

DECLARATION ON CORPORATE MANAGEMENT

The declaration on corporate management pursuant to §§ 289f and 315d of the German Commercial Code (HGB) is summarised for METRO AG and the group. The contents are not subject to the statutory audit of the annual and consolidated financial statements by the auditor.

Declaration of conformity pursuant to § 161 of the German Stock Corporation Act (AktG)

During financial year 2022/23, the Management Board and the Supervisory Board of METRO AG discussed the implementation of the recommendations of the German Corporate Governance Code (GCGC) and jointly issued the following declaration pursuant to § 161 of the German Stock Corporation Act (AktG) on 21 September 2023:

‘Management Board and Supervisory Board of METRO AG declare that the recommendations of the Government Commission German Corporate Governance Code, published by the Federal Ministry of Justice in the official section of the Federal Gazette in the version of 28 April 2022, have been complied with since the last declaration of conformity in September 2022 and will be complied with in the future, in each case with the exception of recommendation G.10 sentence 1.

The short-term variable remuneration component (Short-Term Incentive, STI) of the members of the Management Board is used to incentivise the operational development of METRO depending on business success. The long-term variable remuneration component (Long-Term Incentive, LTI) of the Management Board members, which is structured as a performance cash plan, is directly linked to the implementation of the corporate strategy and incentivises the achievement of defined transformation and ESG (Environmental, Social and Governance) targets. A participation of the Management Board members in the share price development is achieved through demanding shareholding requirements. However, these are not linked to the variable remuneration, but must be fulfilled separately.

The Supervisory Board is of the opinion that, through this Management Board remuneration system approved by the 2023 Annual General Meeting, the remuneration of the Management Board is geared towards the sustainable and long-term development of METRO in the best possible way and contributes to the promotion of METRO’s business strategy as well as long-term development. Therefore, the company deviates from recommendation G.10 sentence 1 of the German Corporate Governance Code, according to which the variable remuneration amounts granted to the members of the Management Board shall be invested by them predominantly in shares of the company or granted accordingly on a share-based basis, taking into account the respective tax burden.’

- **METRO AG has made this declaration of conformity pursuant to § 161 of the German Stock Corporation Act (AktG) permanently accessible on the website www.metroag.de/en in the section About us – Corporate Governance.**

Remuneration system and remuneration report

The applicable remuneration system for the members of the Management Board of METRO AG pursuant to § 87a Sections 1 and 2 Sentence 1 of the German Stock Corporation Act (AktG), which was approved by the Annual General Meeting on 24 February 2023, as well as the resolution adopted by the Annual General Meeting on 19 February 2021 pursuant to § 113 Section 3 of the German Stock Corporation Act (AktG) regarding the remuneration

of the members of the Supervisory Board of METRO AG are publicly available on the website www.metroag.de/en in the section About us – Corporate Governance. The remuneration report and the auditor’s report pursuant to § 162 of the German Stock Corporation Act (AktG) are also made publicly available here.

Relevant disclosures on corporate management practices

The Management Board and the Supervisory Board of METRO AG are firmly committed to the principles of transparent, responsible and value-based management and supervision.

German Corporate Governance Code

The standards of good corporate governance are afforded a high priority. With that in mind, the Management Board and the Supervisory Board of METRO AG base their actions on the relevant valid recommendations of the German Corporate Governance Code and only deviate from these recommendations in well-founded exceptional cases. This was also documented accordingly in the Code of Procedure of the Management Board and the Supervisory Board of METRO AG.

– **Additional information on corporate governance can be found on the website www.metroag.de/en in the section About us – Corporate Governance.**

Compliance

METRO employs a group-wide compliance management system to ensure compliance with laws and a self-imposed code of conduct in the areas of antitrust law, prevention of corruption and money laundering, conflicts of interest, fraud/embezzlement as well as the regulation of subsequent benefits in purchasing.

The aim of the compliance management system is to systematically and sustainably prevent, detect and sanction regulatory infringements within the stated areas of the company. METRO does so by regularly identifying conduct-related compliance risks, adjusting the necessary organisational structures as required and consistently monitoring and controlling risks. In its group-wide systematic reporting, key compliance risks and measures are transparently communicated and documented. The need for further development of the compliance management system is ascertained from the results of regular employee surveys, internal reviews and audits. An IT-based whistle-blower system allows employees and external third parties with an opportunity to provide information on regulatory infringements within the company, under the protection of anonymity. All reported regulatory infringements, irrespective of whether the measures for ensuring compliance with these rules fall within the area of responsibility of the compliance organisation, are systematically investigated and, if necessary, sanctioned in the framework of the compliance management system by the compliance incident handling system. The respective departments are responsible for regulatory compliance measures that fall outside of the area of responsibility of the compliance organisation, with the exception of compliance incident handling.

Compliance representatives are available for all METRO national subsidiaries and country organisations as well as all major other companies of the group. They serve as a port of call in compliance matters and provide advice to the responsible managements and employees. The Chief Compliance Officer of METRO AG reports directly to the Chief Executive Officer of METRO AG.

To maintain consistent control over conduct-related risks, METRO AG has assigned clear responsibilities for risk areas and communicated an unambiguous code of conduct in addition to developing and employing risk management and control processes. These efforts are complemented by compulsory compliance training courses, systematic and target group-oriented communication measures and the consistent, disciplined handling of compliance incidents and relevant follow-up measures.

The METRO Business Principles are at the heart of our compliance Initiatives and are firmly anchored throughout the group particularly by ongoing training measures. Other essential components of our compliance programme are the group-wide code of conduct and guidelines on antitrust law as well as the anti-corruption and advisory guidelines. METRO’s compliance initiatives are facilitated by audience-specific training programmes for executives and employees, which are delivered online and in attendance, and by designing and reviewing internal controls in our operational business processes, including an IT-based business partner due diligence process. The verification of the efficacy of our internal compliance controls is regularly assessed by our Internal Audit unit.

– **Further information on compliance can be found on the website www.metroag.de/en in the section About us – Compliance Programme. The Business Principles for employees of METRO AG can also be downloaded from this website.**

Opportunities and risk management

METRO's opportunities and risk management system forms another integral component of our value-based management. This takes the form of a systematic, group-wide process that assists the management team in identifying, assessing and managing opportunities and risks. Opportunities and risk management thus form a single unit. Risk management identifies unfavourable developments and events at an early stage, makes them transparent and analyses their implications. This allows the company to put the necessary countermeasures in place as early as possible and at the same time make efficient use of arising opportunities. The opportunities and risk management system as well as the compliance management system are continually refined.

- **Further information on the opportunities and risk management system can be found in the METRO Annual Report. The report is available on the website www.metroag.de/en in the section Investors – Downloads. The annual report for the financial year ending 30 September is published in mid-December of each year.**

Responsibility/sustainability

In line with the company's strategy, sustainability is systematically and organisationally entrenched in the core business. Sustainability management serves to take into account interdependencies between economic, environmental, social and corporate-governance-related aspects in an efficient, solution-oriented manner. As the central ESG steering body within METRO, the ESG Peer Group enables the top levels of management to engage in dialogue on topics related to sustainability. This body defines the strategic framework as well as objectives which apply throughout the group and submits them to the Commercial Board of METRO AG for informational purposes or for a decision. The ESG Peer Group is comprised of top representatives of the core functions of Corporate Responsibility, M&A | Legal & Compliance, Purchasing, Global Offer Processes & Master Data Management, Quality Assurance, Human Resources, Finance, Accounting and Controlling, Investor Relations and Strategy, Internal Audit, Communication and Energy Management/Real Estate Sustainability, as well as representatives from METRO companies.

To adequately respond to the specific market and customer requirements, the METRO companies manage the operational implementation of overarching sustainable development goals within this framework. They are responsible for working on the relevant sustainability issues, for defining and implementing specific targets and measures and for monitoring their success.

The Management Board of METRO AG is involved in the work related to ESG topics. The ESG Peer Group regularly informs the Management Board about work progress as part of the meetings of the Commercial Board, which includes all members of the Management Board. The Management Board is also involved in decision-making on a case-by-case basis. Moreover, the long-term variable remuneration of the Management Board and the global senior management is linked to the achievement of ESG targets. These objectives currently comprise the reduction of CO₂ emissions in the company's own business operations and logistics as well as the minimisation of food waste.

Sustainability management is closely tied to METRO's opportunity and risk management via the formalised reporting and evaluation of sustainability-related opportunities and risks, which are assessed on the basis of materiality aspects. This enables the Management Board to systematically identify, evaluate and control deviations from the sustainability goals and the ensuing risks and opportunities.

To ensure that METRO's ESG strategy addresses the aspects and issues that most affect business and that the company can leverage through its business activities, METRO performed a materiality analysis in financial year 2022/23 in accordance with the requirements of commercial law.

With focus on the food sector, METRO continues to emphasise 3 sustainability priorities:

1. Climate and CO₂: METRO reduces emissions and waste in its own business operations, including its own logistics, and contributes to reducing CO₂ in the food sector, for example by using renewable energy and implementing measures to reduce food waste.
2. Ethical conduct and trust: METRO holds safe and fair working conditions in its own business operations in high regard and promotes supply chains in which business is conducted in an ethically appropriate and transparent manner with respect to human rights and environmental impact.
3. Equality, equal opportunities and inclusion: in line with the inclusive 'ONE METRO' culture and based on the understanding that employees are essential to METRO's business, the focus is on strengthening diversity and creating an inclusive working environment, as well as on promoting the health and well-being of employees.

METRO's stakeholders (for example suppliers, employees and investors) use ratings to evaluate the sustainability measures carried out by METRO. These evaluations provide important motivation to METRO and serve as a management tool by demonstrating the progress made and the potential for improvement.

ASSESSMENT IN RELEVANT SUSTAINABILITY INDEXES AND RANKINGS

Index/ranking	Rating/points	Scale	Time of publication
CDP Climate Change	B	F to A	December 2022
CDP Water Security	B	F to A	December 2022
CDP Forests	B Palm oil B- Soy B- Paper C Cattle	F to A	December 2022
ISS ESG (Institutional Shareholder Services)	C+ prime status	D- to A+	October 2023
MSCI	AAA	CCC to AAA	July 2023
Sustainalytics	Low risk (19.7) 55 of 194 in the food retailer industry	0 to 40+	April 2023

- Further information on corporate responsibility can be found on the website www.metroag.de/en in the section **Responsibility**. The ESG one-page report with the most important sustainability-related key figures is available there for download.

Guidelines (METRO Fundamentals)

The cultural link for all METRO employees around the world are the so-called METRO Fundamentals. These guidelines are the lever to fulfil METRO's self-image as a company and provide orientation for all METRO employees in their daily work. The METRO Fundamentals summarise the dispositions, behaviours and principles of collaboration that shape the culture and identity of the entire METRO organisation.

- Further information on cultural guidelines can be found on the website www.metroag.de/en in the section **Careers – Culture – METRO Culture**.

Transparency

Transparency is another essential element of good corporate governance. The company website www.metroag.de/en is an important source of information for the shareholders of METRO AG, the capital market and the general public. Besides a host of information on METRO, the site contains the financial reports of METRO AG, investor news as well as legal notifications such as ad hoc statements, voting rights notifications and notifications of proprietary transactions by executives. METRO publishes the dates for the most important recurring publications and events (announcements of sales results, reports and quarterly statements, half-year reports, annual press conferences and Annual General Meetings) in a financial calendar on its website. The timing of the publication allows for a reasonable lead time. The website also offers information published at the occasion of current events, such as annual press conferences, roadshows, investor conferences, capital market days or other information events. METRO's public relations efforts are also supported by the Chairman of the Supervisory Board, who is reasonably prepared to hold discussions with investors on topics specific to the Supervisory Board.

Information on the procedures of the Management Board and the Supervisory Board, as well as on the composition and functions of the Supervisory Board committees

The clear division between corporate management and corporate supervision is a key element of corporate governance for German stock corporations. Duties and areas of responsibility are clearly divided between the Management Board and the Supervisory Board.

The Management Board

The Management Board of METRO AG currently consists of 4 members on a transitional basis, with plans to expand it to 5 members once again over the course of financial year 2023/24 (status: 10 November 2023).

- For information about the members of the Management Board, see the notes to the annual financial statements of METRO AG – Boards of METRO AG and mandates of their members as well as the website www.metroag.de/en, section **About us – Management Board**.

RESPONSIBILITIES OF THE MANAGEMENT BOARD

The Management Board is responsible for managing METRO AG and the group. The essential management duties of the Management Board of METRO AG include the definition of corporate objectives, determination of the strategic direction for the group, management and supervision of the group, as well as corporate planning. In addition, the Management Board of METRO AG ensures the availability of investment funds, decides on their allocation within the group and is responsible for attracting and supporting managers.

Fundamental rules on cooperation within the Management Board are set out in the Code of Procedure, which is stipulated by the Management Board and approved by the Supervisory Board. The members of the Management Board are jointly responsible for all aspects associated with the management of the company. They cooperate constructively and keep one another informed on important measures and occurrences in their business segments. Without prejudice to the Management Board's collective responsibility, each individual member of the Management Board heads the business segments assigned to him or her in the schedule of responsibilities. The Management Board of METRO AG has not formed any board committees. The matters requiring a resolution by all members of the Management Board are set out in the Code of Procedure of the Management Board. For example, they include all fundamental organisational questions, issues relating to business policy as well as METRO's investment and financial planning. The Chief Executive Officer is responsible for coordinating all business segments and representing the company to the shareholders and the general public. He is also the first contact for the Chairman of the Supervisory Board.

In accordance with its Code of Procedure, the Management Board passes most resolutions in meetings, which take place at least twice in each month. The Code of Procedure also stipulates requirements for convening meetings and their conduct and provides for the necessary majority required for the adoption of resolutions.

- **The Code of Procedure of the Management Board of METRO AG can be found on the website www.metroag.de/en in the section About us – Corporate Governance.**

Although the Management Board has not formed any formal committees, it has transferred the management of global commercial activities to the Commercial Board. In addition to the members of the Management Board, the members of the Commercial Board are the Executive Vice Presidents of METRO AG and the CEOs of the largest national subsidiaries.

The Supervisory Board

In accordance with the stipulations of the German Co-determination Act (MitbestG), the German Stock Corporation Act (AktG) and METRO AG's Articles of Association, the Supervisory Board of METRO AG is composed of 10 shareholder representatives and 10 employee representatives. In addition, women and men each hold at least 30% of the seats on the Supervisory Board.

- **For information about the members of the Supervisory Board, see the notes to the annual financial statements of METRO AG – Boards of METRO AG and mandates of their members as well as the website www.metroag.de/en, section About us – Supervisory Board.**

RESPONSIBILITIES OF THE SUPERVISORY BOARD

The Supervisory Board of METRO AG appoints the members of the Management Board, provides advice to the Management Board and continuously monitors its corporate management, including with regard to the attainment of long-term corporate objectives. The Management Board involves the Supervisory Board in its plans for the future development of METRO and in decisions concerning important measures. In addition to its statutory approval requirements, the Supervisory Board has determined its own approval requirements for certain actions and business dealings.

The Supervisory Board of METRO AG generally holds 7 ordinary meetings in each financial year. Requirements for the convening of meetings and adoption of resolutions are set out in the Code of Procedure of the Supervisory Board.

- **The Code of Procedure of the Supervisory Board of METRO AG can be found on the website www.metroag.de/en in the section About us – Corporate Governance.**

Detailed information on the meetings of the Management Board and the Supervisory Board of METRO AG in financial year 2022/23 and their cooperation is provided in the report of the Supervisory Board.

- **The report of the Supervisory Board is included in the annual report and can be found on the website www.metroag.de/en in the section About us – Supervisory Board.**

THE SUPERVISORY BOARD COMMITTEES

The work of the Supervisory Board is supported by 4 committees formed from amongst its members. Specifically, these are the Presidential Committee, the Audit Committee, the Nomination Committee and the Mediation Committee pursuant to § 27 Section 3 of the German Co-determination Act (MitbestG). The duties of the committees and their composition are defined in §§ 5 et seqq. of the Code of Procedure of the Supervisory Board and, for the Audit Committee, in §§ 1 and 2 of the Code of Procedure of the Audit Committee.

COMPOSITION OF THE COMMITTEES (STATUS: 10 NOVEMBER 2023)

Presidential Committee	Audit Committee	Nomination Committee	Mediation Committee
Jürgen Steinemann (Chairman)	Prof. Dr Edgar Ernst (Chairman)	Jürgen Steinemann (Chairman)	Jürgen Steinemann (Chairman)
Xaver Schiller (Vice Chairman)	Xaver Schiller (Vice Chairman)	Gwyn Burr	Xaver Schiller (Vice Chairman)
Prof. Dr Edgar Ernst	Paul Loyo	Roman Šilha	Prof. Dr Edgar Ernst
Paul Loyo	Klaus Pollmann		Arlind Idrizi
Roman Šilha	Roman Šilha		
Silke Zimmer	Jürgen Steinemann		
	Stefan Tieben		
	Manfred Wirsch		

- The Code of Procedure of the Audit Committee of the Supervisory Board of METRO AG can be found on the website www.metroag.de/en in the section About us – Corporate Governance. More information about the composition of the Supervisory Board committees can also be found on the website www.metroag.de/en in the section About us – Supervisory Board.

INFORMATION OF THE SUPERVISORY BOARD BY COMMITTEES AND THE MANAGEMENT BOARD

The respective committee chairperson informs the Supervisory Board about resolutions and essential aspects of the committee's consultations in due course, usually verbally in the next meeting of the Supervisory Board.

The Management Board informs the Supervisory Board in accordance with the statutory requirements, the recommendations of the German Corporate Governance Code, the provisions of the Code of Procedure of the Management Board, the Supervisory Board and the Audit Committee as well as in response to other specific requests for information from the Supervisory Board. The Supervisory Board and its committees substantiate the topics and time intervals for information and reporting in a plan for meetings and fixed agenda items, which is part of the Code of Procedure of the Supervisory Board.

LONG-TERM SUCCESSION PLANNING

The Management Board and the Supervisory Board jointly ensure long-term succession planning. As provided for in the plan for meetings and fixed agenda items, long-term succession planning is discussed once a year by the Supervisory Board and twice a year by the Presidential Committee of the Supervisory Board with the members of the Management Board and the Chairman of the Management Board respectively. Aside from the processes for identifying and promoting suitable potential candidates, detailed discussions are focused on the specific succession banks for the Management Board and senior management. The discussions consider the contractual terms and any extension options of the currently appointed members of the Management Board as well as the diversity concept for the composition of the Management Board. Furthermore, long-term succession planning is based on the regular exchange between the chairpersons of the Management Board and the Supervisory Board.

SELF-ASSESSMENT OF THE SUPERVISORY BOARD

The Supervisory Board of METRO AG regularly assesses how effectively the Supervisory Board as a whole and its committees perform their duties. Suitable improvement measures are filtered out from the results of these self-assessments and implemented, if necessary. The last self-assessment was carried out at the end of financial year 2022/23. It was carried out using a questionnaire prepared internally by the office of the Supervisory Board of METRO AG, covering the following topics: composition, organisation, information and information exchange, control over personnel, monitoring of management, accounting and auditing as well as corporate governance. The work of the committees of the Supervisory Board was also assessed. The members of the Audit Committee were also provided with an additional questionnaire. The questions could be answered anonymously. The assessment and the identified potential for improvement were subsequently presented and discussed at the Supervisory Board meeting as well as by the Audit Committee.

Determinations pursuant to § 76 Section 4 of the German Stock Corporation Act (AktG)

Pursuant to § 76 Section 4 of the German Stock Corporation Act (AktG)¹, the Management Board of METRO AG has adopted the target of 25% for the proportion of female executives on the first management level below the Management Board and the target of 40% for the proportion of female executives on the second level below the Management Board to be attained by 30 September 2025. At the end of financial year 2022/23, a share of 25.8% of women were employed on the first management level below the Management Board and 22.4% on the second management level below the Management Board. Furthermore, METRO voluntarily set a target for the share of women in executive positions in its wholesale business. According to this, the share of women in management positions at levels 1 to 3 (including store management) of METRO locations worldwide is to be 30% by September 2025. At the end of financial year 2022/23, the global percentage of women in management positions at levels 1 to 3 (including store management) is 26.4%.

Disclosures concerning the minimum proportion of female and male members of the Supervisory Board

For listed companies and companies with equal shareholder and employee representation such as METRO AG, § 96 Section 2 of the German Stock Corporation Act (AktG) requires the Supervisory Board to be composed of at least 30% women and at least 30% men. METRO AG complied with these minimum proportions throughout financial year 2022/23. Currently, the Supervisory Board of METRO AG is composed of 6 female (30%) and 14 male (70%) office holders. On the part of the employee representatives as well as the shareholder representatives, the Supervisory Board is composed of 3 female (30%) and 7 male (70%) office holders.

Disclosures concerning the participation requirement of female and male members of the Management Board

If the Management Board of a listed company with equal shareholder and employee representation consists of more than 3 persons, at least 1 woman and at least 1 man must be a member of the Management Board (§ 76 Section 3a of the German Stock Corporation Act (AktG), the so-called participation requirement). Due to the size of its Management Board, METRO AG falls within the scope of the participation requirement. It complied with this requirement throughout financial year 2022/23. In financial year 2022/23, the Management Board of METRO AG consisted for the entire reporting period of 1 woman and, until 31 July 2023, 4 men, thereafter 3 men.

Diversity concept for the Management Board

Description

The diversity concept applicable to the Management Board in financial year 2022/23 stipulates that age, gender, educational and professional background and internationality must be reflected in the composition of the Management Board as follows:

- All members of the Management Board must not only have solid general qualifications, but must also be individuals capable of helping the company address its current situation and future challenges.
- The members of the Management Board should come from different educational and/or professional backgrounds.
- The members of the Management Board should complement each other with regard to their expertise and knowledge. All members of the Management Board should have expertise and experience in trade, food, supply chain, sustainability and digitalisation.
- The composition of the Management Board should adequately represent the internationality of METRO AG.
- All members of the Management Board should have long-standing management experience.
- The initial appointment of members of the Management Board should not exceed 3 years.
- The Management Board should have a balanced age structure.
- The ordinary office term of a member of the Management Board should not extend past the member reaching the age of 65.

¹ In the version applicable until 11 August 2021.

- The Management Board must include at least 1 woman.

In September 2023, the Supervisory Board reviewed the diversity concept for the Management Board and adjusted it to the effect that, in future, members of the Management Board should generally be reappointed for a maximum of 3 years. Exceptions to this rule can be made in particular for the reappointment of the Chief Executive Officer in the interest of ensuring long-term continuity and stability of corporate governance. In addition, this rule is not to be applied to the reappointment of the members of the Management Board currently serving.

Objectives

The objective of this diversity concept is to achieve a composition of the Management Board that ensures that its members have the necessary knowledge, expertise and professional experience that allow the entire Management Board to manage and steer the company in the best possible way.

Implementation

The Supervisory Board and its Presidential Committee ensure that the appointment of members to the Management Board gives adequate consideration to the postulated diversity concept. Decisions on the size of the Management Board, the appointment of members to the Management Board, as well as the identification of suitable candidates are based on diligent analysis of existing and future commercial challenges and targets. The diversity concept for the Management Board also serves as the foundation for long-term succession planning.

Furthermore, the recommendations of the German Corporate Governance Code and the relevant laws are taken into account.

Results achieved in financial year 2022/23

The diversity concept with regard to the composition of the Management Board was fulfilled throughout financial year 2022/23. Besides being individually qualified for performing their respective responsibilities, the members of the Management Board also come from different educational and/or professional backgrounds. The necessary expertise and experience in the areas of relevance for METRO is assured. There are in particular no gaps in the members' skills, but rather overlapping skills, which sustainably promotes the performance of the Management Board as a team. The members of the Management Board have long-standing – in some instances international – management experience. At the end of financial year 2022/23, 3 different nationalities are also represented on the Management Board. No initial appointments of members of the Management Board were made in financial year 2022/23. The age structure is balanced and no term of office extends beyond the age of 65. With Christiane Giesen, the Management Board includes 1 woman.

Diversity concept for the Supervisory Board

Description

The diversity concept for the Supervisory Board includes objectives for the composition of the Supervisory Board and a competence profile for the entire corporate body as defined by recommendation C.1 of the German Corporate Governance Code. It stipulates that age, gender, educational and professional background and internationality must be reflected in the composition of the Supervisory Board.

The objectives for the composition of the Supervisory Board in financial year 2022/23 are:

- The members of the Supervisory Board should complement each other with regard to their educational and professional background, experience and skills in such a way that the overall corporate body can draw on the competences defined in the competence profile for the overall body.
- An adequate number of the members of the Supervisory Board should have international experience or expertise.
- The statutory gender quota of 30% is proposed to be met by both shareholder representatives and employee representatives. It means that at least 3 of the members of the Supervisory Board on each side should be female and 3 members should be male.
- A member of the Supervisory Board who is not a member of the management board of a listed company should not hold more than 5 supervisory board mandates in non-group listed companies or comparable functions. In this regard, a supervisory board chairmanship counts double.
- If a member of the Supervisory Board is a member of the management board of a listed company, he/she shall not hold more than 2 supervisory board mandates in non-group listed companies or comparable functions and shall not chair the supervisory board of a non-group listed company.

- In the opinion of the shareholder representatives, at least 6 shareholder representatives should be independent as defined in the German Corporate Governance Code, that is, they should be independent of the company and its Management Board and independent of a controlling shareholder.
- The Chairperson of the Supervisory Board, who, in accordance with the Code of Procedure of the Supervisory Board, is also the Chairperson of the Presidential Committee, which deals with the remuneration of the Management Board, should be independent of the company and the Management Board as outlined in the German Corporate Governance Code.
- As defined by the German Corporate Governance Code, the Chairperson of the Audit Committee must be independent of the company, its Management Board and any controlling shareholder.
- Collectively, all members of the Supervisory Board must be familiar with the sector (trade) in which the company operates. The same applies to the Audit Committee.
- At least 1 member of the Supervisory Board must have expertise in the field of accounting and at least 1 other member must have expertise in the field of auditing. The same applies to the Audit Committee. The expertise in the field of accounting must include, but is not limited to, knowledge and experience in the application of accounting principles and internal control and risk management systems. The expertise in the field of auditing must include, but is not limited to, knowledge and experience in auditing financial statements. Sustainability reporting and the audit thereof are included in accounting and the audit of financial statements. The chairperson of the Audit Committee should be appropriately experienced in at least 1 of the 2 fields. The other committee members should possess adequate professional expertise and experience in these areas. Ideally, 1 member of the Audit Committee should have special expertise in the field of compliance.
- No more than 2 former members of the Management Board should be members of the Supervisory Board.
- In order to prevent potential conflicts of interest, members of the Supervisory Board may not hold an office in a corporate body of or an advisory function for a major direct competitor of the company or a group company and may not have a personal relationship with a major competitor.
- The ordinary maximum office term for members of the Supervisory Board is 10 years. The ordinary office term for shareholder representatives appointed to the Supervisory Board is 3 years. The Supervisory Board determines exceptions from the ordinary criteria at its own dutiful discretion on a case-by-case basis.
- As a general rule, only candidates who are not older than 65 years at the time of their initial election should be proposed for their first election to the Supervisory Board. As a general rule, only candidates who are not older than 71 years at the time of their election should be proposed for being elected a member of the Supervisory Board. The Supervisory Board determines exceptions from the ordinary criteria at its own dutiful discretion on a case-by-case basis.

According to the competence profile, the entire corporate body should possess the following competences:

- Trade expertise
- Knowledge/experience in accounting, audit, internal control procedures
- Knowledge in the area of compliance/governance
- Expertise in the area of mergers and acquisitions
- Expertise in the area of digitalisation/technology
- International experience/expertise, in particular in Eastern Europe
- Expertise in the (environmental and social) areas of sustainability which are important for METRO
- Expertise in logistics, in particular in the field of supply chain
- Marketing expertise
- Human resources expertise/corporate co-determination
- Experience in the management of a company

In September 2023, the Supervisory Board reviewed its diversity concept and adjusted the objectives for its composition to the effect that the ordinary maximum term for members of the Supervisory Board only applies to shareholder representatives going forward.

Objectives

The composition of the Supervisory Board should ensure that its members have the necessary knowledge, expertise and professional experience required for the entire Supervisory Board to properly perform its duties and that the statutory gender quota is met.

Implementation

The Supervisory Board presents its proposals for the election of members to the Supervisory Board to the shareholders at the occasion of the Annual General Meeting. In deciding about the candidates proposed for election, the Supervisory Board gives consideration to statutory requirements, the Articles of Association, as well as the objectives set out above for its composition and the overall profile of expertise for the entire corporate body. The same applies for the Nomination Committee, which supports the Supervisory Board in the identification of suitable candidates to represent the shareholders on the Supervisory Board.

Results achieved in financial year 2022/23

The diversity concept with regard to the composition of the Supervisory Board was fulfilled throughout the financial year. All members of the Supervisory Board contribute their manifold specific expertise to the work in the committees. They complement each other with regard to their age, educational and professional backgrounds, experience and skills. This enables the Supervisory Board to draw on the competences defined in the competence profile and completes the competence profile for the entire corporate body. Several members of the Supervisory Board have international expertise and/or experience. The Supervisory Board includes 3 female employee representatives and 3 female shareholder representatives. The upper limits for the number of mandates are met. The composition of the Supervisory Board satisfies the objective in terms of the number of independent members of the Supervisory Board and/or shareholder representatives. As of the date of this report, 7 out of the 10 shareholder representatives are independent within the meaning of the German Corporate Governance Code. The individual members are Jürgen Steinemann, Marco Arcelli, Gwyn Burr, Prof. Dr Edgar Ernst, Eva-Lotta Sjöstedt, Stefan Tieben and Georg Vomhof. The Chairman of the Supervisory Board, Jürgen Steinemann, who is also Chairman of the Presidential Committee, is independent of the company and the Management Board as defined by the German Corporate Governance Code. The Audit Committee's independent Chairman as defined in the German Corporate Governance Code is Prof. Dr Edgar Ernst.

Collectively, all members of the Supervisory Board and the Audit Committee possess the necessary familiarity with the trade sector. Moreover, the Audit Committee, and consequently also the Supervisory Board, are in full compliance with the requirements of the diversity concept with regard to expertise in the fields of accounting and auditing. Prof. Dr Edgar Ernst as Chairman of the Audit Committee and Stefan Tieben as a member of the Audit Committee each have expertise in accounting and auditing as defined in recommendation D.3 of the German Corporate Governance Code. With regard to Prof. Dr Edgar Ernst, this is primarily attributable to his long-standing occupation as Chief Financial Officer of Deutsche Bundespost POSTDIENST (later: Deutsche Post AG) and President of the German Financial Reporting Enforcement Panel (Deutsche Prüfstelle für Rechnungslegung) as well as his function as chairman of the audit committee of various listed companies. In addition to chairing the Audit Committee of METRO AG, Prof. Dr Edgar Ernst also chairs the audit committee of TUI AG and, until May 2023, was the chair of the audit committee of Vonovia SE. For several years, his role on the audit committees of these companies has involved auditing non-financial statements, which were prepared in accordance with the GRI standards on sustainability reporting and the UN Global Compact. Accordingly, his expertise in the fields of accounting and auditing also includes sustainability reporting and the associated auditing. He also oversaw their audit by the auditor. Stefan Tieben has expertise in the fields of accounting and auditing due to his long-standing experience as an auditor, tax adviser and tax consultant and as partner at the auditing and tax consulting firm RLT Ruhrmann Tieben & Partner mbB Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft. Due to this activity and his experience as a member of the Audit Committee of METRO AG, his expertise in the fields of accounting and auditing also includes corporate responsibility reporting and the associated audit.

- **Like the curricula vitae of the other members of the Supervisory Board, the CVs of Prof. Dr Edgar Ernst and Stefan Tieben with additional information can be found on the website www.metroag.de/en in the section About us – Supervisory Board.**

The Supervisory Board does not include any former members of the Management Board of METRO AG. No member of the Supervisory Board holds an office in a corporate body of or an advisory function for a substantial direct competitor, is a member of such a company's supervisory board or has a personal relationship with such a company. The ordinary maximum term, the ordinary term of office for shareholder representatives and the ordinary retirement age are stipulated in the Code of Procedure of the Supervisory Board. The ordinary office term for all shareholder representatives appointed to the Supervisory Board is 3 years, except for Prof. Dr Edgar Ernst, who requested a 1-year term. No member of the Supervisory Board has reached the ordinary maximum office term for the Supervisory Board of METRO AG. No member of the Supervisory Board exceeded the standard age limit at the time of their (first) election to the Supervisory Board.

The following qualification matrix shows the implementation of the competence profile in its current version:

Competence	Competence share*
Trade	●●●
Accounting, audit, internal control procedures	●
Compliance/governance	●
Mergers & acquisitions	●●
Digitalisation/technology	●
Internationale expertise, in particular in Eastern Europe	●●
Sustainability (ecological/social)	●
Logistics, in particular supply chain	●
Marketing	●
Human resources, corporate co-determination	●●●
Management of a company	●

* ●●● = more than 10 members, ●● = 6-10 members, ● = 1-5 members

Düsseldorf, 10 November 2023

METRO AG

THE MANAGEMENT BOARD

THE SUPERVISORY BOARD