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**STRATEC SE**  
**Birkenfeld**

ISIN DE000STRA555 – WKN STRA55

**Invitation to the (Virtual) Annual General Meeting**

We hereby invite our shareholders to the  
**Annual General Meeting of STRATEC SE**  
to be held  
**at 13:00 (CEST) on Thursday, May 20, 2021.**

Pursuant to § 1 (2) of the Act on Measures in Company, Cooperative, Association, Foundation, and Home Ownership Law to Combat the Effects of the COVID-19 Pandemic (*Gesetz über Maßnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie*) dated March 27, 2020 in its version dated December 22, 2020 ("COVID-19-AuswBekG") and § 11 of the Act to Further Shorten the Residual Debt Discharge Procedure and to Adjust Pandemic-Related Provisions in Corporate Law, Co-operative Law, Association Law and the Law of Foundations as well as Rental and Tenancy Law, (*Gesetz zur weiteren Verkürzung des Restschuldbefreiungsverfahrens und zur Anpassung pandemiebedingter Vorschriften im Gesellschafts-, Genossenschafts-, Vereins- und Stiftungsrecht sowie im Miet- und Pachtrecht*), the Annual General Meeting will be held as a virtual Annual General Meeting without physical attendance by shareholders or their authorized representatives (except for the voting proxies appointed by the company) at the headquarters of STRATEC SE, Gewerbestr. 37, 75217 Birkenfeld (location of AGM pursuant to German Stock Corporation Law).

Further details can be found in the further disclosures and information about the convocation that are presented after the agenda.

# Agenda

## **1. Presentation of the adopted annual financial statements, the approved consolidated financial statements, the management report of STRATEC SE and the Group as of December 31, 2020, the report of the Board of Management in respect of the disclosures made pursuant to § 289a (1) and § 315a (1) of the German Commercial Code (*Handelsgesetzbuch* – hereinafter “HGB”), and the report of the Supervisory Board for the 2020 financial year**

The aforementioned documents are available on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm). In accordance with applicable statutory provisions, no resolution is proposed to be adopted by the Annual General Meeting, as the Supervisory Board has already approved the annual financial statements and the consolidated financial statements prepared by the Board of Management.

## **2. Resolution on the appropriation of balance sheet profit**

The Board of Management and Supervisory Board propose that the balance sheet profit reported in the adopted annual financial statements of STRATEC SE as of December 31, 2020 amounting to € 66,622,518.20 be appropriated as follows:

Payment on May 26, 2021 of a dividend of € 0.90 per no-par share with dividend entitlement, corresponding to a total amount of € 10,889,429.40, and carrying forward of profit in the amount of € 55,733,088.80.

The proposed appropriation of profit accounts for the treasury stock shares held directly or indirectly by the company upon the convocation of the meeting; these are not entitled to a dividend payment pursuant to § 71(b) of the German Stock Corporation Act (*Aktiengesetz* – hereinafter “AktG”). The number of shares with dividend entitlement may change prior to the Annual General Meeting. In this case, a correspondingly amended proposal for the appropriation of profit will be submitted for resolution by the Annual General Meeting without changing the proposed payment of € 0.90 per no-par share with dividend entitlement.

## **3. Resolution ratifying the actions of the members of the Board of Management**

The Board of Management and Supervisory Board propose that the actions of the members of the Board of Management in office during the 2020 financial year be ratified for the 2020 financial year.

## **4. Resolution ratifying the actions of the members of the Supervisory Board**

The Board of Management and Supervisory Board propose that the actions of the members of the Supervisory Board in office during the 2020 financial year be ratified for the 2020 financial year.

## **5. Resolution on the appointment of the auditor and group auditor**

The Supervisory Board proposes that Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, Germany, be appointed as auditor and group auditor of the financial statements for the 2021 financial year. In addition, the auditor will conduct any audit or audit review commissioned for the half-year financial report as of June 30, 2021.

## **6. Resolution on the election of a Supervisory Board member**

By resolution of Mannheim District Court on July 21, 2020, Dr. Rolf Vornhagen was appointed as a member of the Supervisory Board to succeed Rainer Baule until the next Annual General Meeting. An election is therefore required.

Pursuant to § 17 of the German SE Implementation Act (SEAG) and § 8 (8.1) of the Articles of Association, the Supervisory Board of STRATEC SE comprises three individuals to be elected by the Annual General Meeting.

With due consideration of the objectives adopted by the Supervisory Board for its composition and the competence profile compiled by the Supervisory Board for the board as a whole, the Supervisory Board proposes the election of

Dr. Rolf Vornhagen, Langen, Germany, formerly Managing Director of Bio-Rad Holding GmbH as a member of the Supervisory Board from the conclusion of the 2021 Annual General Meeting until the conclusion of the Annual General Meeting ratifying the actions of Supervisory Board members for the 2023 financial year.

Dr. Rolf Vornhagen is currently not a member of any other statutory supervisory board or comparable supervisory body at any German or foreign company as defined in § 125 (1) Sentence 3 AktG.

Dr. Rolf Vornhagen does not have any personal or business relationships with STRATEC SE, its governing bodies, or any of its material shareholders.

The curriculum vitae of Dr. Rolf Vornhagen is available on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm).

## **7. Resolution on the approval of the remuneration system for the members of the Board of Management**

Pursuant to § 120a (1) AktG, the Annual General Meeting of a listed company adopts a resolution on the approval of the remuneration system presented by the Supervisory Board for members of the Board of Management upon any material change to such system, and at least every four years.

The Supervisory Board proposes that the remuneration system adopted by the Supervisory Board for the members of the Board of Management and presented below should be approved.

The Supervisory Board points out that, consistent with statutory transition provisions, the employment contracts with current members of the Board of Management, including their respective remuneration agreements, are still valid until November 2023 and that the remuneration agreements thereby provided for do not fully comply with the remuneration system hereby presented for approval.

### A. Basic features of the remuneration system for the members of the Board of Management of STRATEC SE

The remuneration system for the members of the Board of Management is consistent with the requirements of the German Stock Corporation Act (AktG) in the version resulting from the German Act on the Transposition of the Second Shareholder Rights Directive (ARUG II) dated December 12, 2019 (Federal Law Gazette. Part I 2019, No. 50 dated December 19, 2019), as well as with the requirements of the 2020 German Corporate Governance Code (DCGK 2020).

The current employment contracts with members of the Board of Management still have terms running until November 2023. The remuneration system is applicable to all employment contracts newly concluded with members of the Board of Management, as well as to reappointments.

Consistent with market practice, the remuneration system presented here is intended to provide even more effective incentives to promote the sustainable and long-term management of the company.

Caps have been stipulated for all variable remuneration components. The holding and waiting periods for long-term share-based variable remuneration all amount to at least four years. Maximum remuneration, which accounts for all components of remuneration, is stipulated on an individual basis for all members of the Board of Management. In the event of the annual financial statements being incorrect, part or all of the variable remuneration may be clawed back.

### B. Remuneration system in detail

#### **I. Maximum remuneration (§ 87a (1) Sentence 2 No. 1AktG)**

The total remuneration to be granted for a financial year (aggregate total of all remuneration amounts expended for the respective financial year, including basic annual salary, variable remuneration components, pension expenses (service costs), and ancillary benefits, such as special remuneration for outstanding achievements on the part of members of the Board of Management (irrespective of whether they are disbursed in this financial year or at a later point in time) is capped at a maximum amount ("maximum remuneration"). Maximum remuneration amounts to € 2,500,000 for the CEO and to € 1,800,000 each for other members of the Board of Management.

## II. Contribution made by remuneration to promoting the business strategy and long-term development of STRATEC SE (§ 87a (1) Sentence 2 No. AktG)

The remuneration system contributes to promoting the business strategy of STRATEC SE in expanding its position as a leading developer and manufacturer of fully automated analyzer systems for partners in the fields of clinical diagnostics and biotechnology.

The remuneration system provides incentives that are consistent with and promote this business strategy. Unless agreed otherwise, the financial targets for short-term remuneration (short-term incentive: "STI") refer to the EBITDA performance figure, thus promoting a focus on profitability and the generation of efficiencies. One major step in coupling remuneration to the company's long-term development is the increase in the share of long-term variable remuneration (long-term incentive: "LTI") and the extension in the assessment basis. The LTI performance factor creates incentives for the company's long-term profitability and operative enhancement. The non-financial targets included in the LTI promote the company's strategic further development in a way that also accounts for social and ecological aspects. Finally, the remuneration system makes a contribution to attracting qualified management personalities to the company and retaining them on a long-term basis.

## III. Remuneration components (§ 87a (1) Sentence 2 No. 3 AktG)

### 1. Overview of remuneration components and their relative share of total remuneration

The remuneration of members of the Board of Management comprises fixed and variable components. The fixed components include the fixed annual salary, ancillary benefits, and pension contributions. The variable components are the STI and the LTI. The relative share of all fixed and variable remuneration components is stated as a proportion of target total remuneration and explained below. Target total remuneration for the respective financial year comprises the fixed annual salary, the STI based on the target value for 100% target achievement, the LTI based on the allocation amount corresponding to the 100% target amount, pension expenses (service costs), and ancillary benefits.

The contracts with members of the Board of Management also provide for the Supervisory Board, at its own discretion, granting special remuneration for outstanding performance (appreciation bonus). If granted, this bonus is limited to 30% of the fixed annual salary.

Excluding the company pension scheme, any appreciation bonus granted, and ancillary benefits, fixed remuneration accounts for a 20% to 30% share of target total remuneration, while variable remuneration makes up 70% to 80% of target total remuneration. Within variable remuneration, STI (100% target amount) accounts for 25% to 35% of target total remuneration, while LTI (allocation amount corresponding to 100% target amount) accounts for 44% to 54% of target total remuneration.

### 2. Fixed remuneration components

#### 2.1 Basic annual salary

The basic annual salary is fixed in its amount, paid in cash and based on the full financial year. It is aligned to the area of responsibility of the respective member of the Board of Management and paid as salary in twelve monthly instalments.

#### 2.2 Pension benefits

The company grants pension benefits to members of the Board of Management in the form of annual allocations to pension fund commitments and, in the case of the CEO, a capital commitment and a customary level of direct insurance. In future, annual allocations to pension fund commitments, direct insurances, and capital commitments may be granted to members of the Board of Management.

#### 2.3 Ancillary benefits

The ancillary benefits granted by the company include a company car that may also be used privately. Furthermore, members of the Board of Management are covered by D&O insurance with a deductible that is consistent with the requirements of the German Stock Corporation Act (AktG), namely 10% of damages up to one and a half times the basic annual salary. Moreover, members of the Board of Management are covered by an accident insurance policy for accidents both at and outside work. In addition, members of the Board of Management receive an allowance for health and nursing care insurance, the amount of which corresponds to the statutory requirements governing contribution allowances for voluntarily insured persons.

### 3. Variable remuneration components

#### 3.1 Performance-related bonus

Short-term variable remuneration (short-term incentive - "STI") is a performance-related bonus with a one-year assessment period. STI is based on the achievement of a specified level of consolidated EBITDA. Consolidated EBITDA is defined as consolidated EBIT plus amortization/depreciation of non-current intangible assets and property, plant and equipment, plus impairments of non-current intangible assets and property, plant and equipment, and less write-backs of non-current assets and property, plant and equipment at the STRATEC Group.

The specifications made include a minimum level of consolidated EBITDA (basic amount) from which STI is granted and a target level of consolidated EBITDA from which 100% of the STI may be granted. The amount disbursed is calculated on the basis of a percentage amount by which consolidated EBITDA exceeds the minimum level. For ordinary members of the Board of Management, STI has a target amount of € 250,000 based on 100% target achievement and is in all cases limited to € 500,000 per annum. For the CEO, STI has a target amount of € 335,000 based on 100% target achievement and is in all cases limited to € 670,000 per annum.

#### 3.2 Long-term variable remuneration

The long-term variable remuneration (long-term incentive – "LTI") comprises two components, namely one component granted upon the achievement of certain targets specified by the Supervisory Board each year (mid-term incentive – "MTI") and one component with a long-term share-based structure and remunerated by granting stock appreciation rights and stock options (long-term share-based payment – "LSP").

##### a) MTI

MTI consists in equal parts of a linked component, an individual component (personal target requirements for the current period), and a discretionary component. The Supervisory Board determines the individual components and the respective target requirements. The amount is disbursed upon the expiry of a four-year period after the grant date. The individual components are viewed over a period of four financial years.

Before granting the respective MTI, the Supervisory Board determines the individual components, the respective target requirements, and the mechanisms for calculating the amount disbursed by reference to the current situation of STRATEC SE. It also determines the target bonus, i.e. the amount disbursed in the event of 100% target achievement and based on all components and target requirements.

The linked component is divided into two sub-components: consolidated sales and consolidated EBITDA viewed over the four financial years subsequent to the grant date. Consolidated EBITDA is defined as consolidated EBIT plus amortization/depreciation of non-current intangible assets and property, plant and equipment, plus impairments of non-current intangible assets and property, plant and equipment, and less write-backs of non-current assets and property, plant and equipment at the STRATEC Group.

For each of the two key figures (consolidated EBITDA and consolidated sales), the Supervisory Board determines four interim target values which refer to December 31 of the four respective financial years. The interim target values each define 100% interim target achievement. Lower or higher percentage increases actually achieved in the (interim) values for the two key figures proportionately increase or decrease the percentage of interim target achievement.

The individual amounts allocable to the two linked sub-components each correspond to the arithmetic average of percentage target achievement for the four interim targets multiplied by one sixth of the target bonus. Furthermore, the individual amounts calculated this way are only included in the amount disbursed if (applying the lower threshold and cap per interim target) a four-year total target of at least 50% is achieved. In this respect, the four-year total target corresponds to the aggregate sum of the four interim target values.

The target values for the linked components each correspond to a year-on-year increase to be stipulated by the Supervisory Board both for consolidated sales and consolidated EBITDA.

Individual target requirements for the Board of Management include criteria such optimizing the company's organization, reaching further climate neutrality targets, achieving group-wide improvements in employment relationships, and implementing specific tasks at relevant subsidiaries. The degree of target achievement is determined by the Supervisory Board at its own discretion.

In its discretionary decision, the Supervisory Board should consider not only the individual performance of the member of the Board of Management but also the future sustainability of STRATEC SE in respect of the expansion achieved in the company's market position, its innovative capacity, and the implementation of the strategy agreed with the Supervisory Board. The individual amount allocable to the discretionary component corresponds to the target achievement percentage determined by the Supervisory Board on an ex-post basis multiplied by one third of the target bonus. The individual amount for the discretionary component amounts to a maximum of 200% of the prorated target bonus (cap).

The amount disbursed comprises the individual amounts allocable to the four components, which are determined separately. The individual components are equally weighted. The amount of MTI bonus achievable each year is capped at € 62,000 for the CEO, i.e. at a total of € 248,000 over the four-year period; the corresponding amounts for the other members of the Board of Management are € 51,000 and € 204,000.

The amount disbursed is due for payment after the Annual General Meeting of STRATEC SE that acknowledges the annual financial statements for the fourth financial year after the grant date.

Should the employment relationship expire before the end of the four-year period, the disbursement amount is determined on a time-apportioned basis and disbursed within two months of the end of the employment relationship.

#### b) LSP

LSP comprises stock appreciation rights and, if so chosen by the Supervisory Board, stock options, although the number of stock options granted may not exceed one quarter of the number of stock appreciation rights granted. The members of the Board of Management each year receive a number of stock appreciation rights determined by the Supervisory Board and, if so chosen by the Supervisory Board, stock options as well.

##### aa) Stock appreciation rights

The stock appreciation rights (SARs) have the following basic structure:

The rights refer to a payment to be made by the company to the member of the Board of Management, with the amount of payment being determined by reference to the share price performance of STRATEC SE (reference share) as documented in XETRA trading on the Frankfurt Stock Exchange over a predefined period. The SARs should have a minimum term of four years calculated from the grant date. The maximum term amounts to 7 years. Should the term expire on a date within 30 stock market trading days prior to publication of the half-year or annual financial statements, the term is extended through to the first stock market trading day after the expiry of this timeframe.

Unless otherwise laid down by the Supervisory Board, the payment claim is determined on the basis of the increase in the XETRA closing price of a reference share through to the end of the term (based on a 30-day average price plus dividends) compared with the XETRA closing price at the grant date (reference price). In this respect, the annual increase in the reference share price – without reference to the share price performance within the term – must amount to at least 20% (exercise hurdle).

The amount of payment claim following expiry of the minimum waiting period, if a request for payment is then submitted, or at the end of the term, assuming that the exercise hurdle is met, is calculated, unless otherwise stipulated by the Supervisory Board, as the difference between the reference price determined at the end of the term multiplied by the number of rights and the reference price determined at the beginning of the term also multiplied by the number rights.

Following the expiry of the minimum four-year waiting period, the payment is made with the next salary payment to the member of the Board of Management if he/she has submitted a request for payment, and at the latest within two weeks of the expiry of the term.

SARs for the grant year in which the employment relationship with the member of the Board of Management expires are reduced on a time-apportioned basis.

Should the employment relationship expire before the end of the four-year period, the SARs received during the term of employment are determined on a time-apportioned basis. The respective member of the Board of Management may submit a request for payment between the date on which he/she leaves the company and the expiry of the maximum term.

## bb) Stock option rights

Each stock option right entitles its bearer to purchase one STRATEC share at a later point in time in return for payment of the exercise price stipulated at the grant date. The exercise price corresponds to the average closing price of STRATEC's shares on the five stock market trading days preceding the decision to grant the stock option rights and, as a minimum to a nominal value of one euro per share. The stock option rights may be exercised in predefined exercise timeframes following the expiry of waiting periods and if specified performance targets are met. The stock options granted may be fully exercised at the earliest upon the expiry of a four-year waiting period and if, between the grant date and the date on which the waiting period expires, STRATEC's share price has risen by at least 20% compared with the exercise price. Following the expiry of a seven-year term from the grant date, the stock option rights lapse without compensation. Stock options also lapse if the member of the Board of Management leaves the company. The terms and conditions of the options may include specific divergent provisions covering the fatality, permanent inability, or reduced ability to work on the part of members of the Board of Management.

## cc) Valuation of SARs and stock options

The value of a SAR and a stock option is determined at fair value upon being granted by reference to relevant option valuation methods. Should the value thereby determined exceed the amount of € 300,000 (cap), ordinary members of the Board of Management receive a correspondingly lower number of SARs or stock options. If the value calculated this way exceeds the amount of € 700,000 (cap for the CEO), then the CEO receives a correspondingly lower number of SARs or stock options.

## IV. Performance criteria for granting variable remuneration components (§ 87a (1) Sentence 2 No. 4 AktG)

The financial and non-financial performance criteria already presented in B.III.3 contribute as follows to promoting the business strategy and the company's long-term development. The achievement of these targets is measured as follows:

Variable remuneration components are structured so as to create a suitable incentive system for implementing the corporate strategy and for promoting sustainable value creation and growth. Particular attention is paid to achieving the greatest possible congruence between the interests and expectations of shareholders on the one hand and the remuneration paid to the Board of Management on the other. Variable remuneration is linked to the objective of sustainably increasing the company's value and therefore comprises a short-term and a long-term variable component. The sustainable business alignment at STRATEC is reflected in the ESG targets in MTI, on which the variable remuneration of the Board of Management is also based.

### 1. STI

The total target achievement factor (performance factor) for STI is aligned to financial performance targets of strategic relevance for the company. The consolidated EBITDA performance criterion creates incentives to boost the company's operating earnings strength. Consolidated EBITDA is defined as consolidated EBIT plus amortization/depreciation of non-current intangible assets and property, plant and equipment, plus impairments of non-current intangible assets and property, plant and equipment, and less write-backs of non-current assets and property, plant and equipment at the STRATEC Group.

### 2. LTI

The total target achievement factor (performance factor) for LTI is aligned to economic variables that focus on the company's long-term sustainability and thus also on a positive share price performance.

Similarly, the non-financial targets also contribute to promoting the business strategy. Here, the Supervisory Board takes particular account of strategic focus topics for the respective remuneration year. Furthermore, the total target achievement factor for MTI is aligned, among other factors, to one or several ESG targets. The ESG targets are based on the sustainability targets defined by the company as part of its business strategy. The company's sustainability strategy and material non-financial targets are published in the non-financial report, which also includes further disclosures about the sustainability strategy. The total target achievement factor determines the amount of MTI disbursed.

The annual total target achievement factor corresponds to the weighted total of target achievement factors in the performance categories. The maximum total target achievement factor amounts to 200% for the CEO and 150% for other members of the Board of Management.

LSP enables members of the Board of Management to participate in the long-term share price performance over the performance period. The contractually agreed allocation value for LSP at the beginning of the performance period is aligned to the share price before the beginning of the performance period. The cash settlement at the end of the performance period depends on the company's share price in the final 30 stock market trading days in the performance period.

#### V. Possibilities on the part of the company to claw back variable remuneration components (§ 87a (1) Sentence 2 No. 6 AktG)

If variable remuneration components linked to the achievement of specific targets were wrongly disbursed on the basis of incorrect data, then the company is entitled to reclaim the difference between the amount disbursed and the newly calculated amount of variable remuneration. The company must demonstrate that the data underlying the calculation was incorrect and that the variable remuneration paid to the member of the Board of Management was therefore too high.

This claw-back option also applies when the term in office or employment relationship of the member of the Board of Management has already expired at the time at which the claw-back claim is asserted. The member of the Board of Management may not claim that the surplus remuneration thereby disbursed is no longer available in his/her personal assets. The assertion of damage claims against the member of the Board of Management remains unaffected.

The assertion of claw-back rights is at the due discretion of the Supervisory Board.

#### VI. Share-based payment (§ 87a (1) Sentence 2 No. 7 AktG)

The stock appreciation rights form a further major component of the remuneration system. In addition to the stock options and MTI, they therefore create an additional incentive for the long-term development in the company's value over a performance period of at least four years.

#### VII. Remuneration-related transactions (§ 87a (1) Sentence 2 No. 8 AktG)

##### 1. Terms and requirements to terminate remuneration-related transactions, including respective notice periods (No. 8a)

The existing employment contracts with the current members of the Board of Management all have terms until November 2023.

In the event of a change of control, members of the Board of Management have special termination rights which involve the commitment of benefits amounting to 150% of the severance pay cap.

##### 2. Compensation upon termination (No. 8b)

Upon the expiry of their employment relationships, members of the Board of Management are each obliged to comply with a two-year restriction period due to a retrospective prohibition on competition. During this period, they are entitled to compensation of 75% of their most recent contractually agreed total annual remuneration for the first year and to 50% of this remuneration in the second year. The Supervisory Board reserves the right to impute severance payments to payments resulting from the prohibition on competition. Such imputation is nevertheless waived, and may also not be requested, in the event of member of the Board of Management exercising his/her termination rights in connection with a change of control.

Any payments, including ancillary benefits, to be agreed in the event of an employment contract being prematurely terminated may not exceed the value of two annual remuneration packages (severance pay cap).

#### VIII. Consideration of the remuneration and employment conditions of employees when determining the remuneration system (§ 87a (1) Sentence 2 No. 9 AktG)

The Supervisory Board reviews the target remuneration of members of the Board of Management each year and compares this with the average target remuneration of the senior management and management (top management tier) and with the average target remuneration of non-tariff and tariff



employees at STRATEC SE in Germany (vertical comparison). In this vertical comparison, the target remuneration and basic salary of the members of the Board of Management (excluding pension and ancillary benefits) are in each case set in relation to the average target remuneration of employees in the aforementioned functional levels.

IX. Procedures for determining, implementing and reviewing the remuneration system (§ 87a (1) Sentence 2 No. 10 AktG)

The Supervisory Board determines the system and amount of remuneration for the Board of Management, including maximum remuneration. The Supervisory Board presents the remuneration system thereby adopted for approval by the Annual General Meeting. The Supervisory Board regularly reviews the appropriateness of the system and amount of remuneration for the Board of Management. To this end, it performs a vertical comparison of the remuneration of the Board of Management with the remuneration of the workforce (cf. VIII.). Furthermore, to assess whether the specific total remuneration of members of the Board of Management is in line with customary norms, the Supervisory Board compares this with a suitable peer group of other listed companies (horizontal comparison). This involves referring to remuneration data at select comparable companies in the TecDAX or SDAX indices at Deutsche Börse AG. The comparison is based on companies comparable to STRATEC SE in terms of the quantitative criteria of sales, profit, workforce, and total market capitalization. The remuneration system will be presented for approval by the Annual General Meeting once more in the event of material changes, and at least every four years. Should the Annual General Meeting not approve the system presented for voting, the Supervisory Board will present a reviewed remuneration system for approval no later than at the following Annual General Meeting. This remuneration system is applicable to all employment contracts newly concluded with members of the Board of Management and to reappointments of existing members. The Supervisory Board may temporarily diverge from the remuneration system (rules and regulations governing the remuneration structure) and its individual components, as well as in respect of individual remuneration components, or introduce new remuneration components, if this is necessary in the interests of the company's long-term wellbeing.

## **8. Resolution on the approval of the remuneration system for the members of the Supervisory Board**

Pursuant to § 113 (3) AktG, a resolution must be adopted every four years in respect of the remuneration paid to Supervisory Board members; in this respect, the adoption of a resolution merely confirming the existing remuneration system is permitted. In accordance with § 13 of the company's Articles of Association, Supervisory Board members receive fixed remuneration payable after the expiry of each financial year and a meeting allowance.

The Board of Management and Supervisory Board propose that the existing rules governing the remuneration of Supervisory Board members pursuant to § 13 of the Articles of Association should be confirmed together with the amendment proposed below in Agenda Item 9. b). The remuneration is presented in summarized form below:

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

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

Supervisory Board remuneration is based on the system set out below:

Supervisory Board remuneration should be commensurate to the duties discharged by members of the Supervisory Board and the company's situation (cf. § 113 (1) Sentence 3 AktG) and also ensure that STRATEC's Supervisory Board is attractive in the competition for suitable candidates. Supervisory Board remuneration that is appropriate and consistent with market norms therefore promotes the business strategy and long-term development of STRATEC SE.

Consistent with a suggestion made in the German Corporate Governance Code, recommendations made by most investors and voting rights advisors, and predominant market practice, Supervisory Board remuneration at STRATEC consists exclusively of fixed remuneration. This conforms to the function assumed by the board as an independent advisory and supervisory body with the structures provided by German stock corporation law.

#### 1. Overview of the remuneration components of the Supervisory Board

The structure of Supervisory Board remuneration at STRATEC SE is based on the underlying principle that, in addition to appropriate basic remuneration, various additional allowances should adequately account for the additional time input required of the Supervisory Board Chair, the Deputy Chair, and committee members.

Each Supervisory Board member receives basic remuneration. The additional allowances for the Supervisory Board Chair and the Deputy Chair account for the particular responsibility and greater time input associated with these functions.

In addition, Supervisory Board members receive an allowance for attending a Supervisory Board meeting in person. Where several meetings are held on the same day, the meeting allowance is paid only once. The meeting allowance is limited to a maximum of six meetings each financial year.

Committee membership generally involves a further commitment of time. Committee members should therefore also receive a meeting allowance that is limited to a maximum of three meetings each financial year. The company currently assumes that it is only necessary to form an audit committee.

Remuneration is due for payment upon the conclusion of the financial year to which the remuneration refers.

Supervisory Board members who join the Supervisory Board or leave the Supervisory Board or a committee during the current financial year receive one twelfth of the respective portion of annual remuneration for each month of membership thereby started.

The company reimburses Supervisory Board members for the necessary and appropriate volume of expenses incurred for them to perform their duties, as well as for any statutory sales tax to which they are liable. Supervisory Board members are included in a pecuniary loss liability insurance policy. The company assumes the resultant premiums.

#### 2. Procedures for determining, reviewing and implementing the remuneration system

Pursuant to § 113 (3) Sentence 1 AktG, at the proposal of the Board of Management and the Supervisory Board the Annual General Meeting adopts a resolution on the remuneration of Supervisory Board members at least every four years. In this respect, the Annual General Meeting may merely confirm the Supervisory Board remuneration or may amend the provisions of the Articles of Association governing Supervisory Board remuneration. Irrespective of this procedure, Supervisory Board remuneration is regularly reviewed by the company's management.

## 9. Resolution on amendments to the Articles of Association

#### a) § 3 (3.2) (Notification duties)

Due to a legislative amendment resulting from the German Act on the Transposition of the Second Shareholder Rights Directive (ARUG II) dated December 12, 2019, an amendment is required in § 3 (3.2) of the Articles of Association.

The Board of Management and Supervisory Board propose the adoption of the following resolution:

§ 3 (3.2) of the Articles of Association is formulated as follows:

“Communications of notifications made pursuant to § 125 (3) and (4) AktG are restricted to electronic communications. The Board of Management is entitled – but may not be obliged – to communicate such notifications in paper form as well.”

#### b) § 13 (Supervisory Board remuneration)

Due to the changing requirements place in the Supervisory Board due to corporate governance and future legislative amendments, irrespective of its size the Supervisory Board should form committees, and in particular an audit committee. Committee activity should be remunerated separately. The company believes that a meeting allowance is appropriate.

The Board of Management and Supervisory Board propose the adoption of the following resolution:

§ 13 of the Articles of Association is extended to include a new paragraph 13.3, which is formulated as follows:

"Should the Supervisory Board form one or several committees, each committee member shall receive a meeting allowance of € 750.00 for attending a committee meeting. This meeting allowance is limited to a maximum of three committee meetings each financial year."

The previous paragraphs 13.3 to 13.5 thereby become paragraphs 13.4, 13.5, and 13.6.

## **FURTHER DISCLOSURES AND INFORMATION ABOUT THE CONVOCATION**

### **1. General information on the virtual Annual General Meeting**

With the approval of the Supervisory Board, the Board of Management has decided to hold the Annual General Meeting of STRATEC SE on May 20, 2021 as a virtual Annual General Meeting without physical attendance by shareholders or their authorized representatives (except for voting proxies appointed by the company).

Shareholders and their authorized representatives (except for voting proxies appointed by the company) have no right and no possibility to be physically present at the venue of the Annual General Meeting. For correctly registered shareholders and their authorized representatives, the Annual General Meeting will be broadcast (audiovisual) via the shareholder portal accessible on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm). This broadcast does not facilitate participation in the virtual Annual General Meeting pursuant to § 118 (1) Sentence 2 AktG.

Among other functions, the shareholder portal allows correctly registered shareholders and their authorized representatives to exercise their voting rights, issue powers of attorney, submit questions, or file objections to the protocol of the meeting.

### **2. Conditions for participating in the virtual Annual General Meeting and exercising voting rights**

To be eligible to participate in the virtual Annual General Meeting and exercise their voting rights, company shareholders must be entered as such in the company's Share Register and have registered with the company prior to the Annual General Meeting.

Our shareholders will receive a registration form together with the invitation to the Annual General Meeting. This registration form offers shareholders the following possibilities:

- Request an access card to the virtual Annual General Meeting for the shareholder
- Issue power(s) of attorney and instructions to the voting proxies appointed by the company
- Request an access card to the virtual Annual General Meeting for an authorized person.

Notification of registration must in all cases be received by the company in text form by **midnight (24:00 CEST) on Thursday, May 13, 2021** at the following address, fax number, or e-mail address:

STRATEC SE  
c/o Computershare Operations Center  
80249 Munich  
Germany

Fax: +49 89 30903-74675

E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

Intermediaries, shareholders' associations, voting rights advisors and persons deemed equivalent to such pursuant to § 135 (8) AktG may only exercise voting rights for shares which do not belong to them, but for which they are registered as the holder in the Share Register, on the basis of an authorization issued by the person who owns the shares.

Following receipt of registration by the company, access cards to the virtual Annual General Meeting will be forwarded to the shareholders or the third parties thereby authorized. The access data required to access the shareholder portal is printed on each access card. The access data consists of the access card number and a password.

To ensure that shareholders receive access cards in good time, we would ask them to forward their registration to the company at their earliest convenience.

### 3. Disposals of shares and transfers in the Share Register

Registration for the Annual General Meeting will not result in shares being deactivated or blocked. Shareholders may therefore continue to freely dispose of their shares following registration.

Participation and voting rights are based on the shareholdings entered in the Share Register on the day of the Annual General Meeting. These correspond to the shareholdings resulting from the transfer applications received by the company by **midnight (24:00 CEST) on Thursday, May 13, 2021**. For technical reasons, transfer applications received by the company from this time until the day of the Annual General Meeting (both dates inclusive) will result in a halt on transfers, i.e. neither registrations nor de-registrations will be executed up to and including **midnight (24:00 CEST) on Thursday, May 20, 2021**.

### 4. Voting procedures

#### Voting procedures for authorized representatives

Shareholders who are entered in the Share Register and have registered to participate in the Annual General Meeting but do not wish to exercise their voting rights in person at the virtual Annual General Meeting may authorize an intermediary, a shareholders' association, a voting rights advisor, or another person of their choice to exercise their voting rights. Even if they grant an authorization to exercise voting rights, shareholders have to ensure that they comply with the conditions for participating in the Annual General Meeting and exercising voting rights specified in the above section. If a shareholder grants authorizations to more than one person, the company may reject one or several such persons.

To issue powers of attorney to intermediaries, shareholders' associations, voting rights advisors, and other persons, institutions, or companies deemed equivalent to such pursuant to § 135 (8) AktG with respect to the exercise of voting rights, to revoke such powers, and to document such authorizations, due application is made of § 135 AktG. Accordingly, the authorized party is required to keep a verifiable record of the power of attorney. This must be complete and may contain only declarations relating to the exercise of voting rights. Furthermore, the authorized party may have stipulated special regulations for its own authorization; this should be clarified with the authorized party in advance.

If the authorization is granted neither to an intermediary, nor to a shareholders' association, nor to a voting rights advisor, nor to professional agent pursuant to § 135 (8) AktG, then the issuing of a power of attorney, revocation of such, and proof of authorization vis-à-vis the company require text form (§ 126b of the German Civil Code [*Bürgerliches Gesetzbuch* – hereinafter "BGB"]).

The issuing of a power of attorney, its revocation, and the proof of authorization vis-à-vis the company may be communicated by post, fax, or e-mail to the following address, fax number, or e-mail address such that it is received no later than **midnight (24:00 CEST) on Tuesday, May 18, 2021**:

STRATEC SE  
c/o ITTEB GmbH & Co. KG  
Vogelanger 25  
86937 Scheuring  
Germany  
  
Fax: +49 8195 77 88 600  
E-mail: [stratec2021@itteb.de](mailto:stratec2021@itteb.de)

Shareholders wishing to authorize any other person can issue powers of attorney using the access card forwarded to them following correct registration.

Furthermore, documentary evidence of any power of attorney issued, amended, or revoked may be communicated to the company via the shareholder portal available on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm) in accordance with the relevant procedures through to the start of voting at the virtual Annual General Meeting.

Authorized representatives are also not permitted to physically attend the Annual General Meeting. Within the framework of their respective powers of attorney, they may exercise the voting rights of the shareholders they represent solely by electronic voting or by (sub-) authorization of the voting proxies appointed by the company. Use of the shareholder portal requires authorized representatives to obtain the data required to access the shareholder portal from the person issuing the power of attorney.

## **Exercising of voting rights by voting proxies appointed by the company**

Shareholders who are entered in the Share Register and have registered to participate in the Annual General Meeting may also choose to be represented by voting proxies appointed by the company.

Powers of attorney must be issued to the company's voting proxies in writing, as must any amendment or revocation of such.

Powers of attorney and instructions, and any amendments to or revocations of such, may be issued to the voting proxies appointed by the company by post, fax, or e-mail to the following address no later than **midnight (24:00 CEST) on Tuesday, May 18, 2021**:

STRATEC SE  
c/o ITTEB GmbH & Co. KG  
Vogelanger 25  
86937 Scheuring  
Germany  
  
Fax: +49 8195 77 88 600  
  
E-mail: [stratec2021@itteb.de](mailto:stratec2021@itteb.de)

Shareholders wishing to authorize the company's voting proxies can issue powers of attorney using the access card forwarded to them following correct registration.

Furthermore, powers of attorney and instructions to the voting proxies appointed by the company may be issued, amended, or revoked via the shareholder portal accessible on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm) in accordance with the relevant procedures through to the start of voting at the virtual Annual General Meeting.

Where voting proxies appointed by the company are authorized, they must always also be provided with instructions as to how to exercise the voting rights. The voting proxies are obliged to vote in accordance with the instructions granted to them. They may not accept any authorizations to declare objections to resolutions adopted by the Annual General Meeting, or to submit any questions or motions.

## **Exercising of voting rights by electronic voting**

Shareholders who are entered in the Share Register and have registered to participate in the Annual General Meeting may also exercise their voting rights by way of electronic voting using the shareholder portal.

Electronic votes are exclusively exercised using the shareholder portal available on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm), and may be cast, amended, or revoked through to the start of voting at the virtual Annual General Meeting. It should be noted that no other communication channels are available for electronic voting.

Authorized intermediaries, shareholders' associations, voting rights advisors, and other persons and institutions deemed equivalent to such pursuant to § 135 (8) AktG may also use electronic voting.

Should individual voting be held for an agenda item, without this being communicated in advance of the Annual General Meeting, then the instruction granted to any voting proxy appointed by the company or the vote cast by electronic voting on this agenda also count as the corresponding instruction for each point in the individual vote.

Should postal votes and powers of attorney/instructions to voting proxies appointed by the company be received, the postal votes are always deemed to have precedence. Furthermore, should diverging declarations be received via different communication channels, then these are accounted for in the following order of precedence: declarations submitted (1) via the shareholder portal, (2) by e-mail, (3) by fax, and (4) by post.

## **5. Shareholders' rights**

### **Requests for items to be added to the agenda pursuant to Article 56 of the SE Regulation, § 50 (2) of the German SE Implementation Act (SEAG), and § 122 (2) AktG**

Shareholders whose aggregate shares make up one twentieth of the share capital or the prorated amount of € 500,000.00 (corresponding to 500,000 shares) may request that items be added to the

agenda and published. Each new item must be accompanied by a substantiation or a draft resolution. Such requests must be received by the company's Board of Management by **midnight (24:00 CEST) on Monday, April 19, 2021**. Such requests should be made in writing to the following address:

STRATEC SE  
Board of Management  
Reference "AGM"  
Gewerbestr. 37  
75217 Birkenfeld  
Germany

Unless already made public together with the invitation, additions to the agenda which require disclosure are published in the German Federal Gazette immediately upon receipt of the request. Moreover, they are published on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm) and communicated to the shareholders in accordance with statutory provisions.

### **Motions and candidate nominations submitted by shareholders pursuant to § 126 (1) and § 127 AktG**

Each shareholder is entitled, also prior to the Annual General Meeting, to submit countermotions to the resolutions proposed by the Board of Management and/or Supervisory Board on specific agenda items and to submit nominations. Such countermotions and nominations including the name of the shareholder must be made available by the company pursuant to § 126 (1) and § 127 AktG if they are received by the company at following address, fax number, or e-mail address:

STRATEC SE  
Reference "AGM"  
Gewerbestr. 37  
75217 Birkenfeld  
Germany

Telefax: +49 7082 7916-999

E-mail: [hauptversammlung@stratec.com](mailto:hauptversammlung@stratec.com)

by **midnight (24:00 CEST) on Wednesday, May 5, 2021** and otherwise conform to statutory requirements. These particularly include the requirement to substantiate countermotions (but not nominations). § 126 (2) and § 127 Sentences 1 and 3 AktG list the requirements which, if met, mean that countermotions and nominations do not have to be published. In line with statutory regulations, countermotions and nominations requiring publication are published on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm). Any comments or statements by the Board of Management and/or Supervisory Board with regard to the countermotions and nominations are also published there.

Any countermotion or nomination requiring publication pursuant to § 126 and § 127 AktG is deemed to have been submitted at the virtual Annual General Meeting if the shareholder submitting such countermotion or nomination is properly legitimated and registered for the Annual General Meeting. No countermotions or nominations may be submitted during the virtual Annual General Meeting.

### **Shareholders' rights to ask questions pursuant to § 1 (2) Sentence 2 Covid-19-AuswBekG**

Diverging from § 131 AktG, shareholders will not be entitled to request information at the virtual Annual General Meeting on May 20, 2021. Correctly registered shareholders or their authorized representatives will rather be entitled to submit questions in advance of the Annual General Meeting. The Board of Management reserves the right to answer questions in advance on the company's website.

Shareholders must submit any questions to the shareholder portal on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm) no later than **midnight (24:00 CEST) on Thursday, May 18, 2021**. No account will be taken of questions submitted via other channels or after midnight (24:00 CEST) on May 18, 2021. No questions may be submitted during the virtual Annual General Meeting.

## **Objection to resolutions adopted by the Annual General Meeting pursuant to § 1 (2) Sentence 1 No. 4 Covid-19-AuswBekG**

Registered shareholders and their authorized representatives who have exercised their voting rights by electronic voting or by issuing powers of attorney and instructions to the voting proxies appointed by the company have the possibility of filing objections to resolutions adopted by the Annual General Meeting for documentation by the officiating notary public. To do so, they must use the shareholder portal on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm) and file such objections between the beginning and the end of the virtual Annual General Meeting on May 20, 2021 pursuant to § 245 No. 1 AktG in conjunction with § 1 (2) Sentence 1 No 4 Covid-19-AuswBekG.

## **Further explanations of shareholders' rights**

Further explanations of the aforementioned shareholders' rights pursuant to Article 56 of the SE Regulation, § 50 (2) of the German SE Implementation Act (SEAG), § 122 (2), § 126 (1), § 127, and § 131 (1) AktG can be found on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm).

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

Upon the convocation of the Annual General Meeting, the company's share capital amounts to € 12,102,945 and is divided into 12,102,945 no-par registered shares. Each share grants one vote. The total number of shares and voting rights therefore amounts to 12,102,945 upon the convocation of the meeting. This total also includes 3,579 treasury stock shares held at that time which do not confer any rights on the company.

## **7. Reference to company website**

This invitation to the Annual General Meeting, the documents to be made available to the Annual General Meeting and further information relating to the Annual General Meeting are available on the company's website at [www.stratec.com/agm](http://www.stratec.com/agm) from the convocation of the meeting onwards. Official voting results are also published here after the Annual General Meeting. The documents to be made available to the Annual General Meeting will also be available at [www.stratec.com/agm](http://www.stratec.com/agm) during the Annual General Meeting.

## **8. Data protection information for shareholders**

To enable shareholders and shareholder representatives to exercise their rights in the context of the Annual General Meeting, STRATEC SE processes shareholders' personal data (in particular: their name, address, e-mail address, number of shares, share class, type of share ownership, and access card number) and, where applicable, the name and address of any person furnished by the respective shareholder with powers of representation on the basis of applicable data protection legislation. By reference to the European General Data Protection Regulation ("GDPR") dated May 25, 2018, we hereby inform you about the processing of your personal data for the purpose of holding the Annual General Meeting.

For the virtual Annual General Meeting, additional personal data is processed in "log files" to facilitate technical virtualization and simplify its administration. Examples of this data include your IP address, the web browser you use, and the date and time at which you call up the site. The company uses this data for no purposes other than those stated here.

The processing of your personal data is absolutely necessary for your participation in the Annual General Meeting. The body responsible for processing this data pursuant to Article 4 No. 7 GDPR is STRATEC SE, Gewerbestr. 37, 75217 Birkenfeld, Germany. The legal basis for processing the data is provided by Article 6 (1) c) GDPR. Data processing takes place exclusively within the EU or the EEA.

STRATEC SE only provides those service providers it commissions to organize and hold the Annual General Meeting with that personal data necessary for them to perform the services thereby commissioned. These service providers process such data solely at the instruction of STRATEC SE.

The personal data is stored for the duration of the statutory retention periods and subsequently deleted without delay. STRATEC SE at no time performs automated individual decision-making, including profiling, pursuant to Article 22 GDPR.

Consistent with the statutory requirements of Articles 15 to 20 GDPR, you are at all times entitled to request information about your personal data, or to request the rectification, restriction, or deletion of such, or the processing of such, and are also entitled to data portability. You may assert these rights free of charge by contacting STRATEC SE as follows:

STRATEC SE  
Gewerbestr. 37  
75217 Birkenfeld  
Germany  
Tel: +49 7082 7916-0

Furthermore, pursuant to Article 77 GDPR you are entitled to lodge a complaint with the responsible supervisory body if you are of the opinion that STRATEC SE is illegitimately processing your personal data.

You can contact our operative Data Protection Officer at:

Operative Data Protection Officer  
STRATEC SE  
Gewerbestr. 37  
75217 Birkenfeld  
Germany  
E-mail: [datenschutz@stratec.com](mailto:datenschutz@stratec.com)

Birkenfeld, April 2021

STRATEC SE

The Board of Management