting vote on the Remuneration Report 2021; appraisal
The Company's first Remuneration Report in accordance with Section 162 of the Stock Corporation Act (AktG) was approved at the Annual General Meeting of the Company on June 1, 2022 with a majority of 91.26% of votes cast. Following the not satisfactory voting result for the 2021 remuneration system, the Company held numerous discussions with investors and proxy advisers and incorporated the findings from those discussions into the Remuneration Report 2021. Despite the encouraging voting outcome on the Remuneration Report 2021, the Supervisory Board continues to address both the 2021 remuneration system and continuous improvement of the remuneration report. The Supervisory Board constantly monitors developments and trends in the market and annually reviews options for improving the Management Board remuneration system.

Remuneration systems
For a better understanding and transparency, the main features of both remuneration systems applicable in the reporting year are presented in the following.

BRIEF DESCRIPTION OF THE 2021 REMUNERATION SYSTEM

The 2021 remuneration system takes into account all requirements under the Act Implementing the Second Shareholder Rights Directive (ARUG II) and under the Code in the version dated March 20, 2020 that was in force at that time; as the relevant Code provisions on management board remuneration are unaltered, the 2021 remuneration system also fully complies with the now current version of the Code. The 2021 remuneration system is outlined in brief below (a more detailed description of the 2021 remuneration system is available on the Company's website at https://www.kloeckner.com/en/group/management-board/management-board-remuneration.html).

Under the 2021 remuneration system, remuneration for Management Board members consists of non-performance-related (fixed) and performance-related (variable) components.

The **non-performance-related remuneration** consists of a fixed salary, retirement provisions and ancillary benefits.

- **Fixed salary:** The fixed salary is paid in twelve equal monthly installments at the end of each month net of statutory tax and social insurance deductions. If a member of the Management Board is appointed or leaves partway through the year, the fixed salary is paid pro rata temporis.

- **Retirement provisions:** For retirement provision, each member of the Management Board receives an annual amount not exceeding 40% of the applicable fixed salary (gross), paid in twelve equal monthly installments at the end of each month in compliance with tax and social insurance stipulations (effectively as cash compensation for retirement provision). Should a member of the Management Board wish instead to receive retirement provision in the same amount in the form of payments by the Company into a reinsured pension fund, the Company may accommodate this by making such a payment; if desired, also in advance at the beginning of the year.

- **Ancillary benefits:** The contractual ancillary benefits primarily include customary additional benefits such as insurance premiums (such as occupational and non-occupational accident insurance, liability insurance, industrial criminal law expenses insurance and general legal expenses insurance) as well as the provision of communication devices and a company car for business and private use (in the case of the CEO potentially including driver). Ancillary benefits can vary in value from year to year due to person and occasion related issues but are limited to a maximum of 10% of the fixed salary. The ancillary benefits and hence the 10% limit do not apply to the reimbursement of expenses to which Management Board members are entitled by law, or to inclusion in D&O insurance in the interests of the Company, although Management Board members must bear the deductible required under the German Stock Corporation Act.

In addition to the non-performance-related remuneration components, all Management Board members receive **performance-related variable remuneration** in the form of a bonus, the amount of which initially depends on the degree to which certain targets are achieved in a fiscal year.

- **Target bonus:** The basis for determining the amount of the annual bonus is its target amount (target bonus). This is the bonus to which a member of the Management Board is entitled under his or her contract at 100% achievement of the specified targets. According to the degree of over- or underachievement of the specified annual targets, the annual bonus increases or decreases on a target achievement curve specified when setting the targets. If annual targets are exceeded, the bonus may therefore exceed the target bonus. It is capped, however, at 200% of the target bonus (Cap). There is no guaranteed minimum target achievement; in the worst case scenario, therefore, there may be no payout at all. If a member of the Management Board is appointed or leaves partway through a year, the bonus is paid pro rata temporis.

- **Personal investment component:** Beyond the annual target achievement, the annual bonus shall also provide incentives for long-term and sustainable growth in the value of the Company. By including long-term target factors, the targets to be set annually are intended to promote the strategic and sustainable development of Klöckner & Co (see below under “Targets and target remuneration (target amount for direct remuneration; target total remuneration)”). In addition, the members of the Management Board must use the majority of the bonus amount after statutory tax and social insurance deductions to purchase shares in the Company and hold them on a long-term basis. To ensure that the personal investment component exceeds the remaining cash component, Management Board members are required to purchase such shares for a flat 30% of their gross annual bonus. Assuming a 50% tax and social insurance burden, 60% of the annual net bonus is consequently converted into the personal investment component. The personal investment component may increase or decrease relative to the cash component depending on the individual tax and social insurance burden but should always exceed the net amount of the cash component after statutory tax and social insurance deductions. The shares are normally purchased on the first stock market trading day of the month following payout of the cash component. Shares purchased as part of the personal investment component are subject to a four-year lock-up period. Once this lock-up period expires, Management Board members are free to sell or continue to hold the shares. The personal investment makes the multi-year performance of the Klöckner & Co share price a key determining factor of the variable Management Board remuneration.

- **Cash component:** The bonus amount remaining after deduction of the personal investment component is paid out to Management Board members following the Supervisory Board meeting at which the annual financial statements are adopted for the respective reporting year. Assuming a 50% tax and social insurance burden, 40% of the annual net bonus is consequently paid out.

Discretionary bonus: In exceptional instances, to reward special performance and successes on the part of members of the Management Board, the Supervisory Board may, at its reasonable discretion, grant an extraordinary bonus (discretionary bonus). The total annual bonus granted, including any extraordinary bonus, may not exceed 200% of the target bonus. The Supervisory Board may make the granting of a discretionary bonus to a member of the Management Board conditional upon the Management Board member using part or all of the discretionary bonus to purchase shares in the Company.

Clawback: The Company may claw back performance-related remuneration (bonuses) if, after payment, it transpires that the audited and adopted consolidated financial statements on which the bonus entitlement is based were objectively in error and therefore, in accordance with the relevant accounting standards, are subsequently corrected either retrospectively or in the current consolidated financial statements, and a smaller or zero bonus entitlement would have arisen on the basis of the corrected audited consolidated financial statements.

Targets and target remuneration (target amount for direct remuneration; target total remuneration): The bonus is calculated for each fiscal year and depends on the degree of target achievement in relation both to financial and to non-financial targets.

For the financial targets, the Supervisory Board sets annual targets for financial key performance indicators and their respective weighting in calculation of the bonus amount. They are weighted relative to the non-financial targets in such a way that the financial targets account for 60% to 80% of the target bonus at 100% achievement of all financial and non-financial targets.

With regard to financial targets, the Supervisory Board sets targets for selected financial key performance indicators at the level of the Group as a whole. The following financial performance indicators are generally used for this purpose:

- Earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted for any material special effects.
- Operating Cash flow (OCF).

In place of or in addition to EBITDA and OCF, the Supervisory Board may specify financial indicators out of the following list if it is convinced that they are more suitable as performance indicators for the development of Klöckner & Co: EBIT (earnings before interest and taxes), net cash flow (cash flow from operating activities less cash flow from investing activities and less repayments of lease liabilities), net financial debt (financial liabilities plus transaction costs less cash and cash equivalents), ROCE (return on capital employed, measured as EBIT over average capital employed), ROE (return on equity, measured as EBIT over equity) and relative capital market performance (the capital market performance of Klöckner & Co shares relative to an index). When deciding on the determination and weighting of the key performance indicators, the Supervisory Board ensures a continuously effective incentive structure.

The Supervisory Board sets non-financial targets each year by specifying between three and six performance indicators from the following list of strategy and sustainability targets that are of importance to the strategic and sustainable development of the Company, including its corporate social responsibility (CSR).

- Strategy: (1) Business development, (2) Market development and exploitation, (3) Transformation and digitalization targets, (4) Optimization/efficiency improvements, (5) Leadership qualities and strategic priorities, (6) Corporate structure and organization and (7) Strategic projects
- Sustainability: (1) Compliance and risk management, (2) Customer satisfaction, (3) Employee-related targets (including health and satisfaction), (4) Diversity, (5) Advancements in innovation, (6) Succession planning, (7) Reporting and communication, (8) Reducing CO_2e emissions and sustainable use of resources

As with the financial targets, the Supervisory Board also lodges measurable criteria to the non-financial targets so that a precise degree of target achievement can be determined after the end of a fiscal year. They are weighted relative to the financial targets in such a way that the non-financial targets account for between 20% and 40% of the target bonus at 100% achievement of all financial and non-financial targets.

The Supervisory Board sets a target amount for direct remuneration for each member of the Management Board. This comprises the fixed salary plus the target amount for the annual bonus assuming 100% target achievement.

Under the 2021 remuneration system, the target amount for the annual bonus accounts for approximately 60% of the target amount for direct remuneration, with – assuming a 50% tax and social insurance burden – the long-term variable remuneration in the form of the personal investment component accounting for approximately 36% and the short-term variable remuneration in the form of the cash component accounting for approximately 24% of the target amount for direct remuneration (see above, under "Performance-related remuneration").

An additional remuneration component alongside the target amount for direct remuneration is the contribution to retirement provision, which is to be granted in the amount of 20% to 40% of the fixed salary, along with ancillary benefits, which are to be granted to Management Board members up to a maximum of 10% of the fixed salary. In total, retirement provision and ancillary benefits are thus limited to a maximum of 50% of the fixed salary or 20% of the target amount for direct remuneration. The target amount for direct remuneration (comprising the fixed salary and the target amount for the bonus), the contribution to retirement provision and the ancillary benefits normally comprise all remuneration components and hence the target total remuneration.

Maximum remuneration: The Company's maximum expense for a member of the Management Board can be calculated for each fiscal year on the basis of the fixed salary, the capped annual bonus and the likewise capped retirement provision and ancillary benefits. In addition, in accordance with Section 87a (1) sentence 2 no. 1 of the German Stock Corporation Act, the 2021 remuneration system specifies an absolute euro figure for the maximum amount of remuneration granted to a Management Board member in a given fiscal year (maximum remuneration). The maximum remuneration is set for the Chairman of the Management Board at €6.4 million per year, for the Deputy Chairman of the Management Board at €4.0 million per year and for the remaining members of the Management Board at €2.2 million per year. This is not the level of remuneration targeted by the Supervisory Board, however, and merely constitutes the absolute upper limit of the total annual remuneration achievable under the remuneration system.

The described remuneration structure applies uniformly to all Management Board positions. In keeping with the principle of collective Management Board responsibility, the targets for Management Board members are generally set on a uniform basis. The Supervisory Board reserves the right to set individual targets for specific Management Board members if it deems it necessary to provide a differential incentive structure among the members of the Management Board. In addition, the remuneration system permits the agreement of benefits for newly appointed members of the Management Board when they take up their position (such as to compensate for benefits foregone on leaving previous employment) and to compensate for currency risks in the case of Management Board members whose habitual place of residence is outside of the eurozone.

A more detailed description of the 2021 remuneration system, including inter alia the possibility for deviations from its stipulations and for termination related benefits, is available on the Company's website at https://www.kloeckner.com/en/group/management-board/management-board-remuneration.html.

SCOPE OF THE NEW 2021 REMUNERATION SYSTEM (GRANDFATHERING FOR EXISTING SERVICE CONTRACTS) AND PRESENTATION OF THE PREVIOUS REMUNERATION SYSTEM

a) Grandfathering for prior contracts (Guido Kerkhoff, John Ganem and Dr. Oliver Falk)

In accordance with the transitional provisions under ARUG II and the Code, the scope of the new 2021 remuneration system is limited to contracts entered into subsequent to its adoption (see Section 26j (1) of the Introductory Act to the Stock Corporation Act (EGAktG) read in conjunction with Section 87a (2) of the German Stock Corporation Act; rationale with regard to Section G of the Code in the version of December 16, 2019). The previous remuneration system for members of the Management Board of Klöckner & Co SE therefore applies to the service contracts that were already in place on May 12, 2021 with Guido Kerkhoff, Dr. Oliver Falk and John Ganem (2016 Remuneration System – see below).

The service contract entered into with Guido Kerkhoff in fiscal year 2020, amended at the beginning of 2021 and extended in September 2022 effective September 1, 2023 already took into account the revised version of the Code in 2020 and complies both with that version as well as with the current Code; it also already takes into account and complies with the requirements of the new 2021 Remuneration System, even though these did not yet apply when the contract was originally signed. For the duration of their initial contract term, the contracts in place from 2019 with Management Board members Dr. Oliver Falk and John Ganem were exclusively governed by the Code as of February 7, 2017. In connection with their extension effective August 1, 2022, these two contracts were amended in line with and since then fully comply with the new 2021 Remuneration System. The contract newly entered into with Bernhard Weiß in fiscal year 2021 was subject to the new 2021 remuneration system from the outset. It complies with all requirements of the remuneration system and hence also with those of the current Code.

b) Prior remuneration system (2016 remuneration system)

The prior remuneration system (hereinafter also the “2016 Remuneration System”) was approved at the Annual General Meeting on May 13, 2016 with a majority of 87.03% of votes cast and complies with all recommendations of the Code as of February 7, 2017.

The 2021 Remuneration System presented above is ultimately developed based on the 2016 remuneration system. The Supervisory Board comprehensively reviewed the 2016 remuneration system, in particular with a view to the requirements under the new provisions of the German Stock Corporation Act and of the Code, and modified it where necessary. A more detailed description of the 2016 remuneration system is contained in the Company’s past annual reports, most recently in the Annual Report 2020 from page 106 onwards, available on the Company’s website at https://www.kloeckner.com/en/investors/publications.html.

The 2016 remuneration system likewise consists of non-performance-related and performance-related remuneration. The non-performance-related remuneration comprises the fixed salary, retirement provisions and ancillary benefits. The retirement provision consists in part of defined-benefit and in part of defined-contribution components; like the ancillary benefits, it is uncapped.

The performance-related variable remuneration likewise includes a bonus, the amount of which initially depends on the degree to which certain targets are achieved in a fiscal year. The target bonus is subject to the same system as in the 2021 remuneration system; the Supervisory Board set the targets for target achievement at its discretion, basing them in the past, as in the new system, on financial targets such as EBITDA and operating cash flow as well as on other non-financial targets.

The personal investment component likewise follows the same system as in the 2021 remuneration system, with the target bonus – to be invested in shares in the Company – most recently in the amount of 51% of the annual bonus (for administrative purposes in the amount of 25.5% of the bonus before deductions). The lock-up period under the 2016 remuneration system was three years rather than four.

While the 2016 remuneration system included similar provision for a discretionary bonus, it did not feature a clawback arrangement.

Consideration of a resolution under Section 120a (4) of the German Stock Corporation Act
On June 1, 2022, the Annual General Meeting of the Company approved the Remuneration Report 2021 with a majority of 91.26% of valid votes cast. No points of criticism or critical questions were raised with regard to the Remuneration Report 2021. In light of this, the Supervisory Board sees no fundamental need to change the nature and scope of reporting with regard to Management Board remuneration. It nevertheless continues to address both the remuneration system and continuous improvement of the remuneration report (see above, under "Annual General Meeting vote on the Remuneration Report 2021; appraisal").

Remuneration in fiscal year 2022

CURRENT MEMBERS/MEMBERS IN OFFICE IN FISCAL YEAR 2022

a) Description of the remuneration structure
The remuneration structure for members of the Management Board in office in the reporting year is outlined in the following. It should be noted that the new 2021 remuneration system applied in full in the reporting year solely to Bernhard Weiß and partly to Dr. Oliver Falk and John Ganem from August 1, 2022, the effective date of their contract amendments. In all other cases, the 2016 remuneration system was or is subject to a "grandfathering" and continues to apply, as the contracts in question were signed before the 2021 remuneration system was adopted (see above). The new service contract entered into with Guido Kerkhoff in fiscal year 2020 and amended at the beginning of 2021 also already takes into account and complies with the requirements of the new 2021 Remuneration System, even though this did not yet apply at the conclusion of the contract. It can therefore be stated that all existing Management Board contracts have been in line with the 2021 remuneration system since August 1, 2022 (even though that remuneration system does not yet apply to Guido Kerkhoff's contract due to grandfathering). The amounts stated below correspond to the contractually agreed annual remuneration; in the event of appointment to or departure from the Management Board during the year, they are therefore reduced pro rata temporis.

Fixed salary: The annual fixed salary for the full reporting year was as follows:

- Guido Kerkhoff (CEO since May 13, 2021): €930,000 (2021 €864,194),
- Dr. Oliver Falk: €438,750 (2021: €420,000),
- John Ganem: €438,750 (2021: €420,000),
- Bernhard Weiß (member of the Management Board since June 1, 2021): €406,000 (2021: €336,000).

Target bonus: The variable annual bonus as target bonus at 100% target achievement (maximum possible target achievement 200%) for the full reporting year was as follows:

- Guido Kerkhoff (CEO): €1,380,000 (2021: €1,278,740),
- Dr. Oliver Falk: €637,500 (2021: €600,000),
- John Ganem: €637,500 (2021: €600,000),
- Bernhard Weiß: €580,000 (2021: €480,000).

The above fixed salary and target bonus figures for the reporting year take into account for Dr. Oliver Falk and John Ganem the salary adjustments upon their reappointment partway through the year effective August 1, 2022 (fixed salary increased from €420,000 to €465,000 per year and target bonus increased from €600,000 to €690,000 per year) and for Bernhard Weiß the salary adjustment effective March 1, 2022 (fixed salary increased from €336,000 to €420,000 per year and target bonus increased from €480,000 to €600,000 per year). The difference in the amount of Guido Kerkhoff's remuneration relative to fiscal year 2021 is due to an adjustment upon his appointment as CEO partway through the year effective May 13, 2021 (see the Remuneration Report 2021).

John Ganem's service contract includes a stable-value clause for his bonus to limit effects of potential changes in the US dollar exchange rate. According to this, notwithstanding the amounts stated in the previous paragraph (i.e., €600,000 up to July 31, 2022 and €690,000 from August 1, 2022), the target bonus is the equivalent of USD 650,000 (up to July 31, 2022) and USD 740,000 (from August 1, 2022) if that amount is the higher one. The same stable-value adjustment applies to the bonus cap (USD 1,300,000 up to July 31, 2022 and USD 1,480,000 from August 1, 2022). This stable-value clause may result in a higher euro amount due to exchange rate movements. The USD amount was determined in each case on the basis of the exchange rate at the time the contract (or contract extension) was signed.

Target amount for direct remuneration: The annual target amount for direct remuneration (fixed salary plus bonus at 100% target achievement) for the full reporting year was as follows:

- Guido Kerkhoff (CEO): €2,310,000 (2021: €2,142,934),
- Dr. Oliver Falk: €1,076,250 (2021: €1,020,000),
- John Ganem: €1,076,250 (2021: €1,020,000),
- Bernhard Weiß: €986,000 (2021: €816,000).

Personal investment component: Members of the Management Board are required to invest the majority of the annual bonus in shares in the Company, which are subject to a lock-up period. The remuneration system that applies to the Management Board members determines the percentage and the length of the lock-up period. The figures are calculated for administrative purposes assuming 50% tax on the gross bonus amount.

- Guido Kerkhoff (CEO): 60% of the annual bonus (30% of the gross annual bonus), four-year lock-up period
- Dr. Oliver Falk: 60% of the annual bonus (30% of the gross bonus), four-year lock-up period (applies to the entire annual bonus for the reporting year, i.e. including the portion of the annual bonus for fiscal year 2022 attributable to the period before the contract renewal took effect)
- John Ganem: 60% of the annual bonus (30% of the gross annual bonus), four-year lock-up period (applies to the entire annual bonus for the reporting year, i.e. including the portion of the annual bonus for fiscal year 2022 attributable to the period before the contract renewal took effect)
- Bernhard Weiß: 60% of the annual bonus (30% of the gross annual bonus), four-year lock-up period

In accordance with the Market Abuse Regulation, the respective share purchases are reported and published as managers' transactions stating the volume and purchase price; all details may be viewed on the Company's website (https://www.kloeckner.com/en/investors/legal-announcements/managers-transactions.html).

Discretionary bonus: No extraordinary bonus was awarded for the reporting year (a discretionary bonus was most recently awarded in 2010). The Management Board contracts provide for the possibility of awarding such a bonus, however, with the sum total of the discretionary bonus and annual bonus capped at the above-mentioned maximum amount for the annual bonus.

Ancillary benefits: Ancillary benefits primarily include insurance premiums (accident insurance, travel/baggage insurance, liability insurance, industrial criminal law insurance, general legal expenses insurance and, for John Ganem in the USA, life insurance and disability insurance); with the exception of certain insurance policies for John Ganem in the USA, amounts for group insurance policies are not included in the remuneration tables pursuant to Section 162 of the German Stock Corporation Act. In addition, copayments are provided for health insurance contributions, in the USA on a voluntary basis and in Germany in the form of compulsory employer contributions (only the amounts of voluntary copayments for John Ganem in the USA are included in ancillary benefits, not the compulsory employer contributions for health and long-term care insurance in Germany). Ancillary benefits additionally include private use of a company car (included in remuneration at the taxable benefit-in-kind rate); Management Board member John Ganem receives a cash car allowance in place of a company car. Telecommunications devices provided to members of the Management Board may also be used privately (in line with the tax treatment, no amount for this ancillary benefit is accounted for as remuneration). Finally, the Company pays tax consultancy costs incurred by John Ganem in connection with his service for Klöckner & Co SE.

The Company has directors and officers (D&O) insurance, including insurance for members of the Management Board. This is not considered as ancillary benefits for the purposes of the 2021 remuneration system as it is in the Company's interest. The members of the Management Board do, however, have to bear the deductible required under the German Stock Corporation Act.

Retirement provision: Pursuant to his original contract, Management Board member Dr. Oliver Falk received an entitlement for a defined-benefit pensions plan in accordance with the rules of Essener Verband (continuation of his pension plan as an employee of Kloeckner Metals Germany GmbH (formerly Klöckner & Co Deutschland GmbH) before his appointment as member of the Management Board), and a fixed annual amount of €50,000 as cash compensation for retirement provision that he must use to provide for his own retirement income (defined-contribution plan). As of August 1, 2022, the effective date of his service contract extension, the defined-benefit pensions plan was discontinued and the cash compensation for retirement provision (defined-contribution plan) was increased to €175,000 per year (pro rata temporis for the reporting year). Irrespective of this, any obligations in connection with pension benefits granted and earned in the past generally continue to apply. From August 1, 2022, only any costs necessary for benefit entitlement (service cost; increase in accordance with the Articles of Association) continue to be supplied in this regard.

Management Board member John Ganem had a comparable defined-benefit pensions plan until July 31, 2022 commensurate with the arrangements applicable to him at the US subsidiary prior to his appointment to the Management Board, which likewise include a life-long pension. These local arrangements additionally include supplementary defined-contribution components that are likewise included as retirement benefits. As of the effective date of his contract extension on August 1, 2022, also with respect to John Ganem a changeover took place to cash compensation for retirement provision (defined-contribution plan) with an annual amount set at the US dollar equivalent of €175,000 (pro rata temporis for the reporting year). The US subsidiary also makes top-up payments into a defined-contribution plan as part of local retirement provision for upper management. In the case of John Ganem, too, notwithstanding the changeover described above, any obligations in connection with pension benefits granted and earned in the past generally continue to apply.

Guido Kerkhoff and Bernhard Weiß receive a fixed annual amount, as cash compensation for Company retirement provision, of €350,000 (Guido Kerkhoff) and €100,000 (Bernhard Weiß; amount as of March 1, 2022 onwards; prior to that €80,000 per year) that they must use to provide for their own retirement income (defined-contribution plan).

b) 2022 targets and target achievement

The targets determined for variable remuneration in the reporting year, and the amounts earned in the reporting year (2022 annual bonus) applying the performance criteria previously specified by the Supervisory Board to the figures in the 2022 annual financial statements, are set out in the following description and subsequent tables.

As in past years, the Supervisory Board set targets for variable remuneration for fiscal year 2022, among other things as financial targets on the basis of Group budget figures including EBITDA before material special effects and operating cash flow, once again placing a special focus for fiscal year 2022 on EBITDA as the primary management metric for corporate performance. These financial targets account for a total notional proportion of 80%: 50% for EBITDA and 30% for operating cash flow. The achievement and implementation of non-financial targets (digitalization and automation, CO_2e emissions, leadership and employee satisfaction, and occupational safety) are factored into the bonus calculation in fiscal year 2022 at a weighting of 20%. For the reporting year, the targets and their weighting were set uniformly for all Management Board members.

The individual targets are as follows (notional proportion of the total in brackets for each target):

- EBITDA before material special effects (50%); EBITDA is earnings before interest, taxes, depreciation and amortization and impairments and impairment reversals on intangible assets and property, plant and equipment; material special effects include, for example, major restructuring programs, significant non-operating effects and prior-period effects.

- Cash flow, i.e. cash flow from operating activities (operating cash flow) (30%)

- Strategy/digitalization (5%)
  - Share of digital sales in total sales (2.5%), measured as the percentage of sales invoiced automatically via digital channels, such as the Kloeckner Assistant, EDI or other web-based platforms
  - Sales automation (2.5%), measured as the "customer order automation rate" – the percentage of zero touch orders (i.e. orders processed without manual intervention) in orders processed via digital channels in specific organizational units

- Sustainability/reduction in CO_2e emissions (5%), measured as the reduction in Scope 1 and 2 emissions (in accordance with the Greenhouse Gas Protocol; the targets are based on the 1.5-degree decarbonization path in line with the Klöckner & Co Group's net zero carbon targets recognized as science-based targets by the Science Based Targets initiative (SBTi));

- Sustainability/employee satisfaction (5%), measured on the basis of the results of the annual employee survey, put to the entire workforce comprising a rating scale of 1 (not at all applicable) to 5 (fully applicable) with the following questions included in the analysis:
  (1) I am confident that Klöckner & Co SE Management Board (Guido Kerkhoff, Dr. Oliver Falk, John Ganem and Bernhard Weiß) is steering the company in the right direction.
  (2) I know the strategy "Klöckner & Co 2025: Leveraging Strengths" with its elements Customer Growth, Digitalization & Value Chain Automation, Operational Excellence and Leveraging Assets & Partner Network. And I know the meaning of that strategy for the organization I am working for.
  (3) I like working here.
  (4) I would recommend the Company as a good employer.

- Sustainability/accident rate (5%), measured by the number of lost-time accidents per million hours worked (the "LTIF" rate) in the Company

Calculation of target achievement for the individual targets:

There is no cap or floor for the individual targets, so that target achievement levels of less than 0% or more than 200% are also possible. The target achievement rates for the individual targets are calculated on a linear basis using predefined targets consisting of the target value for 100% target achievement and the values for 0% and 200% target achievement.

The target corridors and their derivation for the individual targets are set out in the following.

- EBITDA before material special effects:
    - Target (100%): €300 million
    - 0% value: €0
    - 200% value: €600 million

  The target value was derived from the Group budget for fiscal year 2022, whereas an even slightly higher target was taken here for remuneration purposes. The 0% value was set at €0, resulting in a 200% value of €600 million.

- Cash flow from operating activities (operating cash flow):
    - Target (100%): €265.1 million
    - 0% value: €0
    - 200% value: €530.3 million

  The target value was derived from the Group budget for fiscal year 2022. The 0% value was set at €0, resulting in a 200% value of €530 million.

- Strategy/digitalization:
  - Digital sales as percentage of total sales:
    - Target (100%): 55.0%
    - 0% value: 46.1%
    - 200% value: 63.9%

    The target value was derived from the Group budget for fiscal year 2022. The 0% value of 46.1% was based on the figure from the most recent available quarterly financial statements when the targets were set (Q3 2021); the 200% value of 63.9% was then determined arithmetically.

  - Sales automation:
    - Target (100%): 40.0%
    - 0% value: 31.0%
    - 200% value: 49.0%

    The target value was derived from planned improvements in sales and IT processes for fiscal year 2022. The 0% value of 31.0% was based on the figure from the most recent available quarterly financial statements when the targets were set (Q3 2021); the 200% value of 49% was then determined arithmetically.

- Sustainability/reduction in CO_2e emissions:
  - Target (100%): 14.4%
  - 0% value: 0%
  - 200% value: 28.8%

  The target value was derived from the long-term CO_2e emission reduction roadmap. The 0% value was set at 0% as the reduction is measured as a percentage change from the emission level for the 2019 base year (91.9 kt CO_2e, in accordance with the Greenhouse Gas Protocol; the targets are based on the 1.5-degree decarbonization path in line with the Klöckner & Co Group's net zero carbon targets recognized as science-based targets by the Science Based Targets initiative (SBTi)); the 200% value of 28.8% was then determined arithmetically.

- Sustainability/employee satisfaction:
  - Target (100%): 4.0
  - 0% value: 3.1
  - 200% value: 4.9

The target value was derived from the rating scale as the targeted level of employee satisfaction and leadership for the Group. The 200% value was set at 4.9, since this was considered to be the maximum achievable average value with a scale of up to 5.0 and in view of the number of respondents; the 0% value of 3.1 was then determined arithmetically.

- Sustainability/accident rate:
  - Target (100%): 7.6
  - 0% value: 11.4
  - 200% value: 3.8

  The target value was derived from the long-term accident rate reduction roadmap. The 200% value was set at half of the 100% target level; the 0% value of 11.4 was then determined arithmetically.

These target figures were then used to calculate the target achievement rates for the individual targets. The target achievement level for the targets EBITDA before material special effects, cash flow from operating activities (operating cash flow) and reduction in CO_2e emissions is based on the following calculation:

$$Target\ achievement\ in\ \% = \frac{Actual}{Target\ 100\%}$$

Example: EBITDA before material special effects

$$Percentage\ target\ achievement\ for\ EBITDA\ before\ material\ special\ effects =$$

$$\frac{€417\ million}{€300\ million} = 138.9\%$$

The target achievement level for the targets digital sales as a percentage of total sales, sales automation, employee satisfaction and accident rate is based on the following calculation:

$$Target\ achievement\ in\ \% = 1 - \frac{(Actual - Target\ 100\%)}{(Target\ 0\% \ - Target\ 100\%)}$$

Example: Digital sales as percentage of total sales

$$Target\ achievement\ in\ \% = 1 - \frac{(44.3 - 55.0)}{(46.1 - 55.0)} = \ -20.2\%$$

Calculation of total target achievement:

Total target achievement is then calculated as the sum total of the individual target achievement levels weighted by their respective notional proportion of the total. The maximum total bonus achievable for 2022 (cap) is 200% of the individual target bonus. The floor is 0%.

In table form, the targets and their weightings for the reporting year are as follows:

Target indicator		Target		Notional proportion
Target achievement	0%	100%	200%	
Financial targets				
EBITDA before special effects	€0 million	€300 million	€600 million	50%
Operating cash flow	€0 million	€265 million	€530 million	30%
Non-financial targets				
Digitalization: Increase in digital sales as share of total sales	46.1%	55.0%	63.9%	2.5%
Digitalization: Increase in automatically processed orders as share of total orders	31.0%	40.0%	49.0%	2.5%
Reduction of CO_2e emissions	0.0%	– 14.4%	– 28.8%	5.0%
Employee satisfaction/Leadership	3.1	4.0	4.9	5.0%
Occupational safety: Lost-time accidents (LTIF rate group)	11.4	7.6	3.8	5.0%

The resulting target achievement was as follows for the targets in fiscal year 2022:

Criterion and target	Proportional target achievement				
(€ thousand)	Target	Relative proportion	Actual figure	Target achieve-ment	Notional proportion
Financial targets					
EBITDA before special effects	300,000	50%	416,657	138.9%	69.4%
Operating cash flow	265,149	30%	405,165	152.8%	45.8%
Non-financial targets					
Digitalization: Increase in digital sales as share of total sales	55%	2.5%	44.3%	– 20.2%	– 0.5%
Digitalization: Increase in automatically processed orders as share of total orders	40%	2.5%	34.0%	33.3%	0.8%
Reduction of CO_2e emissions	– 14.4%	5%	– 42.6%	295.8%	14.8%
Employee satisfaction/Leadership	4.0	5%	3.95	94.4%	4.7%
Occupational safety: Lost-time accidents (LTIF rate group)	7.6	5%	5.8	147.4%	7.4%
Total					**142.5%**
Cap					**-**

(€ thousand)	Target bonus	Target achievement	Earned bonus
Guido Kerkhoff, CEO	1,380	142.5%	1,966
Dr. Oliver Falk, CFO	638	142.5%	908
John Ganem, CEO Americas[1)]	643	142.5%	916
Bernhard Weiß, CEO Europe	580	142.5%	826

1) For John Ganem, in view of the contractually agreed stable-value clause to compensate for exchange rate movements, a figure of USD 687,500 was used for the target bonus in the calculation for the reporting year; the euro amounts stated above were determined using the exchange rate available on February 13, 2023. The actual payment amount is based on the exchange rate applicable on the payment date; in the event of any deviation from the amounts stated above due to exchange rates, the amounts paid out will be published in the Remuneration Report for the next fiscal year

c) Remuneration granted and due in 2022 under Section 162 of the Stock Corporation Act (including relative proportions)

The table below shows the remuneration granted and due – within the meaning of Section 162 of the German Stock Corporation Act – to each of the Management Board members in office in the reporting year, including all fixed and variable remuneration components and their relative proportions.

The figures comprise fixed remuneration (fixed salary, ancillary benefits and cash compensation for retirement provision; in the case of John Ganem plus defined-contribution plan top-up payments by the US subsidiary) earned and paid out in the reporting year, together with variable remuneration components earned in the reporting year, irrespective of whether the latter fall due and are paid out in the fiscal year 2023 now in progress (earned remuneration-based interpretation).

With regard to items included in the amounts shown for ancillary benefits and retirement benefits, please see the information provided under heading a) above. Accordingly, amounts for group insurance policies are not included (with the exception of certain insurance policies for John Ganem in the USA); the same applies for paid compulsory employer contributions for health and long-term care insurance in Germany. Payments in connection with defined-contribution plans in the USA are accounted for as retirement contributions, while Section 162 of the German Stock Corporation Act does not require the disclosure of expenses for defined-contribution plans (we nevertheless additionally include such amounts at the bottom of the table for comparability; further information is provided under n)).

MANAGEMENT BOARD REMUNERATION GRANTED AND DUE IN **2022** UNDER SECTION 162 OF THE STOCK CORPORATION ACT[1)]

	Guido Kerkhoff, CEO (since May 13, 2021)				Dr. Oliver Falk, CFO			
	2021		**2022**		2021		**2022**	
(€ thousand)	Amount	Relative proportion	**Amount**	**Relative proportion**	Amount	Relative proportion	**Amount**	**Relative proportion**
Non-performance-related remuneration components								
Fixed salary	**864**	23%	**930**	29%	**420**	25%	**439**	30%
Retirement contributions/payments; cash compensation for retirement provision	**314**	8%	**350**	11%	**50**	3%	**102**	7%
Ancillary benefits	**13**	0%	**13**	0%	**17**	1%	**13**	1%
Total non-performance-related remuneration components	**1,191**	**32%**	**1,293**	**40%**	**487**	**29%**	**554**	**38%**
Performance-related remuneration components								
One-year variable remuneration (annual bonus)[2) 3)]	**2,556**	68%	**1,966**	60%	**1,200**	71%	**908**	62%
Total remuneration within the meaning of Section 162 of the German Stock Corporation Act	**3,747**	**100%**	**3,259**	**100%**	**1,687**	**100%**	**1,462**	**100%**
Expense for defined-benefit pension plans in accordance with IFRS[5)]	**-**		**-**		**116**		**63**	

	John Ganem, CEO Americas[6]				Bernhard Weiß, CEO Europe (since June 1, 2021)			
	2021		2022		2021		2022	
(€ thousand)	Amount	Relative proportion	**Amount**	**Relative proportion**	Amount	Relative proportion	**Amount**	**Relative proportion**
Non-performance-related remuneration components								
Fixed salary	420	25%	439	30%	196	24%	406	30%
Retirement contributions/payments; cash compensation for retirement provision	12	1%	87	6%	47	6%	97	7%
Ancillary benefits	40	2%	46	3%	7	1%	9	1%
Total non-performance-related remuneration components	472	28%	572	38%	250	31%	512	38%
Performance-related remuneration components								
One-year variable remuneration (annual bonus)[2) 3) 4)]	1,200	72%	916	62%	560	69%	826	62%
Total remuneration within the meaning of Section 162 of the German Stock Corporation Act	**1,672**	**100%**	**1,488**	**100%**	**810**	**100%**	**1,338**	**100%**
Expense for defined-benefit pension plans in accordance with IFRS[5)]	204		-		-		-	

1) Remuneration earned for Management Board service in the reporting year excluding variable remuneration paid in the reporting year but earned in the previous fiscal year for the previous fiscal year; no remuneration is paid for offices held within the Group.
2) Variable remuneration is subject to an obligation that it be used in part to purchase shares in the Company as a long-term remuneration component (see **f)** below).
3) For John Ganem, in view of the contractually agreed stable-value clause to compensate for exchange rate movements, a figure of USD 687,500 was used for the target bonus in the calculation for the reporting year; the euro amounts stated above were determined using the exchange rate available on February 13, 2023. The actual payment amount is based on the exchange rate applicable on the payment date; in the event of any deviation from the amounts stated above due to exchange rates, the amounts paid out will be published in the Remuneration Report for the next fiscal year.
4) Bernhard Weiß was CEO of French Group company Kloeckner Metals France S.A.S. until his appointment to the Management Board of Klöckner & Co SE as of June 1, 2021; his total gross salary earned for that period, including company car and ancillary benefits, amounts to €196 thousand (this amount is not part of Management Board remuneration as it is no remuneration for Management Board service).
5) Disclosure made for comparability purposes (not a disclosure in accordance with Section 162 AktG); for further information, see n) below).
6) In addition to his contract as member of the Management Board of Klöckner & Co SE, John Ganem also has a contract as CEO of the US country organization; an offsetting arrangement applies, as a result of which the presentation is uniform.

d) Remuneration in 2022 on the basis of prior Code tables (benefits granted and benefits received)

For better comparability with past figures, remuneration for the members of the Management Board in office in the reporting year is shown voluntarily in the following based on the model tables relating to section 4.2.5(3) of the Code as of February 7, 2017.

Granted compensation	Guido Kerkhoff, CEO (since May 13, 2021)				Dr. Oliver Falk, CFO			
(€ thousand)	2021	2022	2022 (Min.)	2022 (Max.)	2021	2022	2022 (Min.)	2022 (Max.)
Fixed compensation	864	930	930	930	420	439	439	439
Ancillary benefits[1)]	327	363	363	363	67	116	116	116
Total	**1,191**	**1,293**	**1,293**	**1,293**	**487**	**555**	**555**	**555**
One year's variable compensation	1,278	1,380	-	2,760	600	638	-	1,275
Multi-year variable compensation[2)]					-	-	-	-
Total	**2,469**	**2,673**	**1,293**	**4,053**	**1,087**	**1,193**	**555**	**1,830**
Postemployment benefits	-	-	-	-	116	63	63	63
Total compensation	**2,469**	**2,673**	**1,293**	**4,053**	**1,203**	**1,256**	**618**	**1,893**

Granted compensation	John Ganem, CEO Americas				Bernhard Weiß, CEO Europe (since June 1, 2021)			
(€ thousand)	2021	2022	2022 (Min.)	2022 (Max.)	2021	2022	2022 (Min.)	2022 (Max.)
Fixed compensation	420	439	439	439	196	406	406	406
Ancillary benefits[1)]	53	135	135	135	54	105	105	105
Total	**473**	**574**	**574**	**574**	**250**	**511**	**511**	**511**
One year's variable compensation[3)]	600	643	-	1,286	280	580	-	1,160
Multi-year variable compensation[2)]	-	-	-	-	-			
Total	**1,073**	**1,217**	**574**	**1,860**	**530**	**1,091**	**511**	**1,671**
Postemployment benefits	204	-	-	-	-	-	-	-
Total compensation	**1,277**	**1,217**	**574**	**1,860**	**530**	**1,091**	**511**	**1,671**

1) Including amounts for the reporting year paid in lieu of corporate pension benefits which must be invested in a private post-retirement scheme: Guido Kerkhoff €350 thousand (2021: €314 thousand), Dr. Oliver Falk €102 thousand (2021: €50 thousand), John Ganem €73 thousand (2021: €0 thousand), Bernhard Weiß €97 thousand (2021: €47 thousand).

2) The members of the Management Board in office in the reporting year did not participate in the stock option program for the Management Board in place until the end of 2015. However, Dr. Oliver Falk and Bernhard Weiß still hold virtual stock options from their service as CEOs of country organizations within the Klöckner & Co Group; benefits received in this regard do not constitute Management Board remuneration and are not included in the table.

3) For John Ganem, in view of the contractually agreed stable-value clause to compensate for exchange rate movements, a figure of USD 687,500 was used for the target bonus in the calculation for the reporting year; the euro amounts stated above were determined using the exchange rate available on February 13, 2023. The actual payment amount is based on the exchange rate applicable on the payment date; in the event of any deviation from the amounts stated above due to exchange rates, the amounts paid out will be published in the Remuneration Report for the next fiscal year

Proceeds	Guido Kerkhoff, CEO (since May 13, 2021)		Dr. Oliver Falk, CFO	
(€ thousand)	2021	2022	2021	2022
Fixed compensation	864	930	420	439
Ancillary benefits[1)]	327	363	67	116
Total	**1,191**	**1,293**	**487**	**555**
One year's variable compensation	2,556	1,966	1,200	908
Multi-year variable compensation[2)]				
Total	**3,747**	**3,259**	**1,687**	**1,463**
Postemployment benefit	0	0	116	63
Total compensation	**3,747**	**3,259**	**1,803**	**1,526**

Proceeds	John Ganem, CEO Americas		Bernhard Weiß, CEO Europe (since June 1, 2021)	
(€ thousand)	2021	2022	2021	2022
Fixed compensation	420	439	196	406
Ancillary benefits[1)]	53	135	54	105
Total	**472**	**574**	**250**	**511**
One year's variable compensation[3)]	1,200	916	560	826
Multi-year variable compensation[2)]				
Total	**1,672**	**1,490**	**810**	**1,337**
Postemployment benefit	204	0	0	-
Total compensation	**1,876**	**1,490**	**810**	**1,337**

1) Including amounts for the reporting year paid in lieu of corporate pension benefits which must be invested in a private post-retirement scheme: Guido Kerkhoff €350 thousand (2021 €314 thousand), Dr. Oliver Falk €102 thousand (2021: €50 thousand), John Ganem €73 thousand (2021: €0 thousand), Bernhard Weiß €97 thousand (2021: €47 thousand).

2) The members of the Management Board in office in the reporting year did not participate in the stock option program for the Management Board in place until the end of 2015. However, Dr. Oliver Falk and Bernhard Weiß still hold virtual stock options from their service as CEOs of country organizations within the Klöckner & Co Group; benefits received in this regard do not constitute Management Board remuneration and are not included in the table.

3) For John Ganem, in view of the contractually agreed stable-value clause to compensate for exchange rate movements, a figure of USD 687,500 was used for the target bonus in the calculation for the reporting year; the euro amounts stated above were determined using the exchange rate available on February 13, 2023. The actual payment amount is based on the exchange rate applicable on the payment date; in the event of any deviation from the amounts stated above due to exchange rates, the amounts paid out will be published in the Remuneration Report for the next fiscal year.

e) Fixed and variable remuneration including relative proportions and explanatory notes on conformity with the applicable remuneration system

Proportions of total remuneration
The relative proportions accounted for by each remuneration component are shown in the table under heading c) above.

Conformity with the applicable remuneration system
The remuneration is in conformity with the applicable remuneration system, although it should be noted that, under the grandfathering arrangement for Guido Kerkhoff, Dr. Oliver Falk and John Ganem, the prior 2016 Remuneration System continued to apply in the reporting year (for Dr. Oliver Falk and John Ganem for the period up to July 31, 2022). That remuneration system did not provide for fixed ratios between or any caps for individual remuneration components as the cap was based on the maximum 200% target achievement. The service contract entered into with Guido Kerkhoff in fiscal year 2020 and amended at the beginning of 2021 already takes into account and complies with the requirements of the new 2021 remuneration system, even though this did not yet apply at the conclusion of the contract and therefore also does not apply to date.

In particular, where applicable, the requirements of the 2021 remuneration system were complied with as regards the ratio of fixed and variable remuneration to the target amount for direct remuneration (40:60, excluding ancillary benefits and retirement provisions), as are the requirements on the ratios of the retirement provisions and ancillary benefit amounts to the fixed salary (retirement provisions: 20% to 40%; ancillary benefits: 10% maximum); no remuneration has been granted that is not covered by the applicable remuneration system (see also the table under k).

To the extent that Management Board members Dr. Oliver Falk and John Ganem continued to be granted defined-benefit pension plans in the reporting year, those benefits were based (in line with the remuneration system applicable at the time) on contractual arrangements made prior to the adoption of and are not subject to the new 2021 remuneration system. The requirements on the relative maximum pension benefit and ancillary benefit amounts relative to the fixed salary do not apply in this connection for the same reason; these benefits are consequently not to be included in the calculation in this regard.

f) Promotion of the Company's long-term development

In the sense of an LTI component, the requirement for a majority of variable remuneration to be invested in shares in the Company with a specified lock-up period ties the value of benefits received by the members of the Management Board to the share price and, because of the multi-year lock-up period, to the long-term development of the Company. This aligns Management Board performance goals more closely with shareholder interests. The amounts and percentages for the required personal investment in shares for the reporting year are shown in the table below:

PERSONAL INVESTMENT 2022[1]

(€ thousand)	Guido Kerkhoff, CEO	Dr. Oliver Falk, CFO	John Ganem, CEO Americas	Bernhard Weiß, CEO Europe
Performance-related remuneration, gross	1,966	908	916	826
Personal investment amount	590	272	275	248
Personal investment amount, gross[2]	1,180	545	550	496
Personal investment percentage, gross[2]	60%	60%	60%	60%

1) On the basis of remuneration granted and due in 2022 under Section 162 of the Stock Corporation Act (see c) above).
2) Gross amount of personal investment calculated assuming notional 50% tax and social insurance burden.

The targets governing the amount of variable remuneration are also based on long-term strategic developments (such as growth and milestones in digitalization and under the multi-year strategy) and also include sustainability targets (for the targets for the reporting year, see b) above). As a result, remuneration is geared in several respects to promotion of the Company's long-term development.

g) Comparative analysis of annual changes in Management Board remuneration, the Company's financial performance and average employee remuneration

The table below shows the percentage change in the remuneration of members of the Management Board in comparison to the financial performance of Klöckner & Co SE and changes in average employee remuneration on a full-time equivalent basis.

The financial performance of Klöckner & Co SE is presented on the basis of the following key performance indicators (KPIs): (i) net income (or net loss) of Klöckner & Co SE, (ii) Group EBITDA before material special effects and (iii) Group cash flow from operating activities. The latter two KPIs are also major determinants of variable remuneration for the Management Board.

Average employee remuneration is determined on a full-time equivalent basis for two groups: (i) senior management worldwide (management level 1, meaning CEOs and CFOs of country organizations and heads of corporate departments at Klöckner & Co SE) and (ii) the total workforce worldwide.

COMPARATIVE ANALYSIS OF ANNUAL CHANGES IN MANAGEMENT BOARD REMUNERATION PURSUANT TO SECTION 162 (1) NO. 2 OF THE STOCK CORPORATION ACT

Management Board Compensation[1]	2017–2018	2018–2019	2019–2020	2020–2021	2021–2022
Current members of the Management Board					
Guido Kerkhoff[2]	-	-	-	387%	– 13%
Dr. Oliver Falk	-	-	143%	41%	– 13%
John Ganem	-	-	147%	40%	– 11%
Bernhard Weiß[3]	-	-	-	-	65%
Former members of the Management Board					
Gisbert Rühl[4]	– 6%	26%	8%	– 30%	– 71%
Bill Partalis[8]	– 93%	0%	0%	0%	0%
Financial performance					
Net income Klöckner & Co SE	– 107%	– 613%	94%	3,233%	– 61%
EBITDA before material special effects (Group)	4%	– 46%	– 10%	664%	– 51%
Cash flow from operating activities (Group)	– 24%	240%	– 21%	– 290%	232%
Average employee remuneration on full-time equivalent basis					
Senior management worldwide (Level 1)[5), 6)]	2%	– 18%	15%	– 2%	– 5%
Total workforce worldwide [7]	– 2%	4%	3%	10%	– 4%

1) Total remuneration within the meaning of Section 162 (1) sentence 1 of the German Stock Corporation Act (fiscal years 2017 to 2020 pro forma).
2) Guido Kerkhoff was appointed to the Management Board as of September 1, 2020; the total remuneration for 2020 relates to the period subsequent to his appointment.
3) Bernhard Weiß was appointed to the Management Board as of June 1, 2021; the total remuneration for 2021 used as a basis therefore relates solely to the period subsequent to his appointment.
4) Gisbert Rühl left the Management Board as of May 12, 2021; the remuneration for fiscal year 2021 used as a basis consists of Management Board remuneration up to his departure and the pension paid after his departure in fiscal year 2021.
5) The comparison group comprises the management of country organizations and heads of corporate departments at Klöckner & Co SE.
6) For the years 2018 to 2021, adjustments in the calculation model result in deviations from the figures shown in the Annual Report 2021 of 1pp (2017-2018), 3pp (2018-2019), 9pp (2019-2020), –12pp (2020-2021). For the years 2018 to 2021, the adjustment for exchange rate fluctuations applied for the first time had an additional effect of 2pp (2017-2018), –2pp (2018-2019), 3pp (2019-2020), 1pp (2020-2021).
7) For the years 2018 to 2021, the adjustment for exchange rate fluctuations applied for the first time had an additional effect, resulting in deviations from the figures shown in the Annual Report 2021 of 0pp (2017-2018), –3pp (2018-2019), 0pp (2019-2020), 2pp (2020-2021).
8) For the years 2018 to 2021, the adjustment for exchange rate fluctuations applied for the first time had an additional effect, resulting in deviation from the figures shown in the Annual Report 2021, of 0pp (2017-2018), –5pp (2018-2019), 2pp (2019-2020), 3pp (2020-2021).

h) Shares and stock options granted or awarded

No shares or stock options were granted or awarded to members of the Management Board in the reporting year. However, the Management Board members in office are required – in the nature of a long-term incentive (LTI) remuneration component – to invest the majority of the variable remuneration for the reporting year in shares in the Company ("personal investment" – see under heading f) above).

The former virtual stock option (VSO) program for members of the Management Board was discontinued at the end of 2015. No more VSOs were in existence in the reporting year. For further details on the VSO program, please see the Annual Report of the Company for fiscal year 2015. The Management Board members in office during the reporting year did not participate in the above-mentioned VSO program for members of the Management Board. Any VSOs from prior non-Management Board service and any payments based on such VSOs are not considered remuneration for Management Board service and are therefore not included in this report.

i) Clawback of variable remuneration components

No clawback of variable remuneration components took place in the reporting year.

j) Maximum remuneration

The maximum remuneration specified in the 2021 remuneration system, defined in the 2021 remuneration system as an absolute euro figure for the maximum amount of remuneration granted to a Management Board member in a given fiscal year, applied in the reporting year solely to Bernhard Weiß and pro rata for Dr. Oliver Falk and John Ganem and was complied with (for Bernhard Weiß as an ordinary member of the Management Board, the maximum remuneration was €2.2 million; for Dr. Oliver Falk and John Ganem, the maximum remuneration was €916,667 pro rata temporis for the period covered by the 2021 remuneration system (August 1, 2022 to the year-end)). Reference is made in this regard to the table under heading k). This also shows the ratios of retirement and ancillary benefits to the fixed salary, as described under heading e). Guido Kerkhoff's remuneration for the reporting year was also below the maximum remuneration (not yet applicable to his service contract) of €6,400,000.

The 2021 remuneration system and the maximum remuneration specified in it do not yet apply to the remaining remuneration, whereas this grandfathering arrangement for John Ganem and Dr. Oliver Falk ended on August 1, 2022, the effective date of their contract extension (see above, under "Grandfathering arrangement for prior contracts (Guido Kerkhoff, John Ganem and Dr. Oliver Falk)"). The 2016 remuneration system instead provides for variable remuneration to be capped at 200% of the target bonus. This requirement was met at all times.

k) Deviations from the 2021 remuneration system

To the extent that the 2021 remuneration system applied, no departures from it arose in the reporting year. With regard to the requirements on maximum remuneration (see j) above) and on the ratio of retirement and ancillary benefits to the fixed salary (see e) above), this is additionally evident from the table below

REQUIREMENTS UNDER THE 2021 REMUNERATION SYSTEM[1)]

(€ thousand)	Guido Kerkhoff, CEO (since May 13, 2021)	Dr. Oliver Falk, CFO[1), 2)]	John Ganem, CEO Americas[1), 2)]	Bernhard Weiß, CEO Europe[1)]
Maximum remuneration				
Maximum remuneration under the remuneration system 2021	-	917	917	2,200
Total remuneration 2022	-	680	701	1,337
Ratio of non-performance-related remuneration components of target amount for direct remuneration in 2022[4)]				
Ratio of ancillary benefits to fixed salary (%) (stipulated: max. 10%)	-	1.92%	9.99%	2.11%
Ratio of retirement benefits to fixed salary (%) (stipulated: 20-40%)[3)]	-	37.63%	39.50%	23.81%

1) The requirements under the 2021 Remuneration System applied only to Bernhard Weiß in the reporting year and partially to Dr. Oliver Falk and John Ganem (from August 1, 2022).

2) Maximum remuneration for Dr. Oliver Falk and John Ganem calculated pro rata temporis (full-year maximum remuneration for an ordinary member of the Management Board: €2,200,000); the total remuneration for 2022 relates to remuneration earned from August 1, 2022.

3) Under the requirements of the remuneration system, retirement provision for Bernhard Weiß for the entire reporting year and for Dr. Oliver Falk and John Ganem from August 1, 2022 consists exclusively of a defined-contribution plan (cash compensation tied to the purpose of servicing retirement provision; in the case of John Ganem plus defined-contribution plan top-up payments by the US subsidiary).

4) The underlying figures for Bernhard Weiß are to be found in the table "Remuneration granted and due under Section 162 of the Stock Corporation Act". For Dr. Oliver Falk and John Ganem, the amounts earned in each case from August 1, 2022 were used as a basis.

No use was made in the reporting year of the authorization for temporary deviations provided in the 2021 Remuneration System.

l) Third-party benefits; intra-group offices

No member of the Management Board was granted or awarded benefits by a third party in the reporting year for service on the Management Board. The members of the Management Board were not granted any additional remuneration for any offices held within the Klöckner & Co Group (see under heading c) above).

m) Benefits in the event of early termination of Management Board service

Management Board service contracts provide for compensation in the event of early termination other than for cause. This compensation depends on the remaining term of the service contract, but is capped at two years' annual remuneration (severance payment cap). The existing service contracts do not provide for a special right of termination in the event that a specific control threshold is exceeded in relation to voting rights in the Company (change-of-control clause).

Management Board members are subject to a 24-month post-contractual non-competition covenant compensated for by payment of half of their most recent total remuneration (fixed salary plus bonus at 100% target achievement) p.a. unless the Company waives the clause. The Management Board contracts already provide for any severance payment to be deducted from such amounts. The personal investment requirement is waived in this instance.

No changes to these arrangements were made in the reporting year.

n) Benefits in the event of regular termination of Management Board service (retirement provisions)

To the extent that retirement provisions for individual members of the Management Board in office in the reporting year comprise benefits subsequent to regular termination of Management Board service, their present value and the Company's expense in this regard during the reporting year (service cost in accordance with IFRS) are presented in the table below.

PENSION COMMITMENTS FOR MANAGEMENT BOARD MEMBERS IN OFFICE IN THE REPORTING YEAR – PRESENT VALUES AND EXPENSE AMOUNTS[1)]

(in €)	Reporting date	Present value[2)]	Service cost 2022[2)]
Dr. Oliver Falk	Dec. 31, 2022	4,298,118	63,136
John Ganem	Dec. 31, 2022	2,179,595	-

1) There were changes in the pension commitments in the reporting year: Retirement provision for Dr. Oliver Falk and John Ganem was switched in its entirety as of August 1, 2022 to a defined-contribution plan.
2) IFRS amount.

Aside from the above (i.e., with the exception of Dr. Oliver Falk and John Ganem), the members of the Management Board in office solely receive amounts for private retirement provision in accordance with their service contracts (cash compensation for retirement provision). Benefits in the event of regular termination of Management Board service are no longer provided. The service contracts with Management Board members Dr. Oliver Falk and John Ganem switched to the purely defined-contribution retirement benefits system with cash compensation effective August 1, 2022 (in the case of John Ganem plus defined-contribution plan top-up payments by the US subsidiary as part of local retirement provision).

o) Benefits and payments related to the termination of Management Board service in the reporting year

There were no benefits and payments in the reporting year related to the termination of Management Board service.

FORMER MEMBERS OF THE MANAGEMENT BOARD

Remuneration granted and due to former members of the Management Board (other than those who left office prior to January 1, 2013) for the reporting year pursuant to Section 162 of the German Stock Corporation Act is shown in the table below.

REMUNERATION FOR FORMER MEMBERS OF THE MANAGEMENT BOARD GRANTED AND DUE IN FISCAL YEAR 2022 UNDER SECTION 162 OF THE STOCK CORPORATION ACT

	Bill Partalis, CEO Americas (until December 31, 2017)		Gisbert Rühl, CEO (until May 12, 2021)	
(€ thousand)	Amount	Relative Proportion	Amount	Relative share
Retirement benefits / pensions	105	100%	610	100%

In the reporting year, total compensation of €137 thousand was paid to other former members of the Management Board (2021: €124 thousand). Provision for pension obligations to former members of the Board of Management and their surviving dependents amount under IFRS to €20,001 thousand (2021: €8,450 thousand).

Changes in the Management Board remuneration in the reporting year

The service contracts with Dr. Oliver Falk and John Ganem were extended for three years effective August 1, 2022 on the extension of their appointment as members of the Management Board. At the same time, their contracts were adapted to requirements of the new 2021 remuneration system and hence to those of ARUG II and the current Code. The share of the personal investment required to be made out of the annual bonus was increased and the lock-up period extended to four years (long-term component). A clawback arrangement was also introduced and retirement provision switched to a defined-contribution plan in the form of cash compensation for the purpose of retirement provision (in the case of John Ganem plus defined-contribution plan top-up payments by the US subsidiary as part of local retirement provision). In addition, remuneration was adjusted/appropriately increased.

The remuneration for Bernhard Weiß was increased slightly effective March 1, 2022. This adjustment was based on an agreement made at the time of Bernhard Weiß's appointment and was made having regard to his scope of responsibilities and his performance. The new remuneration corresponds to the salary of the remaining ordinary members of the Management Board in their first period of appointment.

Finally, Guido Kerkhoff's appointment as Chief Executive Officer and his service contract were extended by a further three years in the reporting year effective September 1, 2023. As of the effective date of the extension, his remuneration will also be adjusted/appropriately increased.

In all cases, the above-mentioned adjustments/increases in Management Board remuneration were decided following and on the basis of an appropriateness assessment applied by the Supervisory Board. As well as responsibilities, performance and the increased length of service, this also took into account predecessors' remuneration and both a horizontal and a vertical benchmarking were conducted.

Target setting for 2023

ASSESSMENT OF APPROPRIATENESS

Criteria with respect to the appropriateness of Management Board remuneration include an individual Management Board member's responsibilities and performance, the enterprise's business situation, success and future prospects, the extent to which the remuneration matches that of industry peers and the remuneration structure within the Company. Both positive and negative developments are taken into account when determining performance-related remuneration components. Remuneration shall overall be internationally competitive and to give incentives geared to the Company's sustainable growth and a sustained increase in enterprise value in a dynamic environment.

In setting the 2021 remuneration system and the targets and target total remuneration for 2023, the Supervisory Board applied horizontal benchmarking based partly on an independently compiled study of remuneration paid to regular management board members and CEOs at other companies. Due to a lack of comparable German companies in the steel distribution industry, other wholesalers and comparable international companies were included in the analysis. The peer group used consisted of German SDAX®-listed (at the time of peer group selection) companies of comparable size (sales and workforce), the SDAX® average and international peer companies. In addition, vertical benchmarking was carried out against the remuneration for senior management (management level 1) and the Group workforce as a whole (in both cases worldwide).

The Supervisory Board, through the Presidium, regularly reviews the currently applied remuneration system with regard to its appropriateness and structure (components and fixed and variable remuneration amounts) and with a view to any need for adjustment. The appropriateness of Management Board remuneration relative to each Management Board member's tasks and performance, to the enterprise's situation and to usual levels of remuneration is additionally reviewed annually when setting target total remuneration for the next year.

TARGETS FOR FISCAL YEAR 2023

The Supervisory Board set the targets for fiscal year 2023 at its December meeting in the reporting year. In conformity with the 2021 Remuneration System, it set and weighted both financial and non-financial targets.

a) Financial targets

The financial targets relate to EBITDA before material special effects and operating cash flow and are based on the Group budget, although the EBITDA targets have been increased above the budget figures. As in the prior year, EBITDA before material special effects has a weighting of 50% and operating cash flow a weighting of 30%. In respect of the above-mentioned financial targets, an adjustment (increase) is planned for the expected effects of the agreed acquisition of National Material of Mexico (pro rata temporis from the closing of the transaction in fiscal year 2023).

b) Non-financial targets

The Supervisory Board based the non-financial targets on three focal areas:

For the strategic component, the focus is once again placed on digitalization. The targets set here – each with a weighting of 1.5% – are the share of digital orders to be generated ("digital orders," defined as the number of orders received via digital channels as a percentage of the total number of orders) and the share of digital quotes to customers ("digital quotes," defined as the number of quotes generated digitally as a percentage of the total number of quotes). To these is added, with a weighting of 2%, the efficiency of the digital ordering processes ("average changes processed via digital channels," defined as the number of manual corrections to orders received via digital channels as a percentage of the total number of digital orders). As in the prior year, the two further focal areas relate to the aspect of sustainability (environmental, social and governance, ESG) and have been incorporated as non-financial targets: reduction in CO_2e emissions – which comes under the environmental category but is also part of the Group strategy – and employee-related targets. Likewise as in the prior year, the targets for this purpose are as follows, with a weighting of 5% each: Reduction in CO_2e

emissions, employee satisfaction/leadership as measured in the Group-wide employee survey and further reduction in the lost time injury frequency (LTIF) rate throughout the Group. These non-financial targets are specified with clear and measurable criteria.

The total weighting of the non-financial targets is therefore 20%, which is within the range specified in the remuneration system.

TARGET AMOUNT FOR DIRECT REMUNERATION AND TARGET TOTAL REMUNERATION FOR FISCAL YEAR 2023

Also at its December meeting in the reporting year, the Supervisory Board set the target amount for direct remuneration and target total remuneration for fiscal year 2023, as set out in the following. The Supervisory Board based the figures for retirement provisions and ancillary benefits on reasonable estimates; the final figures for fiscal year 2023 may therefore differ from those estimates.

MANAGEMENT BOARD TARGET REMUNERATION FOR FISCAL YEAR 2023[1)]

	Guido Kerkhoff		Dr. Oliver Falk	
(€ thousand)	2022	2023	2022	2023
Fixed compensation[2)]	930	983	439	465
One year's variable compensation (annual bonus)[2)]	1,380	1,460	638	690
Target amount for direct remuneration	**2,310**	**2,443**	**1,077**	**1,155**
Ancillary benefits	13	13	16	9
Retirement provisions (pension benefits, cash compensation, and other contribution payments)[2)]	350	367	207	175
Target total remuneration	**2,673**	**2,823**	**1,300**	**1,339**

	John Ganem		Bernhard Weiß	
(€ thousand)	2022	2023	2022	2023
Fixed compensation[2)]	439	465	336	420
One year's variable compensation (annual bonus)[2)]	638	690	480	600
Target amount for direct remuneration	**1,077**	**1,155**	**816**	**1,020**
Ancillary benefits	43	47	9	9
Retirement provisions (pension benefits, cash compensation, and other contribution payments)[2)]	207	175	80	100
Target total remuneration	**1,327**	**1,377**	**905**	**1,129**

1) The forecast target remuneration was prepared in each case in November of the prior year; it includes rounding and is partly based on assumptions and estimates; the final figures for each fiscal year may consequently differ.

2) The figures stated include any remuneration adjustments in the fiscal years 2022 (Dr. Oliver Falk, and John Ganem from August 2022) and 2023 (Guido Kerkhoff from September 2023) already fixed at the time of setting the respective target remuneration; the remuneration adjustments for Bernhard Weiß in fiscal year 2022 is included for the first time in the target remuneration for 2023.

Where applicable, requirements as to the ratio of fixed and variable remuneration to the target amount for direct remuneration for fiscal year 2023 were complied with (40:60, excluding ancillary benefits and retirement provisions), as are the requirements on the ratios of retirement benefit and ancillary benefit amounts to the fixed salary (retirement provisions: 20% to 40%; ancillary benefits: 10% maximum).

Supervisory Board remuneration

Remuneration system for the Supervisory Board and Annual General Meeting vote on the remuneration system for the members of the Supervisory Board

The structure and amount of remuneration paid to Supervisory Board members are governed by Section 14 of the Articles of Association, which are published on the Company's website.

While members of the Management Board also receive performance-related remuneration components, remuneration for the members of the Supervisory Board is structured entirely as fixed remuneration. This consists mainly of a fixed remuneration component (as basic remuneration), which is paid pro rata temporis in the event of personnel changes during the fiscal year. Attendance fees are also paid; reasonable cash expenses and value added tax are reimbursed. The Company covers the cost of external training for Supervisory Board members via expense accounts. The fixed remuneration is €40,000 each per fiscal year. The Chairman of the Supervisory Board receives two-and-a-half times, his deputy one-and-a-half times and the Chairman of the Audit Committee one-and-a-quarter times the fixed remuneration. The attendance fee is €2,000 per meeting. The Chairman of the Supervisory Board and any Chairman of a Supervisory Board committee each receive two-and-a-half times this amount and their deputies one-and-a-half times this amount. As the remuneration is fixed, no cap or maximum remuneration amount is to be specified.

In addition, in the Company's interest, the members of the Supervisory Board are included in D&O insurance subject to a deductible to be borne by each member of the Supervisory Board (corresponding to the deductible for the Management Board under the German Stock Corporation Act). Members of the Supervisory Board are free to insure the deductible.

A detailed description of the remuneration system for the Supervisory Board is available on the Company's website at https://www.kloeckner.com/en/group/supervisory-board.html.

As is required for listed companies in the German Stock Corporation Act as amended by the Act Implementing the Second Shareholder Rights Directive (ARUG II), the remuneration system for the members of the Supervisory Board was submitted for resolution by the Annual General Meeting on May 12, 2021. The substance of the remuneration system in place since 2013 was retained. The Annual General Meeting confirmed the remuneration system for the Supervisory Board on May 12, 2021 with a majority of 99.54% of votes cast. Under the German Stock Corporation Act as amended by ARUG II, the Annual General Meeting must adopt a resolution on the remuneration system for the members of the Supervisory Board at least once every four years. The next such resolution must therefore be adopted no later than 2025.

The Supervisory Board regularly reviews the appropriateness of the remuneration system for the Supervisory Board. On the basis of a self-assessment carried out at the end of fiscal year 2022, the Supervisory Board came to the conclusion that the current Supervisory Board remuneration – which has remained unchanged since 2013 – no longer reflects the significantly increased demands placed on the work of the Supervisory Board. An adjustment after ten years is also considered appropriate in comparison with the Company's market environment and in particular with comparable companies in terms of size and business activities; this also applies in order to be able to offer competitive remuneration with a view to the recruitment of suitable candidates in the future. The Supervisory Board therefore intends to elaborate a revised remuneration system for the Supervisory Board in 2023 and to submit it to the Annual General Meeting for resolution.

Consideration of a resolution under Section 120a (4) of the German Stock Corporation Act

On June 1, 2022, the Annual General Meeting of the Company approved the Remuneration Report 2021 with a majority of 91.26% of valid votes cast. No points of criticism or critical questions were raised with regard to the Remuneration Report 2021. In light of this, the Supervisory Board sees no fundamental need to change the nature and scope of reporting. The Supervisory Board nonetheless continues to address the continuous improvement of the remuneration report.

Remuneration in fiscal year 2022

REMUNERATION GRANTED AND DUE (INCLUDING RELATIVE PROPORTIONS)

The table below shows, for each individual Supervisory Board member, the remuneration earned in the reporting year by the members of the Supervisory Board which falls due after the end of the Annual General Meeting in 2023.

For the memberships of Supervisory Board committees in fiscal year 2022, please see the Corporate Governance Statement (under "Supervisory Board committees") in the Annual Report 2022 (see page 93). Meeting attendance information is provided in the Report of the Supervisory Board (see page 13). For remuneration purposes, the two extraordinary meetings in January 2022 have been counted as one meeting, i.e. (i) the attendance fee is earned by attending either one of the two meetings and (ii) the attendance fee is granted only once, even if both meetings were attended.

Under Section 14 (5) of the Company's Articles of Association, the fixed remuneration and attendance fees fall due after the end of the Annual General Meeting that receives or decides on the approval of the consolidated financial statements for the relevant fiscal year.

SUPERVISORY BOARD REMUNERATION GRANTED AND DUE IN 2022 UNDER SECTION 162 OF THE STOCK CORPORATION ACT[1), 2)]

(in €)	Basic remuneration (fixed remuneration)	% of total remuneration	Attendance fees (fixed remuneration)[3)]	% of total remuneration	**Total**
Prof. Dr. Dieter H. Vogel (Chairman)	100,000	63	60,000	37	160,000
Dr. Ralph Heck (Deputy Chairman)	60,000	70	26,000	30	86,000
Prof. Dr. Tobias Kollmann	40,000	77	12,000	23	52,000
Prof. Dr. E.h. Friedhelm Loh	40,000	71	16,000	29	56,000
Uwe Röhrhoff	40,000	65	22,000	35	62,000
Ute Wolf (Chairwoman of the Audit Committee)	50,000	59	35,000	41	85,000
Supervisory Board	**330,000**	**66**	**171,000**	**34**	**501,000**

1) Remuneration earned for Supervisory Board service in the reporting year (paid out after the Annual General Meeting in the current fiscal year, excluding remuneration earned in the preceding fiscal year and paid out in the reporting year).
2) Remuneration is paid plus any value added tax to be remitted in Germany, or value added tax is reimbursed by the Company; in the case of Dr. Ralph Heck, the withholding tax payable in Switzerland is retained out of the stated amount.
3) The two extraordinary meetings in January 2022 were counted for remuneration purposes as one meeting, i.e. (i) the attendance fee is earned by attending either one of the two meetings and (ii) the attendance fee is granted only once, even if both meetings were attended.

BOARD REMUNERATION GRANTED AND DUE IN 2021 UNDER SECTION 162 OF THE STOCK CORPORATION ACT[1), 2)]

(in €)	Basic remuneration (fixed remuneration)	% of total remuneration	Attendance fees (fixed remuneration)3)	% of total remuneration	Total
Prof. Dr. Dieter H. Vogel (Chairman)	100,000	69	45,000	31	145,000
Dr. Ralph Heck (Deputy Chairman)	60,000	77	18,000	23	78,000
Prof. Dr. Karl-Ulrich Köhler until 12. Mai 2021	16,667	68	8,000	32	24,667
Prof. Dr. Tobias Kollmann	40,000	83	8,000	17	48,000
Prof. Dr. E.h. Friedhelm Loh	40,000	74	14,000	26	54,000
Uwe Röhrhoff since 12. Mai 2021	26,667	69	12,000	31	38,667
Ute Wolf (Chairwoman of the Audit Committee)	50,000	62	31,000	38	81,000
Supervisory Board	**333,333**	**71**	**136,000**	**29**	**469,333**

1) Remuneration earned for Supervisory Board service in the reporting year (paid out after the Annual General Meeting in the current fiscal year, excluding remuneration earned in the preceding fiscal year and paid out in the reporting year).

2) Remuneration is paid plus any value added tax to be remitted in Germany, or value added tax is reimbursed by the Company; in the case of Dr. Ralph Heck, the withholding tax payable in Switzerland is retained out of the stated amount.

Supervisory Board remuneration pursuant to Section 314 (1) No. 6 of the German Commercial Code (consolidated financial statements) and Section 285 No. 9 of the German Commercial Code (single-entity financial statements), totaled €501,000 in 2022 (2021: €469,333).

No remuneration or benefits for services rendered on an individual basis – particularly consulting or agency services – were granted to Supervisory Board members in the year under review. Expenses were reimbursed within the above-mentioned limits.

No remuneration is paid in shares or stock options. As the remuneration consists entirely of fixed components, no variable remuneration components were clawed back in the reporting year.

EXPLANATORY NOTES ON CONFORMITY WITH THE REMUNERATION SYSTEM, PROMOTION OF THE COMPANY'S LONG-TERM DEVELOPMENT AND APPLICATION OF THE PERFORMANCE CRITERIA

The requirements of the remuneration system were complied with. As the remuneration is entirely fixed (fixed/basic remuneration, attendance fees and reimbursement of expenses), no cap or maximum remuneration amount is necessary. For the same reason, it is not necessary to describe the application of any performance criteria. The remuneration system for members of the Supervisory Board comprising (fixed) basic remuneration and attendance fees with appropriate multiples for chairpersons and deputy chairpersons accords with prevailing market practice at comparable companies in Germany. The remuneration is intended to appropriately remunerate the members of the Supervisory Board for their prudent and conscientious supervision of the Management Board and to attract and retain suitable candidates for the office of member of the Supervisory Board. In this way, it promotes the corporate strategy and the Company's long-term development.

COMPARATIVE ANALYSIS OF ANNUAL CHANGES IN SUPERVISORY BOARD REMUNERATION, THE COMPANY'S FINANCIAL PERFORMANCE AND AVERAGE EMPLOYEE REMUNERATION

The table below shows the percentage change in the remuneration of members of the Supervisory Board in comparison to the financial performance of Klöckner & Co SE and changes in average employee remuneration on a full-time equivalent basis.

As in the comparative analysis of remuneration for members of the Management Board, the financial performance of Klöckner & Co SE is presented on the basis of the following key performance indicators: (i) net income (or net loss) of Klöckner & Co SE, (ii) consolidated EBITDA before material special effects and (iii) consolidated cash flow from operating activities.

Average employee remuneration is determined, as in the comparative analysis of remuneration for members of the Management Board, on a full-time equivalent basis for two groups: (i) senior management (management level 1) worldwide and (ii) the total workforce worldwide. Accordingly, for further details, please refer to the information in the report on Management Board remuneration.

COMPARATIVE ANALYSIS OF ANNUAL CHANGES IN SUPERVISORY BOARD REMUNERATION PURSUANT TO SECTION 162 (1) NO. 2 AKTG

Supervisory Board remuneration[1]	2017–2018	2018–2019	2019–2020	2020–2021	2021–2022
Current members of the Supervisory Board					
Prof. Dr. Dieter H. Vogel (Chairman)	– 11%	20%	– 13%	– 3%	10%
Dr. Ralph Heck (Deputy Chairman) – since May 16, 2018	-	60%	– 8%	0%	10%
Prof. Dr. Tobias Kollmann	– 8%	13%	– 4%	– 4%	8%
Prof. Dr. E.h. Friedhelm Loh	– 17%	20%	– 10%	0%	4%
Ute Wolf (since May 12, 2017)	44%	15%	– 8%	– 2%	5%
Uwe Röhrhoff (Deputy Chairman) – from May 12, 2017 to May 16, 2018; ordinary member since May 12, 2021	– 40%	– 100%	-	-	60%
Earnings performance					
Net income of Klöckner & Co SE	– 107%	– 613%	94%	3,233%	– 61%
EBITDA before material special effects (Group)	4%	– 46%	– 10%	664%	– 51%
Operating cash flow (Group)	– 24%	240%	– 21%	– 290%	232%
Average employee remuneration on full-time equivalent basis					
Senior management worldwide (Level 1)[2, 3]	2%	– 18%	15%	– 2%	– 5%
Total workforce worldwide[4]	– 2%	4%	3%	10%	– 4%

1) Total remuneration within the meaning of Section 162 (1) sentence 1 of the German Stock Corporation Act (fiscal years 2017 to 2020 pro forma).

2) The comparison group comprises the management of country organizations and heads of corporate departments at Klöckner & Co SE.

3) For the years 2018 to 2021, adjustments in the calculation model result in deviations from the figures shown in the Annual Report 2021 of 1pp (2017-2018), 3pp (2018-2019), 9pp (2019-2020), –12pp (2020-2021). For the years 2018 to 2021, the adjustment for exchange rate fluctuations applied for the first time had an additional effect of 2pp (2017-2018), –2pp (2018-2019), 3pp (2019-2020), 1pp (2020-2021).

4) For the years 2018 to 2021, the adjustment for exchange rate fluctuations applied for the first time had an additional effect, resulting in deviations from the figures shown in the Annual Report 2021 of 0pp (2017-2018), –3pp (2018-2019), 0pp (2019-2020), 2pp (2020-2021).

Independent Auditor's Report

To Klöckner & Co SE, Duisburg, Germany

REPORT ON THE AUDIT OF THE REMUNERATION REPORT

We have audited the attached remuneration report, including the related disclosures, of Klöckner & Co SE, Duisburg, for the fiscal year from January 1 to December 31, 2022, including the related disclosures, which was prepared in order to meet the requirements of Section 162 AktG [Aktiengesetz: German Stock Corporate Act].

The remuneration report contains cross-references marked as unaudited that are not required by law. We have not audited these cross-references or the information to which the cross-references refer.

RESPONSIBILITIES OF MANAGEMENT AND THE SUPERVISORY BOARD

Management and the Supervisory Board of Klöckner & Co SE are responsible for the preparation of the remuneration report, including the related disclosures, which complies with the requirements of Section 162 AktG. Management and the Supervisory Board are also responsible for such internal control as they consider necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e., accounting manipulation or asset misstatement) or error.

AUDITOR'S RESPONSIBILITIES

Our responsibility is, based on our audit, render an opinion on this remuneration report, including the related disclosures. We conducted our audit in accordance with the German Generally Accepted Standards of Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). These standards require that we comply with our professional duties and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

The audit encompasses the performance of audit procedures to obtain evidence for the amounts in the remuneration report, including the related disclosures. The choice of audit procedures is subject to the auditor's own professional judgment. This includes the evaluation of the risks of material misstatement in the remuneration report, including the related disclosures whether due to fraud or error. In evaluating these risks, the auditor takes into account the internal control system relevant for the preparation of the remuneration report, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate under the given circumstances, but not for render an opinion on the effectiveness of the Company's internal control. An audit also includes the assessment of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance opinion.

OPINION

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the fiscal year from January 1, 2022 to December 31, 2022, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

Our opinion of the remuneration report does not cover the cross-references marked as unaudited that are not required by law or the information to which the cross-references relate.

OTHER MATTER – FORMAL REVIEW OF THE REMUNERATION REPORT

The substantive audit of the remuneration report described in this independent auditor's report includes the formal examination of the remuneration report required by Section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the remuneration report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report.

LIMITATION OF LIABILITY

The engagement, in the fulfillment of which we have performed the aforementioned services on behalf of Klöckner & Co SE, was based on the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on January 1, 2017. By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Düsseldorf, March 3, 2023

KPMG AG
WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT

signed Velder
WIRTSCHAFTSPRÜFER

signed Mehdi Zadegan
WIRTSCHAFTSPRÜFERIN

IV. Supplementary information on agenda item 9

Description of the proposed change in the remuneration of members of the Supervisory Board and reasons for the adjustment

Supervisory Board remuneration is governed by Article 14 of the Company's Articles of Association. This provides that members of the Supervisory Board receive solely a fixed annual remuneration plus attendance fees and reimbursement of expenses. The amount of this fixed remuneration for members of the Supervisory Board is currently EUR 40,000 per year. The Chairman of the Supervisory Board receives two and a half times, the Deputy Chairman one and a half times and the Chairman of the Audit Committee one and a quarter times the aforementioned fixed remuneration. The text of the currently valid Articles of Association with the provisions on Supervisory Board remuneration in Section 14 is available as a document for the 2023 Annual General Meeting at https://www.kloeckner.com/en/investors/annual-general-meeting.html.

The Supervisory Board of Klöckner & Co SE has the task of advising the Management Board and supervising it both retrospectively and prospectively in its management of the business. For these purposes, it receives appropriate and also competitive remuneration. This enables the Company to attract and retain suitable candidates for the office of Supervisory Board member. The remuneration is intended to appropriately remunerate the members of the Supervisory Board for their prudent and conscientious provision of advice to and supervision of the Management Board. In this way, it promotes the corporate strategy and the Company's long-term development.

The level of remuneration set out in the Articles of Association is intended to be commensurate with the duties of the Supervisory Board members taking into account the time required, the responsibility of the Supervisory Board members for the Company and the situation of the Company, and also to be customary in comparison with supervisory board remuneration at other (comparable) listed companies. For this purpose, the Supervisory Board, with the support of its Presidium, reviews the appropriateness of the remuneration on a regular basis and at least once every four years in preparation for the proposal for a resolution by the Annual General Meeting on the remuneration of the members of the Supervisory Board. This includes the aspect that the Company shall remain able to attract outstandingly qualified candidates, domestic and international, as members of the Supervisory Board (see above).

The remuneration for the members of the Supervisory Board was last adjusted in 2013 and confirmed by the Annual General Meeting in 2021. Supervisory Board remuneration has therefore remained unchanged for 10 years.

The Management Board and the Supervisory Board consider an increase in remuneration to be indicated in view of the following considerations:

- Overall, Supervisory Board remuneration must be competitive in order to continue to meet the targets set by the Company – and also demanded by many investors – for the Supervisory Board to be composed of qualified, internationally experienced mandate holders with due regard to diversity aspects.

- The international market and business environment, the regulatory framework and also the responsibilities of the Supervisory Board have become significantly more complex since the last adjustment to Supervisory Board remuneration in 2013 and will also continue to gain in complexity; this is accompanied by increased demands and expectations with respect to the Supervisory Board service.

- A review based on an external remuneration study and a peer group comparison with selected listed companies of comparable size and business activities has shown that the current remuneration of the Supervisory Board is no longer in line with other listed companies of comparable size and business activities. The proposed adjustment is intended to bring the Supervisory Board remuneration at the Company up to a level that can be considered comparable and/or competitive, also in comparison with the remuneration at other listed companies of comparable size and business activities.

Based on the proposal of the Presidium of the Supervisory Board, the Management Board and the Supervisory Board propose the following adjustment to the remuneration for the Supervisory Board in Section 14 of the Company's Articles of Association:

(1) The annual fixed remuneration (basic remuneration excluding attendance fees) is to be increased to EUR 60,000 to take appropriate account of the increased scope of work and responsibility of the members of the Supervisory Board.

(2) The multipliers for increasing the annual fixed remuneration for the Chairman of the Supervisory Board, the Deputy Chairman and the Chairman of the Audit Committee remain unchanged. This means that the Chairman of the Supervisory Board receives two and a half times, the Deputy Chairman one and a half times and the Chairman of the Audit Committee one and a quarter times the aforementioned fixed remuneration.

(3) The attendance fee remains unchanged at EUR 2,000 per meeting. As before, the Chairman of the Supervisory Board and the Chairman of a Supervisory Board committee each receive two and a half times and their deputies one and a half times this attendance fee.

(4) The remaining provisions in Section 14 of the Articles of Association regarding the calculation of remuneration pro rata temporis where applicable, the payment of Supervisory Board remuneration and any liability insurance remain unchanged.

Accordingly, the basic structure of the remuneration system for the Supervisory Board remains unchanged; only the amount of the annual fixed remuneration is increased.

The increase is to apply retroactively from January 1, 2023.

The modified remuneration system for the Supervisory Board, as it is proposed to be resolved by the Annual General Meeting of the Company in 2023, is presented once again in the following:

Supervisory Board remuneration
For their service, the members of the Supervisory Board of Klöckner & Co SE receive fixed annual remuneration plus meeting attendance fees. The remuneration of the members of the Supervisory Board is set out in Section 14 of the Articles of Association as follows:

"Section 14 Remuneration

(1) The members of the Supervisory Board shall receive, in addition to the reimbursement of their reasonable cash expenses and the value added tax accruing on their compensation and expenditures, a fixed annual compensation in the amount of EUR 60,000.

(2) The Chairman of the Supervisory Board shall receive two and a half times, his deputy one and a half times and the Chairman of the Audit Committee one and a quarter times the compensation as set forth in para. 1.

(3) In addition, Supervisory Board members shall receive an attendance fee of EUR 2,000 for each Supervisory Board meeting and committee meeting they attend. The Supervisory Board Chairman and the Chairman of a Supervisory Board Committee shall receive two and a half times and the deputy of the Supervisory Board Chairman and deputies of a Chairman of a Supervisory Board Committee shall receive one and a half times the attendance fee.

(4) Supervisory Board members that sit on the Supervisory Board only during part of the fiscal year shall receive one twelfth of the compensation for each month or part of a month of their membership. The same shall hold true for the increase in compensation of the Chairman of the Supervisory Board and his deputy as well as the Chairman of the Audit Committee pursuant to para. 2.

(5) The compensation pursuant to para. 1 and the attendance fee shall become due after the end of the Annual General Meeting that receives the consolidated financial statements for the relevant fiscal year or decides on the approval thereof.

(6) The Company may maintain, on its own behalf and at its own expense, a reasonable amount of directors' and officers' liability insurance for its executive bodies. If it does so, the Supervisory Board members are to be included."

The remuneration system underlying these Articles of Association is as follows, applying Section 87a (1) sentence 2 AktG analogously:

The Supervisory Board of Klöckner & Co SE has the task of advising the Management Board and supervising it both retrospectively and prospectively in its management of the business. For this purpose, it receives appropriate and also competitive remuneration. This enables the Company to attract and retain suitable candidates for the office of Supervisory Board member. The remuneration is intended to appropriately remunerate the members of the Supervisory Board for their prudent and conscientious provision of advice to and supervision of the Management Board. In this way, it promotes the corporate strategy and the Company's long-term development.

While members of the Management Board also receive performance-related remuneration components, remuneration for the members of the Supervisory Board is structured entirely as fixed remuneration. This strengthens the independence of the Supervisory Board and also complies with Recommendation G.18 sentence 1 of the German Corporate Governance Code. The fixed remuneration promotes objective and neutral advice and oversight as well as independence in appointment and remuneration decisions in relation to the Management Board.

In accordance with Recommendation G.17 of the German Corporate Governance Code, remuneration for Supervisory Board membership takes appropriate account of the larger time commitment of the Chairman and the Deputy Chairman of the Supervisory Board as well as of the chairpersons and members of any committees. The Chairman of the Supervisory Board thus receives two and a half times, his deputy one and a half times and the Chairman of the Audit Committee one and a quarter times the annual remuneration. In addition, Supervisory Board members receive an attendance fee for each Supervisory Board meeting and committee meeting they attend. The Chairman of the Supervisory Board and the chairperson of a Supervisory Board committee each receive two and a half times and their deputies one and a half times this amount.

Supervisory Board members who sit on the Supervisory Board only during part of a fiscal year receive one twelfth of the annual remuneration for each month or part month of their membership. The same applies to increases in the annual remuneration of the Chairman of the Supervisory Board and his deputy as well as of the Chairman of the Audit Committee. The fixed annual remuneration and the attendance fee fall due after the end of the Annual General Meeting that receives or decides on the approval of, the consolidated financial statements for the respective fiscal year.

In addition, the Articles of Association specify that the Company may maintain, on its own behalf and at its own expense, reasonable directors' and officers' liability insurance cover for its governing bodies and, if it does so, the Supervisory Board members are to be included in that insurance. In addition, the members of the Supervisory Board are entitled to reimbursement of expenses by law. This may include, for example, reasonable professional development costs and, in the case of the Chairman of the Supervisory Board, reasonable costs of maintaining a Supervisory Board office. Furthermore, value added tax on Supervisory Board remuneration is reimbursed.

The level of remuneration set out in the Articles of Association is intended to be commensurate with the duties of the Supervisory Board members and the situation of the Company and also to be customary in comparison with supervisory board remuneration at other listed companies of comparable size and business activities. For this purpose, the Supervisory Board, with the support of its Presidium, reviews the appropriateness of the remuneration on a regular basis and at least once every four years in preparation for the proposal for a resolution by the Annual General Meeting on the remuneration of the members of the Supervisory Board. Supervisory Board remuneration is not vertically benchmarked against the remuneration of other Company or Group employees due to the special nature of Supervisory Board service.

Requirements for participation and other details pursuant to Section 121 (3) sentence 3 AktG

Requirements for participation and for the exercise of voting rights
Shareholders are entitled to participate in the Annual General Meeting, and to exercise their voting rights, who have registered with the Company at the address below by no later than the end of the day on May 10, 2023 (midnight CEST) at the following address (in writing or by fax)

Hauptversammlung Klöckner & Co SE
c/o ADEUS Aktienregister-Service-GmbH
Postfach 57 03 64
22772 Hamburg, Germany

Fax: +49 89 2070 37951

or electronically by using the password-protected Online Service for the Annual General Meeting at https://www.kloeckner.com/en/investors/annual-general-meeting/online-service.html. Furthermore, shareholders who want to participate and exercise their voting rights need to be listed in the Company's shareholders' register at the time of the Annual General Meeting. Forms that shareholders may use to register are enclosed with the invitation letter to shareholders.

All the shareholders who so request or who are registered in the shareholders' register on April 26, 2023, (0:00 h CEST) will receive an invitation letter with reference to the agenda and instructions for the registration, including a registration form, by post (or if registered for e-mail delivery, by e-mail). The back of the invitation letter contains the personal login data – shareholder number and individual access number – required to use our Online Service for shareholders. As in the previous year, you may register for the Annual General Meeting using our Annual General Meeting Online Service (https://www.kloeckner.com/en/investors/annual-general-meeting/online-service.html). Registration via the Annual General Meeting Online Service is likewise only possible until the end of the day on May 10, 2023 (midnight CEST).

After having given notice of participation, shareholders or their representatives respectively will be sent an admission card to the Annual General Meeting. Shareholders giving notice of participation via our Online Service have the possibility of printing their admission card themselves or to have it sent electronically.

Shareholders may continue to freely dispose of their shares after having registered for the Annual General Meeting. However, in relation to the Company, under Section 67 (2) sentence 1 AktG, rights and obligations arising from shares only apply for and against those listed in the shareholders' register. The right to participate and the exercise of voting rights in connection with the Annual General Meeting are thus determined by the date of the Annual General Meeting. Please note that between May 11, 2023, and May 17, 2023, (both dates included), no changes are made to the entries in the shareholders' register, i.e. acquirers of shares whose applications for changes of registration are received after May 10, 2023 will be entered in the shareholders' register only after the Annual General Meeting. The technical record date is therefore the end of the day on May 10, 2023 (midnight CEST). In light of this, all acquirers of shares in the Company not yet listed in the shareholders' register are requested to apply for a change of registration as soon as possible.

Procedures for exercising voting rights by proxy

Shareholders who do not wish to attend the Annual General Meeting in person may have their voting rights exercised by proxy, e.g. by an intermediary, a shareholders' association or the proxy holders nominated by the Company. Also, in this case, registrations must be submitted on time and shareholders must be listed in the Company's shareholders' register at the time of the Annual General Meeting (see technical record date, above). Shareholders will receive a corresponding form together with the invitation letter to this Annual General Meeting. Such a form will also be sent to shareholders at any time upon request in text form. It may also be downloaded online at https://www.kloeckner.com/en/investors/annual-general-meeting.html. Please note that if several persons or institutions are authorized to act as proxy, the Company is entitled to reject one or more of such parties.

If neither an intermediary nor a shareholders' association, a proxy advisor or any other person or institution considered equivalent to such pursuant to Section 135 (8) AktG is authorized to act as proxy, the granting of proxies, their revocation and proof of authorization provided to the Company must be made in text form. Proxies and revocations of proxies may either be sent to the Company (by post, fax or e-mail) at the following address:

Hauptversammlung Klöckner & Co SE
c/o ADEUS Aktienregister-Service-GmbH
Postfach 57 03 64
22772 Hamburg, Germany

Fax: +49 89 2070 37951
E-mail: hv-service.kloeckner@adeus.de

or declared to the proxy holder. If a proxy is issued to the proxy holder, proof of the proxy must be provided to the Company. Proof can be sent to the Company (by post, fax or e-mail) at the above address. In addition, proof can be provided on the day of the Annual General Meeting at the entrance and exit controls.

You can also use our Annual General Meeting Online Service (https://www.kloeckner.com/en/investors/annual-general-meeting/online-service.html) to authorize the proxy holders nominated by the Company to exercise your voting right.

If the Annual General Meeting is attended in person, a previously granted proxy can also be revoked on the day of the Annual General Meeting until the beginning of the voting; this applies irrespective of the identity of the proxy holder, i.e. to the proxy holders nominated by the Company, intermediaries, shareholders' associations, proxy advisors or to other persons or institutions considered equivalent to such pursuant to Section 135 (8) AktG, as well as to third parties to whom proxy has been granted.

Should an intermediary, a shareholders' association, a proxy advisor or any other person or institution considered equivalent pursuant to Section 135 (8) AktG be authorized to act as proxy holder, we ask that you clarify, in good time, the form of proxy required with the authorized person or institution. Special proof of the proxy is not required by the Company in this case. If intermediaries, shareholders' associations or proxy advisors participate in our Annual General Meeting Online Service (https://www.kloeckner.com/en/investors/annual-general-meeting/online-service.html), proxy may also be granted to them via the Online Service in accordance with the procedure specified by the Company and within the time periods applicable to the authorization of the proxy holders nominated by the Company.

Where proxy holders nominated by the Company are to be authorized, they must be instructed on how to exercise the voting rights. Proxy holders are obliged to vote in accordance with these instructions. Please note that proxy holders nominated by the Company are unable to accept any authority or instructions to exercise the right to speak and ask questions at the Annual General Meeting, to submit motions or to file objections against shareholders' resolutions, and that they will always abstain from voting on procedural motions and where no instructions have been given.

The granting and revocation of proxies to the proxy holders nominated by the Company and the issuance and amendment of instructions, if sent by post, must be received at the latest until the end of the day on May 16, 2023 (midnight CEST), at the address below:

Hauptversammlung Klöckner & Co SE
c/o ADEUS Aktienregister-Service-GmbH
Postfach 57 03 64
22772 Hamburg, Germany

The granting and revocation of proxies to the proxy holders nominated by the Company and the issuance and amendment of instructions can be submitted electronically using our Annual General Meeting Online Service (https://www.kloeckner.com/en/investors/annual-general-meeting/online-service.html), in text form by fax (+49 89 2070 37951) or by e-mail (hv-service.kloeckner@adeus.de) until May 17, 2023, 08:00 a.m. CEST (time of receipt as determined by system timestamp). The same applies to any change from proxy voting to absentee ballot (or vice versa) made byone of these channels.

In the event that the Company receives conflicting communications by different channels and it is not apparent which is most recent, then communications transmitted via our Annual General Meeting Online Service will be considered first, followed by the communications sent via e-mail, then communications sent by fax and lastly communications received by post. If the Annual General Meeting is attended in person, a previously granted proxy can also be revoked on the day of the Annual General Meeting until the beginning of the voting (see above).

Procedures for voting by absentee ballot
Also this year, you have the option to cast your vote by absentee ballot ahead of the Annual General Meeting. Also in the case of an absentee ballot, registrations to the Annual General Meeting must be submitted on time and shareholders must be listed in the Company's shareholders' register at the time of the Annual General Meeting (see technical record date above).

Shareholders have various ways of voting:

A vote by absentee ballot may be cast by post, fax or e-mail. Shareholders will receive a corresponding form together with the invitation letter. The absentee ballot form will also be sent to shareholders at any time upon request in text form. It may also be downloaded online at https://www.kloeckner.com/en/investors/annual-general-meeting.html.

Furthermore, absentee ballots may be submitted via our Annual General Meeting Online Service (https://www.kloeckner.com/en/investors/annual-general-meeting/online-service.html).

Votes cast by absentee ballot and changes to votes cast by absentee ballot, if sent by post, must be received at the latest until the end of the day on May 16, 2023 (midnight CEST) at the address below:

Hauptversammlung Klöckner & Co SE
c/o ADEUS Aktienregister-Service-GmbH
Postfach 57 03 64
22772 Hamburg, Germany

Votes cast by absentee ballot and changes to votes cast by absentee ballot may be submitted electronically using our Annual General Meeting Online Service (https://www.kloeckner.com/en/investors/annual-general-meeting/online-service.html), in text form by fax (+49 89 2070 37951) or by e-mail (hv-service.kloeckner@adeus.de) until May 17, 2023, 08:00 a.m. CEST (time of receipt as determined by system timestamp).

If, despite having already cast a vote by absentee ballot, a shareholder decides to represent the respective shares in person or have them represented by a proxy, this is possible subject to the foregoing and will be deemed as revoking the vote cast by absentee ballot.

If shareholders or their proxies submit votes by absentee ballot as well as authorizations/instructions for the proxy holders nominated by the Company, the most recent declaration will be taken as authoritative. In the event that the Company receives conflicting communications by different channels and it is not apparent which is most recent, then communications transmitted via our Annual General Meeting Online Service will be considered first, followed by the communications sent via e-mail, then communications sent by fax and lastly communications received by post. In the case of shareholders or their proxy holders attend the Annual General Meeting in person, an absentee vote already cast can also be revoked on the day of the Annual General Meeting until the beginning of the voting.

(Counter) motions and election nominations
(Counter) motions and election nominations by shareholders pursuant to Sections 126 and 127 AktG relating to one or more agenda items must be sent (by post, fax or e-mail) exclusively to:

Klöckner & Co SE
Zentralbereich Legal & Compliance
Am Silberpalais 1
47057 Duisburg, Germany

Fax: +49 203 307 5050
E-mail: hv@kloeckner.com

All (counter) motions and election nominations by shareholders to be made available in accordance with Sections 126 and 127 AktG will be published online at www.kloeckner.com/en/investors/annual-general-meeting.html in accordance with the legal provisions and together with any comments by the management, provided that they were received at the above address by no later than the end of the day on May 2, 2023 (midnight CEST).

Supplementary motions for the agenda at the request of a minority pursuant to Article 56 of the European Company (SE) Regulation, Section 50 (2) of the German SE Implementation Act (SE-Ausführungsgesetz, SEAG) and Section 122 (2) AktG
Pursuant to Article 56 of the European Company (SE) Regulation and Section 50 (2) of the German SE Implementation Act in conjunction with Section 122 (2) AktG, shareholders whose combined shares represent a proportionate amount of the Company's share capital of at least EUR 500,000.00 (equivalent to 200,000 no-par-value shares of the Company) may request that items be added to the agenda and announced.

Such requests for additions to the agenda must reach the Company in writing together with the evidence and documents required by law at least 30 days prior to the Annual General Meeting, i.e. by no later than the end of the day on April 16, 2023 (midnight CEST), at the following address:

Klöckner & Co SE
Zentralbereich Legal & Compliance
Am Silberpalais 1
47057 Duisburg

Shareholders' right to information pursuant to Section 131 (1) AktG
Pursuant to Section 131 (1) AktG, all shareholders and shareholder representatives at the Annual General Meeting may request from the Management Board information about the affairs of the Company, the legal and business relationships of the Company with an affiliated company, as well as about the situation of the Group and of the companies included in its consolidated financial statements, provided that such information is necessary to form a considered opinion on one or more agenda items. Please note that the Management Board may decline to give such information subject to the conditions listed in Section 131 (3) AktG.

Website with information on the Annual General Meeting
This Invitation, together with all other information on the Annual General Meeting, including a more detailed explanation of the shareholders' rights listed above and the information that has to be made available pursuant to Section 124a AktG, is available online at https://www.kloeckner.com/en/investors/annual-general-meeting.html.

Broadcast of the Annual General Meeting
From 10.30 a. m. (CEST) on the day of the Annual General Meeting, the entire Annual General Meeting will be broadcast live via our Online Service for the Annual General Meeting at https://www.kloeckner.com/en/investors/annual-general-meeting/online-service.html. The opening of the Annual General Meeting by the chairman of the meeting, the CEO's speech and the report by the Supervisory Board will additionally be broadcast live online on the day of the Annual General Meeting at https://www.kloeckner.com/en/investors/annual-general-meeting.html. This content will be made available in recorded form on the website after the Annual General Meeting. The broadcast of the Annual General Meeting does not allow for participation in the Annual General Meeting within the meaning of Section 118 (1) sentence 2 AktG in conjunction with Section 16 (3) of the Articles of Association.

Total number of shares and voting rights
At the time of convocation of this Annual General Meeting, the Company's share capital totaled EUR 249,375,000.00, comprising 99,750,000 no-par-value registered shares, each carrying one voting right. The total number of shares and voting rights at the time of convocation of the Annual General Meeting therefore amounts to 99,750,000.

Information on Data Protection for Shareholders

When you register for the Annual General Meeting or authorize a proxy holder, we will collect personal data on you and/or your authorized proxy holder. We do so to enable shareholders to exercise their rights at the Annual General Meeting.

As data controller, Klöckner & Co SE will process such data in the context of the Annual General Meeting in compliance with the provisions of the EU General Data Protection Regulation (GDPR) and all further applicable laws. Details of how your personal data is handled and your rights under the GDPR can be found on the Annual General Meeting website: https://www.kloeckner.com/en/investors/annual-general-meeting.html. Shareholders who authorize a proxy are kindly asked to communicate this information on data protection to the proxy.

Duisburg, March 2023

Klöckner & Co SE
Management Board

Would you like to receive your documents for General Meetings by e-mail?
For more information, and to register, please visit
https://www.kloeckner.com/en/investors/annual-general-meeting/online-service.html

All shareholders who have registered by May 24, 2023 for their invitations to General Meetings to be sent to them by e-mail will take part in a draw, where they can win one of three Apple® iPad mini (excl. network access contract).

Klöckner & Co SE
Am Silberpalais 1, 47057 Duisburg, Germany
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