

**Declaration of Conformity**  
**of the Management Board and Supervisory Board of METRO AG**  
**to the recommendations of the German Corporate Governance Code**  
**pursuant to § 161 German Stock Corporation Act (AktG)**

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 7 February 2017 (GCGC 2017) since the last declaration of conformity on 20 September 2019 have been complied with, with the following exceptions:

**Clause 4.2.3 sec. 2 sentence 2 GCGC 2017**

Mr Heiko Hutmacher, who left the Management Board of METRO AG as to the end of 31 December 2019, did not receive a variable remuneration for his activity as Management Board member from 1 October until 31 December 2019. This resulted from the fact that in the course of the mutual termination of his appointment as member of the Management Board and Labour Director, a termination agreement has been concluded with Mr Hutmacher which stipulates that the variable components of his remuneration (long-term incentive and short-term incentive) for the financial year 2019/20 were settled in the framework of the agreed severance pay. Against this background the recommendation pursuant to Clause 4.2.3 sec. 2 sentence 2 of the GCGC 2017 was not complied with in the time period 1 October to 31 December 2019. According to this recommendation the monetary remuneration components of the Management Board remuneration shall comprise fixed and variable components.

**Clause 4.2.3 sec. 2 sentence 8 GCGC 2017**

With the beginning of the financial year 2019/20 METRO AG implemented for the first time and with a full retroactive approach the accounting standard IFRS 16 for the financial reporting. The budget for the financial year 2019/20 was still approved on the basis of the figures before the implementation of IFRS 16, significant financial KPIs were transferred into an IFRS-16 view after completion of the restatement for the financial year 2019/20. This transition had effect on the components "exchange-rate adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA)" as well as "exchange rate adjusted return on capital employed (RoCE)" of the short-term incentive (STI) of the members of the Management Board of METRO AG for the financial year 2019/20. The targets of these components were without any changes taken from the budget which was approved by the Supervisory Board in September 2019 and then technically transferred into an IFRS 16-view for the financial year 2019/20. This causes a deviation from the recommendation in Clause 4.2.3 sec. 2 sentence 8 of the GCGC 2017. According to this recommendation a subsequent change of the targets or the comparison parameters of the variable components of the Management Board remuneration shall be excluded.

Management Board and Supervisory Board intend to comply with 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 on 20 March 2020 in the version of 16 December 2019 (GCGC 2020) in future [with the following exceptions]:

**Recommendation G.8 GCGC 2020**

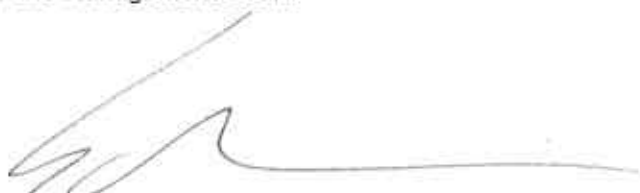
The Supervisory Board defined the targets for the tranche of the long-term incentive (LTI) granted in the financial year 2019/20 of the members of the Management Board on the basis of the mid-term planning for the financial year 2021/22 presented in September 2019. At that point of time the Covid-19 pandemic was not foreseeable. Against the background of the impacts of Covid-19, the current mid-term planning for the financial year 2021/22 had to be adapted also in view of the earnings per share. Therefore, the Supervisory Board resolved to adapt the LTI tranche 2019/20 with regard to the target setting of the component "earnings per share" to the current mid-term planning, in order to mitigate the impacts on the Management Board remuneration and to maintain the incentive effect. In addition, the changes to the "relative performance of the share return" component of the LTI in the revised Management Board remuneration system with regard to the composition and valuation of the peer group of competitors will also be applied to the 2019/20 tranche. It is therefore deviated from recommendation G.8 GCGC 2020, according to which, with regard to the variable components of the Management Board remuneration, a subsequent change in the target values or the comparison parameters should be excluded.

**Recommendation G.10 sentence 1 CGC 2020**

The new remuneration system for the members of the Management Board of METRO AG, effective as of 1 October 2020, stipulates that the LTI of the members of the Management Board, previously structured as a performance share plan, is now structured as a performance cash plan. This is intended to reduce complexity, also in view of the legal requirement that the remuneration system must be clear and understandable. In order to make the long-term variable remuneration predominantly share-based, the weighting of the LTI component "relative development of the share return" (TSR) has been increased from previously 50% to 60%. This corresponds in the result also to the recommendation of the German Corporate Governance Code in its second draft version of 9 May 2019. Even though the final version of the German Corporate Governance Code adopted in December 2019 extended the recommendation to variable remuneration as a whole, the Supervisory Board of METRO AG continues to believe that the structure of the Management Board remuneration in the new remuneration system, which also provides for demanding share ownership guidelines, is appropriately directed on the company's share price performance. Therefore, the company deviates from recommendation G.10 sentence 1 DCGK 2020, according to which the variable remuneration amounts granted to the members of the Management Board, taking into account the respective tax burden, are to be invested primarily in shares of the company or granted accordingly on a share basis.

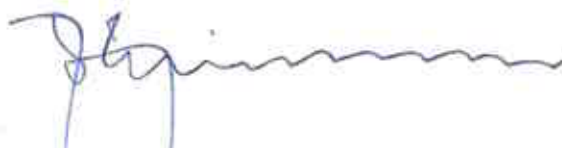
Düsseldorf, 24 September 2020

For the Management Board



Olaf Koch  
Chairman of the Management Board

For the Supervisory Board



Jürgen Steinemann  
Chairman of the Supervisory Board