Klöckner & Co SE Roadshow

DZ Bank

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Rounding differences may occur with respect to percentages and figures.

The English translation of the annual report and the interim statement are also available, in case of deviations the German versions shall prevail.

Evaluating statements are unified and are presented as follows:

+/- 0-1% constant
+/- >1-5% slight
+/- >5% considerable
Agenda

1. Overview
2. Update on strategy
3. Highlights and financials
4. Outlook
5. Appendix
01 Klöckner & Co SE at a glance

- **6.3** € billion
  - **SALES**
  - **FY 2019**

- **5.6 million** tons
  - **SHIPMENTS**
  - **FY 2019**

- **124** € million
  - **EBITDA**
  - **FY 2019**

- **~160** LOCATIONS

- **13** COUNTRIES

- **200,000** PRODUCTS

- **60** SUPPLIERS

- **>100,000** CUSTOMERS

- **~7,900** EMPLOYEES

*) Before material special effects.
01 Everything from one source

Klöckner & Co value chain

Suppliers

Customers
01 Global reach – local presence

Sales; as of December 2019.
01 Leading player in fragmented markets

Market shares of Klöckner & Co

Europe

- ArcelorMittal
- thyssenkrupp
- Klöckner & Co
- Salzgitter
- Tata
- Others

USA

- Reliance
- Worthington
- Kloeckner Metals
- thyssenkrupp
- Others

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1. Overview
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02 The fundamentals of steel distribution remain challenging

- Generally not bound to any supplier because of the generic nature, especially of commodity steel (low switching costs)
- Often under price pressure, especially where steel is making up a major part of their costs

Customers

- Steel distribution markets remain fragmented
- Competition mainly on price and availability
- Mill-backed distributors in Europe have a market share strategy in order to utilize assets instead of focusing on profitability

Competition

- Global steel demand is expected to grow slowly going forward
- Overcapacity in the steel industry spread across the world, but most pronounced in China, is likely to stay for the foreseeable future

Global Steel Markets
02 What are the shortcomings of the steel and metal distribution business?

Supply chain

Current steel distribution supply chain is linear: suppliers produce steel and distributors process and deliver material to downstream manufacturers. Orders mostly made by phone, fax and email with many manual steps required to process an order

→ Long delivery times, incorrect deliveries and high inventory levels

Transparency

Flow of information is interrupted several times. Thus there are no effective information and data on inventory and lead times available which makes the entire supply chain highly intransparent

→ Steel is unnecessarily shipped around and suppliers, distributors and manufacturers need to stock material to balance out the non-transparency of demand, supply and prices

Steel prices

Steel industry suffers furthermore from overcapacities on the production but also on the distribution level. This leads in combination with changing trade-measures to very volatile prices

→ Most distributors making profits when prices moving up and making losses when prices heading down

Margins

Besides volatile prices, margins especially for commodity steel products are generally low due to high overcapacities at all levels. Hence, almost all competitors want to expand their higher value-added business

→ Prices for higher value-added business coming increasingly under pressure as well
02 Digital applications and platform solutions

**Digital transformation of Klöckner & Co**

- **kloecker.i**

**Applications & platforms**
- Europe & USA
- Onlineshops
- Marketplaces
- Contract Platform
- Part Manager
- EDI / OCI

**Kloeckner Assistant**
- Game changing AI application
  - Launched to completely automate order processing regardless how an RFQ or order is received → Every customer becomes a digital customer

**eProcurement/RFQ solution**
- Closed platform
  - Many sellers – One buyer (N-1)
  - Strong push for digitalization of procurement on buyer side

**eShop**
- Closed platform
  - One seller – Many buyers (1-N)
  - Entry barrier to digitizing sales processes much lower

**Marketplace**
- Open platform
  - Many sellers – Many buyers (N-N)
  - Integrated network of sellers and buyers

**Scale**
02 Automation of core processes progressing (1/2)

COVID-19 crisis as accelerator
- Digital sales share improved with increasing speed to 38% (Q2 2019: 29%)

Kloeckner Assistant automating sales process and turning every customer into a digital customer
- First version running in nearly all country organizations
- Application already processed a sales volume of >€80m from >1,300 customers
- Extension with RFQ-functionality started and MATCH!-functionality as basis for intelligent product identification is to be rolled out in H2

Customer

Unstructured request
- PDF
- Fax
- Phone

Conversion into digital document

Logical content interpretation

Matching of product description

Automatic Pricing

Quote

Accepting the quote online

Customer

Kloeckner Assistant

Conversion into digital document

Logical content interpretation

Matching of product description

Automatic Pricing

Quote

Accepting the quote online

Kloeckner Assistant

Conversion into digital document

Logical content interpretation

Matching of product description

Automatic Pricing

Quote

Accepting the quote online

Kloeckner Assistant

Conversion into digital document

Logical content interpretation

Matching of product description

Automatic Pricing

Quote

Accepting the quote online
Scaling of **XOM Materials** through **eProcurement** (buy-side) and **eShop** (sell-side) progressing

- >70 suppliers signed and >50 suppliers live, >27,000 products on offer and ~1,200 customers registered

**XOM eProcurement** solution to automate procurement process further advanced

- Klöckner & Co already using the application for a large part of the European procurement
- Marketing of the application to customers starting at the end of the year
02 Accelerating transformation to platform company

Digital tools across the value chain

**Procurement**
- **Direct Spend:** XOM eProcurement
- **Direct Spend:** EDI to Suppliers
- **Direct Spend:** Inventory Planning Tool (KMUS)
- **Indirect Spend:** Coupa Digital P2P

**Inbound logistics**
- **Inbound Mgmt.:** CargoClix
- **Inbound Mgmt.:** POWER (Scan)

**Sales**
- **Kloeckner Assistant**
- **Web Shop/ Contract Platform**
- **Dynamic Pricing**
- **EDI to customers**

**Warehouse/ Processing**
- **Warehouse Mgmt.:** POWER (Scan)
- **MES System:** Actyx, Gemba, Hydra
- **Production Planning:** SAP, tieto (KMSE)

**Outbound logistics**
- **Transport Planning:** Parcon/ easyTrack, Städler (KMSE)
- **Electronic Proof of Delivery (PDA)**

Lower variable costs enable exponential growth also through acquisitions
## Project “Surtsey” – Utilizing COVID-19 crisis

### Scope
- Driving efficiency through digitalization and restructuring
- **Kloeckner Assistant**, XOM eProcurement and other AI-driven tools to automate core processes

### Measures
- Reducing overall workforce by >1,200 employees (50% due to advanced digitalization)
- Closure of 19 sites as part of network optimization initiatives

### Costs & timing
- Special material effects of around €80m, thereof ~80% personnel related
- Immediate execution started, main project to be finished by Q1 2021

**EBITDA contribution of >€100m and digital sales share increase to >50% already by end of 2021**
Agenda

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## 03 Details of Q2 2020

### Shipments (Tto)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2020</th>
<th>Q2 2019</th>
<th>Delta</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>1,070</td>
<td>1,479</td>
<td>-27.6%</td>
</tr>
</tbody>
</table>

Impact of COVID-19 and related lockdown measures

### Sales (€m)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2020</th>
<th>Q2 2019</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,171</td>
<td>1,682</td>
<td>-30.4%</td>
</tr>
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</table>

Volume driven paired with lower price level

### Gross profit (€m)

<table>
<thead>
<tr>
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<th>Q2 2020</th>
<th>Q2 2019</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>226</td>
<td>304</td>
<td>-25.4%</td>
</tr>
</tbody>
</table>

Volume driven gross profit decline, less pronounced due to higher margins yoy

### EBITDA (€m)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2020</th>
<th>Q2 2019</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11</td>
<td>51</td>
<td>-78.9%</td>
</tr>
</tbody>
</table>

COVID-19 impact mitigated by (1) digital capabilities, (2) lower OPEX and (3) performance in construction; EBITDA reported of -€61m

### Oper. CF (€m)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2020</th>
<th>Q2 2019</th>
<th>Delta</th>
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<tr>
<td></td>
<td>98</td>
<td>140</td>
<td>-42</td>
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</tbody>
</table>

Substantially positive due to strict NWC management

### Net financial debt (€m)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2020</th>
<th>Q2 2019</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>476</td>
<td>684</td>
<td>-30.4%</td>
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</table>

Net debt significantly down yoy due to NWC release

### Digital sales in Q2

<table>
<thead>
<tr>
<th></th>
<th>Q2 2020</th>
<th>Q2 2019</th>
<th>Delta</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>38%</td>
<td>29%</td>
<td>+9%pts</td>
</tr>
</tbody>
</table>

Positively impacted by crisis: increase with accelerating speed
### 03 EBITDA (€m) in Q2 2020

<table>
<thead>
<tr>
<th>EBITDA Q2 2019</th>
<th>Volume effect</th>
<th>Price effect</th>
<th>OPEX &amp; Other</th>
<th>EBITDA Q2 2020</th>
<th>Material special effects</th>
<th>EBITDA Q2 2020 reported</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>-84</td>
<td>4</td>
<td>40</td>
<td>11</td>
<td>-72</td>
<td>-61</td>
</tr>
</tbody>
</table>

- Substantial negative **volume effect** mainly due to COVID-19 pandemic and continued weakness of automotive, machinery and energy sectors, especially in Germany and the USA.
- Minor positive **price effect** due to margin over volume strategy at Kloeckner Metals Distribution Europe.
- **OPEX** decreased mainly driven by lower personnel expenses and shipping cost due to lower output and lay-off effects.
- **Material special effects** resulting from project “Surtsey” for severances and site closure expenses.
03  Cash flow and net debt development

Cash flow Q2 2020 (€m)

- EBITDA Q2 2020 reported
- Change in NWC
- Interest
- Taxes
- Restructuring provisions
- Other
- Cash flow from operating activities
- Net Capex
- Free cash flow Q2 2020

- Net working capital release of €82m
- Other (€9m) includes changes in other operating assets and liabilities
- Cash flow from operating activities of €98m
- Free cash flow of €85m

Net financial debt 03.2020 vs. 06.2020 (€m)

- Net debt 03.2020
- Free cash flow
- IFRS 16
- F/X, Swaps and other
- Net debt 06.2020

- Net financial debt decreased from €563m to €476m driven by considerable NWC release
03 Strong balance sheet

- **Equity ratio** further healthy at 39%
- **Net debt** of €476m
- **Gearing***) at 46%
- **NWC** at €1,135m (FY 2019: €1,119m)

*) Gearing = Net debt/Equity attributable to shareholders of Klöckner & Co SE less goodwill from business combinations subsequent to May 23, 2019.

**) Incl. contract assets and supplier bonuses.
## 03 Maturity profile – well-balanced & diversified funding portfolio

### Facility

<table>
<thead>
<tr>
<th>Facility</th>
<th>Committed (€m)</th>
<th>Drawn amount (€m, IFRS*)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q2 2020</td>
<td>FY 2019</td>
</tr>
<tr>
<td>Syndicated Loan</td>
<td>300</td>
<td>0</td>
</tr>
<tr>
<td>ABS Europe</td>
<td>300</td>
<td>112</td>
</tr>
<tr>
<td>ABS/ABL USA</td>
<td>491</td>
<td>94</td>
</tr>
<tr>
<td>convertible 2016 1)</td>
<td>148</td>
<td>144</td>
</tr>
<tr>
<td>Bilateral Facilities 2)</td>
<td>171</td>
<td>42</td>
</tr>
<tr>
<td>Leases</td>
<td>189</td>
<td>189</td>
</tr>
<tr>
<td><strong>Total Debt</strong></td>
<td><strong>1,599</strong></td>
<td><strong>581</strong></td>
</tr>
<tr>
<td>Cash</td>
<td></td>
<td>105</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td><strong>476</strong></td>
<td></td>
</tr>
</tbody>
</table>

1) Including interest accrued, excluding deferred transaction costs.

1) Principal €148m, equity component €18m at issuance (September 8, 2016).

2) Mainly Switzerland.

3) Net debt/Equity attributable to shareholders of Klöckner & Co SE less goodwill from business combinations subsequent to May 23, 2019.

### Financial Instruments

<table>
<thead>
<tr>
<th>Facility</th>
<th>Committed (€m)</th>
</tr>
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<tbody>
<tr>
<td>ABS/ABL USA</td>
<td>491</td>
</tr>
<tr>
<td>Convertible 2016 1)</td>
<td>148</td>
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<tr>
<td>Bilateral Facilities 2)</td>
<td>171</td>
</tr>
<tr>
<td>Leases</td>
<td>189</td>
</tr>
</tbody>
</table>

### Maturity Profile of Financial Instruments (Excl. Leasing) in €m

<table>
<thead>
<tr>
<th>Year</th>
<th>Syndicated Loan</th>
<th>Convertible Bond</th>
<th>ABS Europe</th>
<th>ABS/ABL USA</th>
<th>Bilaterals</th>
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<tbody>
<tr>
<td>2020</td>
<td>300</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>2021</td>
<td>149</td>
<td>148</td>
<td>148</td>
<td>149</td>
<td>148</td>
</tr>
<tr>
<td>2022</td>
<td>23</td>
<td>125</td>
<td>125</td>
<td>148</td>
<td>148</td>
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<tr>
<td>2023</td>
<td>7</td>
<td>278</td>
<td>278</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Thereafter</td>
<td>21</td>
<td>21</td>
<td>21</td>
<td></td>
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</tbody>
</table>

### Key Ratios

- **Adjusted equity**: 1,041
- **Net debt**: 476
- **Gearing 3)**: 45.7%

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*) Including interest accrued, excluding deferred transaction costs.
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04 Outlook

- Considerable increase in shipments and sales qoq
- EBITDA before material special effects of €15-25m expected

- Considerable decrease in shipments and sales yoy
- EBITDA before material special effects of €50-70m expected
- Positive cash flow from operating activities
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## Quarterly and FY results

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<tr>
<td><strong>Shipments (Tto)</strong></td>
<td>1,070</td>
<td>1,365</td>
<td>1,250</td>
<td>1,420</td>
<td>1,479</td>
<td>1,499</td>
<td>1,398</td>
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<td>1,605</td>
<td>1,584</td>
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<td>5,648</td>
<td>6,107</td>
<td>6,135</td>
<td>6,149</td>
<td>6,476</td>
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<td><strong>Sales</strong></td>
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<td>1,448</td>
<td>1,365</td>
<td>1,565</td>
<td>1,682</td>
<td>1,703</td>
<td>1,619</td>
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<td>6,790</td>
<td>6,292</td>
<td>5,730</td>
<td>6,444</td>
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<td><strong>Gross profit</strong></td>
<td>226</td>
<td>285</td>
<td>268</td>
<td>284</td>
<td>304</td>
<td>303</td>
<td>301</td>
<td>332</td>
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<td>1,328</td>
<td>1,316</td>
<td>1,315</td>
<td>1,237</td>
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<tr>
<td><strong>% margin</strong></td>
<td>19.3</td>
<td>19.7</td>
<td>19.6</td>
<td>18.1</td>
<td>18.1</td>
<td>17.8</td>
<td>18.6</td>
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<td>19.2</td>
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<td><strong>EBITDA bef. material special effects</strong></td>
<td>11</td>
<td>21</td>
<td>11</td>
<td>28</td>
<td>51</td>
<td>34</td>
<td>30</td>
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<td>124</td>
<td>229</td>
<td>220</td>
<td>196</td>
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<tr>
<td><strong>Material special effects</strong></td>
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<td>-7</td>
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<td>3</td>
<td>21</td>
<td>82</td>
<td>34</td>
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<td>139</td>
<td>227</td>
<td>220</td>
<td>196</td>
<td>24</td>
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<td><strong>% margin</strong></td>
<td>-5.2</td>
<td>1.5</td>
<td>0.2</td>
<td>1.3</td>
<td>4.9</td>
<td>2.0</td>
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<td>2.2</td>
<td>3.3</td>
<td>3.5</td>
<td>3.4</td>
<td>0.4</td>
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<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
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<td>3</td>
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<td>1</td>
<td>5</td>
<td>-9</td>
<td>-3</td>
<td>-1</td>
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<td><strong>EBIT</strong></td>
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<td>-35</td>
<td>-13</td>
<td>49</td>
<td>2</td>
<td>8</td>
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<td>54</td>
<td>2</td>
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<td>130</td>
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<tr>
<td><strong>Earnings per share (€)</strong></td>
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<td>-44</td>
<td>-24</td>
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<td>46</td>
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<td>107</td>
<td>97</td>
<td>52</td>
<td>-399</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>-111</td>
<td>-21</td>
<td>-51</td>
<td>-23</td>
<td>28</td>
<td>-10</td>
<td>-7</td>
<td>22</td>
<td>33</td>
<td>21</td>
<td>30</td>
<td>13</td>
<td>24</td>
<td>36</td>
<td>-55</td>
<td>69</td>
<td>102</td>
<td>38</td>
<td>-349</td>
</tr>
<tr>
<td><strong>Minority interests</strong></td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
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<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>-2</td>
</tr>
<tr>
<td><strong>Net income KCO</strong></td>
<td>-111</td>
<td>-21</td>
<td>-51</td>
<td>-23</td>
<td>28</td>
<td>-10</td>
<td>-7</td>
<td>22</td>
<td>33</td>
<td>21</td>
<td>30</td>
<td>12</td>
<td>23</td>
<td>36</td>
<td>-56</td>
<td>69</td>
<td>101</td>
<td>37</td>
<td>-347</td>
</tr>
<tr>
<td><strong>EPS basic (€)</strong></td>
<td>-1.11</td>
<td>-0.21</td>
<td>-0.51</td>
<td>-0.23</td>
<td>0.28</td>
<td>-0.10</td>
<td>-0.07</td>
<td>0.22</td>
<td>0.33</td>
<td>0.21</td>
<td>0.30</td>
<td>0.12</td>
<td>0.23</td>
<td>0.36</td>
<td>-0.56</td>
<td>0.68</td>
<td>1.01</td>
<td>0.37</td>
<td>-3.48</td>
</tr>
<tr>
<td><strong>EPS diluted (€)</strong></td>
<td>-1.11</td>
<td>-0.21</td>
<td>-0.51</td>
<td>-0.23</td>
<td>0.27</td>
<td>-0.10</td>
<td>-0.07</td>
<td>0.21</td>
<td>0.31</td>
<td>0.20</td>
<td>0.28</td>
<td>0.12</td>
<td>0.22</td>
<td>0.34</td>
<td>-0.56</td>
<td>0.66</td>
<td>0.96</td>
<td>0.37</td>
<td>-3.48</td>
</tr>
<tr>
<td><strong>NWC)</strong></td>
<td>1,135</td>
<td>1,228</td>
<td>1,119</td>
<td>1,356</td>
<td>1,407</td>
<td>1,525</td>
<td>1,477</td>
<td>1,495</td>
<td>1,446</td>
<td>1,344</td>
<td>1,132</td>
<td>1,282</td>
<td>1,306</td>
<td>1,296</td>
<td>1,119</td>
<td>1,277</td>
<td>1,132</td>
<td>1,120</td>
<td>1,128</td>
</tr>
</tbody>
</table>

*) Since 2018 including supplier bonus receivables and contract assets.
05 Segment performance

**KM US**

- **Shipments (Tto)**
  - Q2 2019: 698
  - Q3 2019: 670
  - Q4 2019: 604
  - Q1 2020: 649
  - Q2 2020: 527
  - Decrease: -24.5%

- **Sales (€m)**
  - Q2 2019: 716
  - Q3 2019: 657
  - Q4 2019: 559
  - Q1 2020: 601
  - Q2 2020: 478
  - Decrease: -33.3%

- **EBITDA adj.** (€m)
  - Q2 2019: 21
  - Q3 2019: 12
  - Q4 2019: 9
  - Q1 2020: 0
  - Q2 2020: 0

**KM Switzerland**

- **Shipments (Tto)**
  - Q2 2019: 156
  - Q3 2019: 148
  - Q4 2019: 136
  - Q1 2020: 127
  - Q2 2020: 143
  - Decrease: -8.1%

- **Sales (€m)**
  - Q2 2019: 259
  - Q3 2019: 259
  - Q4 2019: 232
  - Q1 2020: 215
  - Q2 2020: 244
  - Decrease: -6.1%

- **EBITDA adj.** (€m)
  - Q2 2019: 17
  - Q3 2019: 17
  - Q4 2019: 11
  - Q1 2020: 10
  - Q2 2020: 24

*) Adjusted in Q4 2019 by the gain on sale of the site in Switzerland and in Q2 2020 by restructuring in the USA.

Minor adjustments in segment reporting: New structure of the segment “Holding and other group companies” (previously including other activities such as the Brazilian distribution business, XOM Materials, kloeckner.i, kloeckner.v and the Dutch metering business). As of January 1, 2020, the Brazilian distribution business is assigned to the segment “Klöckner Metals US” and the metering business to the segment “Klöckner Metals Distribution Europe”.

Klöckner & Co SE | DZ Bank | Roadshow Vienna
**05 Segment performance**

<table>
<thead>
<tr>
<th>KM Services</th>
<th>Shipments (Tto)</th>
<th>Sales (€m)</th>
<th>EBITDA adj.*) (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 2019</td>
<td>241</td>
<td>195</td>
<td>6</td>
</tr>
<tr>
<td>Q3 2019</td>
<td>228</td>
<td>178</td>
<td>4</td>
</tr>
<tr>
<td>Q4 2019</td>
<td>214</td>
<td>165</td>
<td>6</td>
</tr>
<tr>
<td>Q1 2020</td>
<td>247</td>
<td>186</td>
<td>5</td>
</tr>
<tr>
<td>Q2 2020</td>
<td>134</td>
<td>98</td>
<td>-2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KM Distribution</th>
<th>Shipments (Tto)</th>
<th>Sales (€m)</th>
<th>EBITDA adj.*) (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 2019</td>
<td>384</td>
<td>512</td>
<td>12</td>
</tr>
<tr>
<td>Q3 2019</td>
<td>374</td>
<td>471</td>
<td>2</td>
</tr>
<tr>
<td>Q4 2019</td>
<td>297</td>
<td>408</td>
<td>2</td>
</tr>
<tr>
<td>Q1 2020</td>
<td>342</td>
<td>446</td>
<td>3</td>
</tr>
<tr>
<td>Q2 2020</td>
<td>266</td>
<td>352</td>
<td>-6</td>
</tr>
</tbody>
</table>

* Adjusted for restructuring expenses in Q2, Q3, Q4 2019 as well as in Q2 2020 and for a gain on the sale of a site in London in Q2 2019.

Minor adjustments in segment reporting: New structure of the segment "Holding and other group companies" (previously including other activities such as the Brazilian distribution business, XOM Materials, kloeckner.i, kloeckner.v and the Dutch metering business). As of January 1, 2020, the Brazilian distribution business is assigned to the segment "Kloeckner Metals US" and the metering business to the segment "Kloeckner Metals Distribution Europe".
05 Current shareholder structure

Geographical breakdown of identified institutional investors

- Identified institutional investors account for 59%
- German investors incl. retail dominate
- Top 10 shareholdings represent around 49%
- Retail shareholders represent 29%

As of July 2020.
In the second quarter the capital markets were shaped by high volatility due to the COVID-19 pandemic.

The Klöckner & Co share followed a sharp recovery path during this period, marking its lowest level of €3.17 on April 3 and reaching its high of €4.87 on June 29.
In general, Klöckner & Co SE follows a dividend policy of distributing 30% of net income before special items. Given the volatility of our business model, a sustainable dividend payment can not be guaranteed. If there is a possibility of dividend distribution, we would pay it for the benefit of our investors.

- Compliance with the dividend policy of €0.80 per share for the years 2006 and 2007
- Suspension of the dividend policy for the financial year 2008 in view of the Global financial crisis and no dividend payment
- No dividend payment in 2009 due to earnings situation
- Inclusion of our general dividend policy in financial year 2010 with a dividend of €0.30 per share
- No dividend payment in 2011, 2012 and 2013 as well as in 2015 due to earnings situation
- Full distribution of net profit for the financial year 2014 (€0.20 per share)
- Dividend payment of €0.20 per share in 2016 and €0.30 per share for the 2017 and 2018 fiscal year
- No dividend payment due to earnings situation in 2019

As one of the very first companies in Germany, Klöckner & Co steps up to global frontrunners of climate change engagement and aligns its business to the UN Global Compact “Business Ambition for 1.5°C”. We intend to act even more responsibly and take appropriate measures helping to limit the global temperature rise to 1.5°C by reducing our greenhouse gas emissions.
05 Current shareholder structure

Voting Rights Announcements according to WpHG (Security Trading Act*)

<table>
<thead>
<tr>
<th>Date of publication</th>
<th>Subject to compulsory notification</th>
<th>Portion of voting stock</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/02/2016</td>
<td>Swoctem GmbH / Friedhelm Loh</td>
<td>25.25%</td>
</tr>
<tr>
<td>17/05/2019</td>
<td>Franklin Mutual Advisors, LLC **)</td>
<td>5.00%</td>
</tr>
<tr>
<td>22/05/2019</td>
<td>Claas Edmund Daun</td>
<td>3.05%</td>
</tr>
<tr>
<td>22/11/2019</td>
<td>Dimensional Holdings Inc.</td>
<td>3.14 %</td>
</tr>
</tbody>
</table>

*) The table lists all shareholders holding 3% or more voting rights in Klöckner & Co SE due to the most recent voting rights notification as of August 24, 2020 (Section 33 German Securities Trading Act (WpHG) respectively section 21 WpHG former version). Apart from the voting rights held by the shareholder itself, also voting rights attributed to him pursuant to section 34 WpHG (respectively section 22 WpHG former version) are included in the calculation of the share of voting rights. The table only contains the respective parent company being subject to the notification obligation, even if it made a notification also on behalf of any of its subsidiaries. Financial instruments according to Section 38 WpHG are not included in the table.

**) Including attributed voting rights held by Franklin Mutual Series Funds.
Contact details

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Head of Investor Relations, Internal Communications & Sustainability

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Fax: +49 203 307 5025
Email: felix.schmitz@kloeckner.com
Internet: www.kloeckner.com

Financial calendar

November 3, 2020  Q3 quarterly statement 2020
March 10, 2021  Annual Financial Statement 2020
April 29, 2021  Q1 quarterly statement 2021
May 12, 2021  Annual General Meeting 2021
August 13, 2021  Half-yearly financial report 2021
November 3, 2021  Q3 quarterly statement 2021