

Remuneration Report

This remuneration report explains the structure and amount of remuneration paid to the Management Board and Supervisory Board. Declaration of compliance in accordance with section 162 AktG.

The Annual General Meeting of LEG Immobilien SE on 23 May 2024 approved the remuneration report for the 2023 financial year with 89.58 % of the valid votes cast.

The remuneration system for the members of the Management Board of LEG Immobilien SE (hereinafter also referred to as the "remuneration system") valid in the 2024 financial year was already updated in 2023 with a view to the financial performance criteria of the short-term incentive ("STI") and aligned more closely with cash flow. LEG Immobilien SE's business strategy, which focuses on capital efficiency and future viability, remains unchanged and is reflected in the remuneration system.

The remuneration system updated from 1 January 2023 in terms of the short-term variable remuneration components was submitted to the Annual General Meeting of LEG Immobilien SE for approval on 17 May 2023. The Annual General Meeting approved the remuneration system with 76.44 % of the valid votes cast. This remuneration system applies retroactively from 1 January 2023, with the conclusion of the amended Management Board contracts.

In light of the importance of the remuneration system for corporate governance, the Supervisory Board established a Remuneration Committee in November 2023, which focuses on the appropriate design of Management Board remuneration and the Management Board remuneration system. The Remuneration Committee commenced its activities immediately in November 2023. The chairmanship of the Remuneration Committee is always held by an independent member of the Supervisory Board, currently Mr Martin Wiesmann.

The Management Board and Supervisory Board of LEG Immobilien SE are committed to the principle of transparency and good governance. Accordingly, the 2024 remuneration report includes additional fundamental details on the financial key figures of the STI (adjusted EBITDA margin and AFFO per share), their ranges, further explanations on how their target achievement is determined, as well as information on the remuneration levels of the Management Board members in comparison to the industry.

In connection with the adjustment of the business strategy of LEG Immobilien SE due to current market conditions, the Supervisory Board deemed it appropriate to modify the financial performance criteria, which make up 80 % of the weighting of the STI target amount agreed in each Management Board contract. Starting from the 2023 financial year, the new financial performance criteria are to be 40 % based on the adjusted EBITDA margin and 40 % on AFFO per share.

- **Performance criterion adjusted EBITDA margin:**

The adjusted EBITDA margin (adjusted EBITDA in relation to net cold rent) provides insight into profitability and makes companies internationally comparable, particularly by adjusting for tax and financing conditions. The EBITDA margin involves adjusting EBITDA for the earnings from the valuation of investment properties, the earnings from disposals, one-off special effects, and other extraordinary non-recurring expenses and income. The cash-optimised group management also requires a separation of operational cash generation from investment expenditures. Therefore, the maintenance expenses for externally procured services, subsidies and own work capitalised are recognised as adjustments to EBITDA (adjusted).

- **Performance criterion AFFO per share:**

As part of the realignment of corporate governance, AFFO (Capex-adjusted FFO I) has been defined as the most significant financial performance indicator for the group management of LEG Immobilien SE. Starting from FFO I (after non-controlling interests), AFFO takes recurring capex into account. Recurring capex measures are defined as capitalised costs from modernisation and maintenance measures as well as new construction activities on own land. In calculating the production costs from modernisation and maintenance measures, consolidation effects resulting from self-performed services, which arise from the elimination of intercompany profits, are eliminated. In order to emphasise shareholder value more strongly, the focus is placed on AFFO generation per share.

The Remuneration Committee reviewed the remuneration system again in the 2024 financial year with the help of an external, independent remuneration consultant. A key finding of the review is that the financial performance criteria in the STI and the long-term incentive ("LTI") are still suitable for measuring the performance of the Management Board with regard to the underlying business strategy (for further details on the remuneration system, see the section "Outlook 2025 / Remuneration system for the Management Board in the 2025 financial year").

The corporate governance roadshow held in November and December 2024 confirmed, in the view of the Management Board and Supervisory Board, that investors continue to support the approach of focussing LEG Immobilien SE's business strategy on cash flow.

Overview of valid remuneration system 2024

Basic remuneration	Fixed contractually agreed remuneration paid out in twelve equal monthly instalments	
One-year variable remuneration "Royalty" STI	Success targets	40 %: Adjusted EBITDA margin, 40 %: Adjusted Funds from Operations I per share, 20 %: ESG targets. Criteria-based adjustment factor (0.8 – 1.2) for assessing the individual and collective performance of the Management Board, as well as extraordinary developments.
	Cap	200 % of the target amount
Multi-year variable remuneration "Virtual performance share plan" LTI	Plan type	Performance share plan
	Success targets	80 %: Relative Total Shareholder Return compared to the relevant index (EPRA NAREIT Germany), 20%: ESG goals.
	Cap	250 % of the target amount
	Performance period	4 years; after 4 years: Obligation to purchase LEG shares in the amount of 25 % of the payout
Occupational pension scheme	Receipt of a fixed amount, specified in the respective employment contract, into a reinsured support fund	
Additional benefits	Essentially company car for business and private use, for business trips the services of a driver can be used, various insurance elements	
Maximum remuneration	Chairman of the Board: EUR 4,800,000 Full members of the Board: EUR 3,100,000	
Shareholding obligation	Obligation to purchase LEG shares equivalent to a gross annual salary within four years; Obligation to hold the acquired shares for the duration of the Management Board activity	

Management Board members in the 2024 financial year

At the start of the 2024 financial year, the members of the Management Board were:

- Lars von Lackum, CEO
- Dr Kathrin Köhling, CFO
- Dr Volker Wiegel, COO

Secondary employment of Management Board members

The acceptance of secondary employment by Management Board members, particularly the assumption of supervisory board mandates and mandates in comparable control bodies of businesses outside the LEG Group, requires prior approval from the Supervisory Board, which has delegated this responsibility to the Executive Committee. At the request of LEG Immobilien SE, Management Board members also take on roles or positions in companies affiliated with LEG Immobilien SE. The same applies to taking on roles in associations and similar organisations, insofar as LEG Immobilien SE has an interest in them. The number of mandates at companies and comparable entities in which LEG Immobilien SE holds less than 51 % of the respective capital or, if higher, the voting rights, is limited to four. This limitation does not apply to mandates in housing associations, the LEG NRW Mieter-Stiftung, and the "Dein Zuhause hilft" foundation. In the event that the Management Board member has compensation claims against affiliated companies, the corresponding remuneration will not be paid to the Management Board member, but directly to LEG NRW GmbH, a subsidiary of LEG Immobilien SE. This ensures that the remuneration is, in accordance with the recommendation G.15 of the German Corporate Governance Code ("GCGC"), credited to the remuneration that the Management Board members receive from LEG Immobilien SE.

If Management Board members receive separate remuneration for taking on secondary activities outside the LEG Group, the Supervisory Board decides on a case-by-case basis, at its discretion and in accordance with the recommendation G.16 of the German Corporate Governance Code (GCGC), whether the Management Board member may retain this remuneration or whether it will be credited against their remuneration claims against LEG Immobilien SE. The only non-Group Supervisory Board mandate currently held is that of Dr Kathrin Köhling on the Supervisory Board of Deutsche Beteiligungs AG, Frankfurt. The Supervisory Board has decided that the remuneration Dr Kathrin Köhling receives for this role will not be credited against her remuneration as a Management Board member of LEG Immobilien SE. In the Supervisory Board's view, it is in the interest of LEG Immobilien SE that its Management Board members gain insights through certain external supervisory board mandates, which they can also apply in their roles on the Management Board.

Remuneration system of the Management Board for the financial year 2024 (Updated remuneration system from the financial year 2023)

The updated remuneration system sets incentives that are aligned with promoting the three fundamental core activities of LEG Immobilien SE:

- Optimising core business
- Expanding the value chain
- Consolidating and optimising the management platform

The remuneration of the Management Board members is aligned with these fundamental elements of the LEG business model and is intended to further strengthen them. Accordingly, STI and LTI are harmonised incentive systems to ensure both internal performance and to incorporate external effects in the LTI via the share price performance and the relative total shareholder return (TSR).

Accordingly, the remuneration system reflects the material key financial performance indicators for Group management. In addition to internal key figures, the focus, particularly in the long-term variable remuneration component, is placed on external, capital market-oriented key figures.

Strategic orientation

Strategic decisions of LEG Immobilien SE impact the company's economic interests as well as the interests of various stakeholders. LEG Immobilien SE is aware of this responsibility and continuously reviews its business strategy. The sustainability strategy is a key component of the business strategy. LEG Immobilien SE has established various sustainability topics through which ESG is being expanded and developed into an integral part of the business model.

ESG alignment

The focus of the updated sustainability strategy (ESG strategy) is on the "E", Environmental. In addition to CO₂ reduction in existing buildings, the focus is on the financial viability of CO₂ reduction measures. In doing so, LEG Immobilien SE aims to manage and shape sustainability efficiently and reliably. Companies that have already been established (Green Ventures), which provide products and services for the company and third parties, offer significant earnings potential and are therefore a key driver of the ESG strategy. LEG Immobilien SE understands sustainable action and business practices as a corporate obligation and fulfils this commitment to its stakeholders. Sustainability aspects are therefore considered in the remuneration of the Management Board, both in the STI and in the LTI, with each accounting for 20 %. The provision of affordable housing and the fulfilment of LEG Immobilien SE's high governance standards continue to characterise the company's day-to-day business.

Alignment with market conditions

The current remuneration system was again reviewed for market conformity in the 2024 financial year with the help of an external, independent remuneration consultant. The market conformity was confirmed.

The review revealed that the remuneration system fulfils the requirements of the capital market. The structure of the target total direct remuneration corresponds to the structure of comparable Management Board remuneration in the MDAX. The functionality of the composition of the STI performance criteria is transparent and comprehensible. The selection and weighting of the financial performance criteria of the STI corresponds to the strategic objectives of LEG Immobilien SE and is in line with market practice. The functionality of the LTI is also transparent and comprehensible. The selection of financial performance criteria for the LTI aligns with the strategic goals of LEG Immobilien SE and is in line with market standards. The integration of ESG targets in the STI and LTI with specific operationalisation is in line with market practice and the requirements of the capital market.

Continuation

Adjustments are planned to further optimise the remuneration system, particularly with regard to the changed market expectations for the design of ESG targets and to reduce complexity and administrative expenses. The updated remuneration system will be submitted to the Annual General Meeting on 28 May 2025 for approval. Furthermore, the remuneration system is to be aligned even more closely with strategic challenges and shareholder interests. The corresponding details are described in the chapter "Outlook 2025/ Remuneration system of the Management Board for the financial year 2025".

Specification of the remuneration system approved at the Annual General Meeting in May 2023

The remuneration system extended in the 2023 financial year consists of fixed and variable components, the sum of which forms the total remuneration of a Management Board member. With regard to this total remuneration, the Supervisory Board has set an individual maximum amount for each Management Board member, both in the remuneration system and in the Management Board contracts (maximum remuneration within the meaning of Section 87a (1) sentence 2 no. 1 of the German Stock Corporation Act - AktG).

The fixed remuneration component consists of the base salary, additional benefits, and expenses for the occupational pension scheme.

The variable remuneration component includes the STI as the short-term variable remuneration component and the LTI as the long-term variable remuneration component.

Overview of the individual regular components of the remuneration system over time:

Terms of the remuneration components



The contractual target amounts for each remuneration component for the 2024 financial year at 100 % target achievement are shown in the following overview:

	Lars von Lackum CEO	Dr Kathrin Köhling CFO	Dr Volker Wiegel COO
Remuneration elements			
Basic remuneration	1,045,000	480,000	605,000
One-year variable remuneration (STI)	705,000	356,000	444,000
Cash remuneration	1,750,000	836,000	1,049,000
Multi-year variable remuneration (LTI)	1,000,000	520,000	650,000
Total remuneration	2,750,000	1,356,000	1,699,000
bAV contribution	108,000	58,000	58,000
Additional benefits	30,000	27,000	41,000
Total remuneration	2,888,000	1,441,000	1,798,000
Maximum remuneration	4,800,000	3,100,000	3,100,000

The target amounts to which the respective Management Board member is entitled in the event of 100 % target achievement of the variable remuneration components, the short-term variable remuneration component and the long-term variable remuneration component, are set out in the respective Management Board employment contracts.

Suitability of the updated remuneration system and the amount of remuneration

The Supervisory Board already had the appropriateness of the remuneration level verified by an external consultant in the 2023 financial year. In accordance with the recommendation G.3 of the German Corporate Governance Code (DCGK), the Supervisory Board used appropriate comparison groups from other companies to assess the appropriateness of the total remuneration for the Management Board members. This included considering the base salary as well as the short- and long-term variable remuneration components.

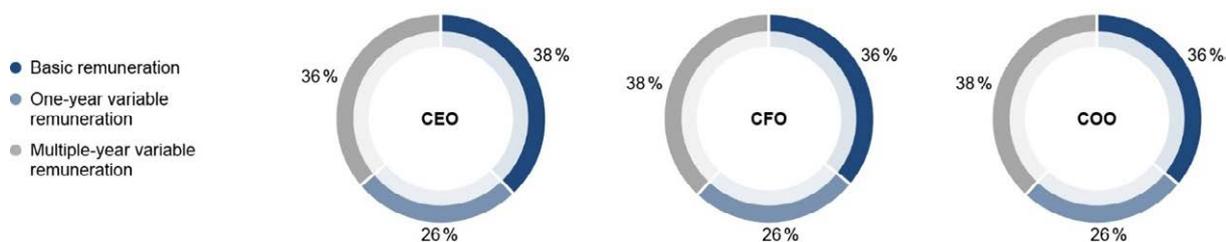
1. As LEG Immobilien SE is listed in the MDAX, the first peer group consisted of the companies in this index. The MDAX, particularly in terms of market capitalisation, forms an appropriate comparison group.
2. Additionally, LEG Immobilien SE was compared with selected real estate companies to consider the industry comparison.

The positioning in the peer groups is based on the equally weighted key figures of revenue, number of employees and market capitalisation. The target remuneration of the CEO and the ordinary members of the Management Board was within the respective market range in both benchmark markets even after adjusting the remuneration levels as of 1 January 2024.

In 2024, the total direct remuneration of the CEO and COO of LEG Immobilien SE was within the market range, while that of the CFO was below it. The positioning of the CFO's total direct remuneration was due to the fact that this was a first-time appointment (for more information on the early extension of the CFO's appointment, please refer to the section "Outlook 2025/ Remuneration system for the Management Board in the 2025 financial year"). The long-term variable remuneration for the COO and CFO was within the market range, with the COO's long-term variable remuneration above the median and the CFO's close to the lower quartile. The higher proportion of long-term variable remuneration compared to short-term variable remuneration is in line with the requirements of company law for a predominantly long-term basis of assessment of variable remuneration components and the corresponding recommendation of the German Corporate Governance Code. The remuneration structure for the members of the Management Board of LEG Immobilien SE is in line with the market, both in the MDAX and in comparison with selected real estate companies.

The total direct remuneration consists of the basic remuneration, the short-term variable remuneration component and the long-term variable remuneration component. The current structure of the total direct remuneration provides for the highest variable remuneration component in the multi-year variable remuneration and is aimed at the sustainability of the actions of the Management Board.

Structure of total direct remuneration 2024



Fixed remuneration components of the updated remuneration system 2024

Basic remuneration

The members of the Management Board receive their basic remuneration in twelve equal monthly payments (pro rata temporis).

in EUR	Salary 2024	Salary 2023	Change in%
Lars von Lackum	1,045,000.00	950,000.00	10.0
Dr Kathrin Köhling	480,000.00	281,000.00	70.8 ¹⁾
Dr Volker Wiegel	605,000.00	550,000.00	10.0

1) With regard to the percentage change in Dr Kathrin Köhling's basic remuneration, it should be noted that Dr Köhling only received her basic remuneration for the 2023 financial year on a pro rata basis for the period from the start of her term of office on 1 April 2023 until the end of the financial year.

Dr Kathrin Köhling was appointed as a member of the company's Management Board for the first time with effect from 1 April 2023. The basic remuneration for the 2023 financial year shown in the table relates pro rata temporis to the period from 1 April 2023 to 31 December 2023.

Additional benefits

The members of the Management Board receive contractually agreed benefits in addition to their basic remuneration:

Health and long-term care insurance	Subsidies amounting to 50 % of the contributions to the private health and long-term care insurance of the members of the Management Board, but not exceeding the amount that would arise if the members of the Management Board had statutory health insurance.
Legal principles	Insofar as the members of the Management Board are voluntarily insured in the statutory pension insurance or are instead insured in a private pension insurance and prove the existence of such insurance and the payment of the contributions, the members of the Management Board receive 50 % of the contributions to the statutory pension insurance or to the private pension insurance, but no more than 50 % of the maximum contributions to the statutory pension insurance. This regulation also applies to employee-financed pension commitments for which LEG Immobilien SE is the contractual partner. These pension commitments are capped at an annual payment of EUR 20 thousand for Lars von Lackum and EUR 15 thousand for the other members of the Management Board.
Company car	The Management Board members are provided with a reasonable company car for both business and private use. All costs related to the maintenance and use of the company car are borne by LEG Immobilien SE. In addition, members of the Management Board can use the services of a driver for official journeys. The benefits granted to the Management Board members through the provision of a company car are limited to a value of EUR 80 thousand for the CEO and COO, and EUR 65 thousand for the CFO, corresponding to the monetary benefit resulting from private use. The income tax on these benefits is paid by the respective member of the Management Board. Members of the Management Board are also reimbursed for travel expenses and other expenses.
D&O insurance	D&O insurance has also been taken out for the members of the Management Board. The D&O insurance policies each include a statutory deductible of 10 % of the loss, limited to 1.5 times the fixed annual remuneration per calendar year.

Pension entitlement

For the benefit of the Management Board members, LEG Immobilien SE provides an employer-financed occupational pension scheme with a fixed amount specified in each Management Board contract, per calendar year. This amount is paid into a reinsured occupational pension scheme. It is reduced pro rata temporis if the member leaves or joins the company during the year. In addition, the subsidy for retirement benefits intended as part of the additional benefits for the Management Board member can, instead of being paid as such, be contributed to the pension fund.

The occupational pension scheme for the Management Board members in the 2024 financial year is presented in the following table.

Granted occupational pension scheme 2024

in EUR	Occupational pension scheme through a pension fund with a fixed annual contribution		
	Amount per year	Monetary compensation amount	Monetary compensation year
Lars von Lackum	100,000	2,325,000	2,042
Dr Kathrin Köhling	50,000	1,315,936	2,050
Dr Volker Wiegel	50,000	1,141,667	2,043

in EUR	Occupational pension scheme through a pension fund, pension scheme, or Deutsche Rentenversicherung		
	Amount per year	Monetary compensation amount	Monetary compensation year
Lars von Lackum	8,426	192,942	2042
Dr Kathrin Köhling	8,426 ¹	3	3
Dr Volker Wiegel	8,426 ²	3	3

¹ The company pension benefits for Dr Kathrin Köhling are provided by the Deutsche Rentenversicherung.

² The company pension benefits for Dr Volker Wiegel are provided by the pension scheme for lawyers.

³ A monthly payment is made when the pension commences. Monetary compensation is not envisaged.

Payments and commitments to Management Board members whose work ended in the 2023 financial year

Susanne Schröter-Crossan left the Management Board of LEG Immobilien SE as of 31 March 2023. The company and Susanne Schröter-Crossan had agreed that her Management Board contract would continue until its regular end on 30 June 2023. On this basis, the remaining entitlements from the ongoing LTIs for 2021, 2022, and the pro-rata LTI for 2023 are calculated. The stock purchase obligation from the LTI 2022 and LTI 2023 does not apply as per the agreement.

For the financial years 2021 and 2022, the respective LTI will be granted under the conditions previously applicable, in accordance with the respective Management Board contracts and the respective LTI plan. The applicable target values previously set will continue to apply. The remuneration will not be paid early. For the 2023 financial year, the LTI will be granted in accordance with the previously applicable terms of the 2022 Management Board contract in line with the 2022 LTI plan. The LTI for the 2023 financial year will be granted on a pro-rata temporis basis according to the LTI plan 2022, only for the period up to the termination of their role with LEG Immobilien SE on 31 March 2023. The target amount of the LTI was reduced accordingly to EUR 325 thousand.

Variable remuneration components of the remuneration system 2024

Short-term variable remuneration share (STI)

The purpose of the STI is to ensure profitable, organic growth and the achievement of annual operating targets. The short-term variable remuneration component is designed as a target bonus model and is based on financial and strategic targets. The STI consists of an annual payment measured on the basis of the following financial and non-financial performance criteria:

- Adjusted EBITDA margin
- AFFO per share,
- Non-financial environmental, social and governance targets (ESG targets).

The financial performance criteria are each weighted at 40 %. The ESG goals, derived from the sustainability strategy, are weighted at a total of 20 %. The target achievement for the performance criteria is capped at 200 % for each. The STI also has a criteria-based adjustment factor with a range of 0.8 to 1.2.



STI performance criteria - 2024

STI 2024 financial performance criteria

The target values set by the Supervisory Board for the adjusted EBITDA margin and AFFO per share are derived from the business plan approved by the Supervisory Board for the respective financial year. For the 2024 financial year, the Supervisory Board set the following target values for the financial performance criteria on 7 November 2023:

	100 % Target value 2024	Ranges
Adjusted EBITDA margin	76.5 %	0 % Minimum value: ≤ 71.5 % 100 % Target value: 76.5 % 200 % Maximum value: ≥ 81.5 %
AFFO per share	EUR 2.57	0 % Minimum value: ≤ EUR 2.06 100 % Target value: EUR 2.57 200 % Maximum value: ≥ EUR 3.08

The business plan for the 2024 financial year is reflected in the external guidance for the 2024 financial year, which was communicated to the capital market on 8 November 2023.

In determining the achievement of the financial performance criteria, the actual achieved value for each performance criterion is compared with the target value set by the Supervisory Board. The target achievement of the performance criterion is derived from the percentage deviation between the actual value and the target value. The payout amount is determined on the basis of the contractually agreed target amount, the contractually agreed weighting of the performance criteria and the respective target achievement.

If the target is met, target achievement is 100 %.

Calculation of the financial criteria

If the actual value exceeds the target value of the AFFO per share performance criterion by 20 %, the target achievement corresponds to the maximum value of 200 %. Further increases in the actual value do not lead to the maximum value being exceeded. If the actual value exceeds the target value of the AFFO per share performance criterion by 20 %, the target achievement corresponds to the maximum value of 0 %. Further deteriorations of the actual value will also result in a target achievement of 0 %. Target achievements between the defined minimum, target, and maximum values (0 %; 100 %; 200 %) are linearly interpolated.

If the actual value exceeds the target value of the performance criterion Adjusted EBITDA margin by 5 percentage points, the target achievement corresponds to the maximum value of 200 %. Further increases in the actual value do not lead to the maximum value being exceeded. If the actual value falls 5 % points short of the target value for the adjusted EBITDA margin performance criterion, the target achievement corresponds to the minimum value of 0 %. Further deteriorations of the actual value will also result in a target achievement of 0 %. Target achievements between the defined minimum, target, and maximum values (0 %; 100 %; 200 %) are linearly interpolated.

The targets set by the Supervisory Board are derived from the business plan, which the Management Board adopts before the start of the financial year and which the Supervisory Board decides whether to approve. In accordance with the regulations defined in the Management Board employment contracts, the defined target values are to be reviewed and, if necessary, adjusted with regard to the effects of acquisitions and disposals not included in the business plan and changes to the scope of consolidation. Adjustments during the year based on forecasts generally are not taken into account. According to these standards, no adjustments to the target values of the financial performance criteria Adjusted EBITDA margin and AFFO per share were required in the 2024 financial year, as determined by the Supervisory Board based on the 2024 business plan.

Target achievement adjusted EBITDA margin STI 2024

	100 % target value	Actually achieved actual value	Target achievement on the basis of contractually agreed weighting
STI 2024 - Adjusted EBITDA margin	76.5 %	77.9 %	51.2 %

The financial performance criterion Adjusted EBITDA margin is therefore achieved at 128.0 %.

STI 2024 payout amount attributable to the Adjusted EBITDA margin before criteria-based adjustment factor

This results in the following payout amounts:

in EUR	Lars von Lackum CEO	Dr Kathrin Köhling CFO	Dr Volker Wiegel COO
STI 2024 - Adjusted EBITDA margin	360,960	182,272	227,328

Target achievement AFFO per share STI 2024

in EUR	100 % target value	Actual value 2024	Target achievement on the basis of contractually agreed weighting
STI 2024 - AFFO per share	2.57	2.69	49.5 %

The financial performance criterion AFFO per share is fulfilled at 123.7 %.

Payout amount attributable to AFFO per share for STI 2024 before criterion-based adjustment factor

This results in the following payout amounts:

in EUR	Lars von Lackum CEO	Dr Kathrin Köhling CFO	Dr Volker Wiegel COO
STI 2024 - AFFO per share	348,742	176,102	219,633

Non-financial (ESG) criteria of STI 2024

The ESG targets are derived from the sustainability strategy. For the ESG targets, criteria from the dimensions "Environmental," "Social," and "Governance" are defined and operationalised with specific target specifications. The target for the "Environmental" dimension follows the decarbonisation pathway published by the company and validated by the Science Based Targets initiative (SBTi). The targets are assigned quantitatively or qualitatively measurable criteria, which allow for the determination of a measurable degree of target achievement through a target/actual comparison after the end of the financial year. The specific ESG targets, as well as the minimum, target, and maximum values, are determined annually by the Supervisory Board in agreement with the Management Board before the start of the respective financial year.

The Supervisory Board set the following ESG targets for the 2024 financial year:

Definition of the ESG sub-target "Environmental" for STI 2024

The target value of the ESG sub-target "Environmental," which corresponds to a target achievement of 100 %, is the reduction of 4,000 tonnes of carbon dioxide (CO₂) in 2024. This includes, on the one hand, refurbishment measures to improve energy efficiency that were completed in the 2024 financial year and qualified as modernisation measures under § 555b Nos. 1 to 3 BGB, based on the portfolio included in the annual report as of 31 December 2023. The reduction is evidenced on the basis of energy savings calculations and the resulting reduction in CO₂ emissions for final energy consumption. Furthermore, all CO₂ emission reductions achieved in 2024 that can be demonstrably attributed to measures aimed at changing user behaviour are taken into account. This may be evidenced by studies or reports by acknowledged experts that have been specifically prepared for individual measures taken in the 2023 financial year or through the use of a well-known, scientifically quantified and verified method of influencing user behaviour in the context of space heating that has been published in a peer-reviewed journal.

These CO₂ savings should be achieved on a climate-adjusted basis, meaning they are calculated for an average year as expected in the long-term mean for Germany, according to the German Weather Service.

Definition of the ESG sub-target "Social" for STI 2024

The ESG sub-target "Social" is achieved if a total of 100 LEG employee hours is dedicated to the conception, organisation, or implementation of intercultural projects by 31 December 2024. This includes, among other things, intercultural training sessions, tenant festivals, and social sector activities.

Definition of the ESG sub-target "Governance" for STI 2024

For the ESG sub-target "Governance," the proportion of successfully completed "IT Security" training sessions serves as the basis. This rate is verifiable at the employee level.

The ESG targets are weighted at 20% overall. All ESG sub-targets ("Environmental," "Social," and "Governance") are weighted equally.

Environmental	Social	Governance ²
Target: Reduction of 4,000 tonnes CO ₂ through modernisation projects and changes in customer behaviour	Target: Deployment of 100 LEG employee hours for the conception, organisation, or implementation of intercultural projects by 31/12/2024.	Target 1: 99 % of LEG employees*, across LEG Management, LEG Wohnen NRW, EnergieServicePlus, LCS Consulting und Service, LEG Bauen, LEG Consult, LWS Plus, and Youtilly, have completed the "IT Security" training by 31/12/2024. Target 2: 85 % of the workforce ¹ at TSP has completed the "IT Security" training by 31/12/2024.
Targets: 0 % minimum value: 3,600 tonnes CO ₂ 100 % target: 4,000 tonnes CO ₂ 200 % maximum value: 4,400 tonnes CO ₂	Targets: 0 % minimum value: 50 employee hours 100 % target: 100 employee hours 200 % maximum value: 150 employee hours	Targets: 0 % minimum value: 94 % (Target 1), 80 % (Target 2) 100 % target: 99% (Target 1), 85 % (Target 2) 200 % maximum value: 100 % (Target 1), 100 % (Target 2)

¹ Active employees are those (from employee group 1) who are in an active employment relationship with the LEG Immobilien Group as of 1 January 2024 or have joined by the cut-off date of 30 September 2024. Temporary staff, interns, and working students (employee groups 40-41, 60-66), employees in passive semi-retirement (employee group 4), inactive employment relationships (employment status 1), or those absent due to a long-term work interruption (e.g., long-term illness) are excluded from the calculation.

² Target 1 and Target 2 must be achieved in accordance with the specified bandwidths and are included in the target value calculation with these values.

Target achievement of ESG sub-targets for STI 2024

	Actually achieved	Target achievement	Target achievement on the basis of contractually agreed weighting
Environmental	6,639 tonnes of CO ₂ saved	200.0 %	13.3 %
Social	665 hours	200.0 %	13.3 %
Governance	Target 1: 100 % participation rate Target 2: 99.2 % participation rate	Target 1: 200.0 % Target 2: 194.7 %	13.2 %
Total			39.8 %

The target achievement of the ESG goals in the 2024 financial year is 199.1 %.

Payout amount attributable to ESG targets for STI 2024 before criterion-based adjustment factor

This results in the following payout amounts:

in EUR	Lars von Lackum CEO	Dr Kathrin Köhling CFO	Dr Volker Wiegel COO
STI 2024 – ESG targets	280,747	141,767	176,811

Payout amounts for STI 2024 (before criterion-based adjustment factor)

in EUR	Lars von Lackum CEO	Dr Kathrin Köhling CFO	Dr Volker Wiegel COO
STI 2024 – Adjusted EBITDA margin	360,960	182,272	227,328
STI 2024 – AFFO per share	348,742	176,102	219,633
STI 2024 – ESG targets	280,747	141,767	176,811
STI 2024 total (before criterion-based adjustment factor)	990,449	500,141	623,772

Criterion-based adjustment factor for STI 2024

The regulations for the STI provide for a criterion-based adjustment factor, in addition to the financial performance criteria and ESG targets, with a range of 0.8 to 1.2. The criteria on which the adjustment factor is assessed must be determined before the start of the relevant financial year. For the criterion-based adjustment factor, the Supervisory Board established the following criterion for the 2024 financial year in December 2023:

Balanced positioning of LEG Immobilien SE in the trade-off between the capital market's return requirements on the one hand and the demands for sustainable corporate governance on the other, with challenging CO₂ targets for the portfolio and the goal of continuing to offer tenants quality housing at a fair price.

In addition, in implementation of recommendation G.11 sentence 1 GCGC, the Supervisory Board has reserved the right to take into account extraordinary developments in the context of the criteria-based adjustment factor.

Following the recommendation of the Remuneration Committee, the Supervisory Board resolved by circular resolution on 19 February 2025 to set the criteria-based adjustment factor at 1.1 with regard to the defined criterion and the overall performance of the Executive Board.

Total target achievement of STI 2024**Payout amounts for STI 2024 (after criterion-based adjustment factor)**

in EUR	Lars von Lackum CEO	Dr Kathrin Köhling CFO	Dr Volker Wiegel COO
Before discretionary factors	990,449	500,141	623,772
According to criteria-based adjustment factor	1,089,494	550,155	686,149

The weighted target achievement of the performance criteria results in the overall target achievement level of the STI. The total target achievement rate of STI 2024 after the criterion-based adjustment factor amounts to 140.5 %.

The payout amounts from STI 2024 are capped at EUR 1,410 thousand for Lars von Lackum, EUR 712 thousand for Dr Kathrin Köhling, and EUR 888 thousand for Dr Volker Wiegel.

The STI payable based on the above determination will be settled and paid to the respective Management Board member no later than 30 days after the approval of the consolidated financial statements of LEG Immobilien SE for the 2024 financial year.

Long-term variable remuneration component - LTI

In addition to the STI, the Management Board members are entitled to an LTI aligned with the company's long-term and sustainable development. This LTI is newly awarded for each financial year and is designed for a four-year performance period.

Currently, two different LTI programmes are in place for the Management Board members, each governed by different regulations: the LTI programme applicable for the 2021 financial year and the LTI programme applicable from the 2022 financial year onwards.

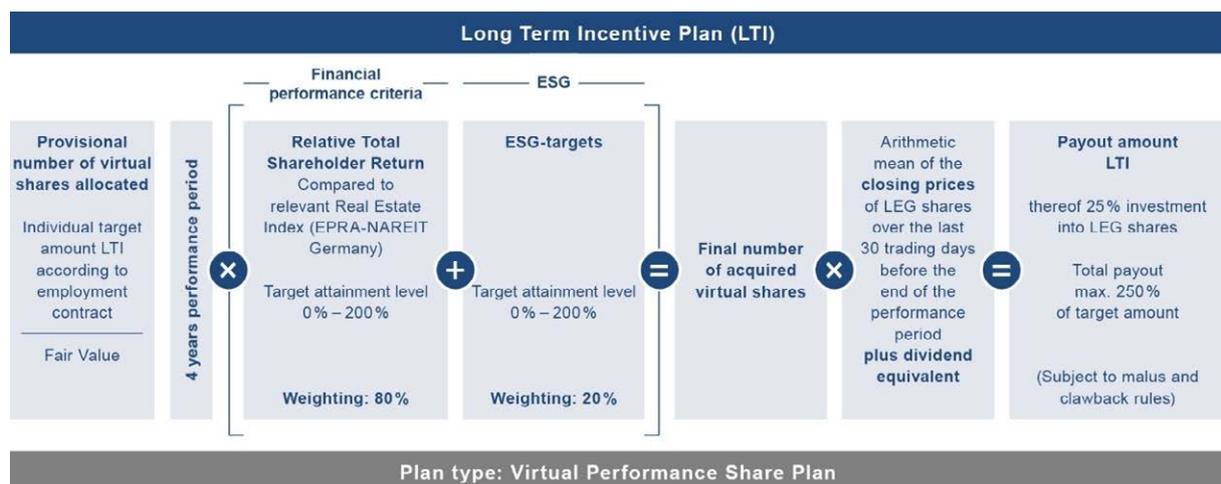
In this remuneration report, the 2021 LTI, whose performance period ended in the 2024 reporting year, is treated as "remuneration granted" to the members of the Management Board within the meaning of Section 162 AktG. The following section provides an overview of the LTI plan conditions in place since the 2022 financial year. The LTI for the 2022 financial year is a further development of the LTI 2021. The LTI plan conditions applicable since the 2022 financial year result in remuneration being granted only after the completion of the four-year performance period. Following the presentation of the ongoing LTI programmes, the target achievement of the LTI 2021, reported as granted remuneration in the 2024 reporting year, will be discussed.

LTI plan conditions from 2022 (LTI 2022 / LTI 2023 / LTI 2024)

Since the 2022 financial year, Management Board members have received an LTI in the form of a virtual Performance Share Plan based on a four-year performance period. The LTI plan conditions in place since 2022 incentivise the long-term increase in financial and non-financial performance criteria.

The Supervisory Board took several factors into account when deciding on the use of virtual performance shares for the LTI allocation. A key advantage is that the ownership structure is not diluted on the basis of virtual shares. Another key advantage is the flexibility to structure the LTI plan in a way that best suits the interests of the company and its shareholders.

Regardless of the payout, Management Board members are required to invest 25 % of the LTI distribution in shares issued by the company and hold them for the duration of their tenure. This ensures that the members of the Management Board always align their behaviour with the interests of LEG Immobilien SE and its shareholders.



Performance criteria of the LTI (LTI 2022 / LTI 2023 / LTI 2024)

The determination of LTI 2022, LTI 2023, and LTI 2024 is based on the following financial and non-financial performance criteria:

- Development of the relative total shareholder return (TSR) compared to the relevant real estate index (EPRA NAREIT Germany) (80 %),
- Non-financial environmental, social and governance targets (ESG targets) (20 %)

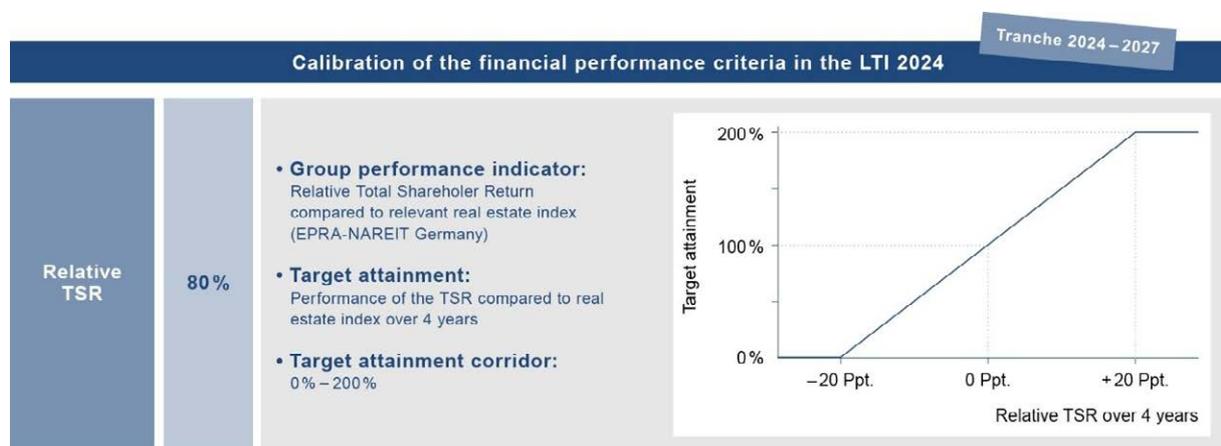
The payout amount determined after the end of the respective performance period for the LTI granted for a financial year is capped at a maximum of 250 % of the target amount (2.5 times the individual target amount). The Management Board member is required to invest 25 % of the LTI payout amount in shares issued by the company and hold them for the duration of their tenure.

Relative total shareholder return (TSR)

The financial performance criterion used in LTI 2022 is the TSR compared to a relevant real estate index, weighted at 80 %. The Supervisory Board has decided to use the EPRA NAREIT Germany (EPRA Germany) Index as the benchmark index. The EPRA Germany Index comprises LEG Immobilien SE's key national listed competitors and is thus a relevant peer group.

TSR describes changes in LEG Immobilien SE's share price for the performance periods, including notionally reinvested gross dividends per share. The relative TSR represents the difference in percentage points between the share price change of LEG Immobilien SE, including the hypothetically reinvested gross dividends, on the one hand, and the change in the EPRA Germany Index over the performance period on the other.

The target achievement of the relative TSR is 100 % if the relative TSR is 0 percentage points, meaning that the share price performance, including the hypothetically reinvested gross dividend of LEG Immobilien SE, matches the performance of the EPRA Germany Index. If relative TSR is 20 percentage points or more below TSR in the benchmark index, target achievement is 0 %. Target achievement is 200 % if relative TSR is 20 percentage points or more above the benchmark index's TSR. Relative TSR higher than this does not further increase target achievement. Target achievements between the defined minimum, target, and maximum values are linearly interpolated.



ESG goals

As with the STI, specific ESG targets are also set for the respective LTI. Different ESG targets are used compared to the STI to avoid double incentivisation. The Supervisory Board determines the specific ESG targets for the respective LTI before the start of the corresponding performance period. The ESG targets are precisely defined and clear measurability is ensured.

The Supervisory Board has defined the following ESG targets as non-financial performance criteria for the LTI 2024:

Environmental

Target:

Installation and commissioning of 2,000 air-to-air heat pumps in 2027 in LEG's portfolio and in third-party portfolios

Targets:

0 % minimum value: 1,500 air-to-air heat pumps
100 % target value: 2,000 air-to-air heat pumps
200 % maximum value: 2,500 air-to-air heat pumps

Social

Target:

Acceleration of the processing time of total LEG tenant complaints by 10.0 % by 31 December 2027 based on the average processing time of resolved complaint tickets from March 2024 and September 2024

Targets:

0 % minimum value: 5.0 % acceleration
100 % target value: 10.0 % acceleration
200 % maximum value: 15.0 % acceleration

Target achievement of the LTI

The payout amount of the LTI is calculated on the basis of virtual shares. The number of virtual shares is calculated on the basis of the degree of target achievement of the "relative TSR" and "ESG targets" performance criteria.

Number of provisionally allocated virtual shares
x (Target achievement of relative TSR x 80 % + target achievement of ESG targets x 20 %)
= Final number of virtual shares

The resulting payout amount of the LTI is calculated by multiplying the final number of virtual shares by the arithmetic mean of the closing prices of LEG Immobilien SE shares in XETRA trading on the Frankfurt Stock Exchange (or a successor system replacing the XETRA system) over the last 30 trading days prior to the end of the performance period and the gross dividends paid per LEG Immobilien SE share ("dividend equivalent") during the performance period.

Final number of virtual shares
x (arithmetic mean of the share price + dividend equivalent)
= Payout amount in EUR

The total amount of the LTI allocated for a financial year, determined at the end of the respective performance period, is capped at a maximum of 250 % of the target amount (2.5 times the individual target amount).

The Management Board member is required to invest 25% of the LTI payout in shares issued by the company and hold them for the duration of their tenure.

LTI plan conditions for the LTI 2021 granted in the 2021 financial year

The LTI 2021 is structured as a performance cash plan without a virtual share component. The payout for performance cash plans is made at the end of the planned term and is dependent on the achievement of certain company targets. The 2021 LTI is calculated on the basis of the following financial and non-financial performance targets:

Performance criteria	weighting
Development of absolute total shareholder return	40 %
Development of LEG Immobilien SE's share price compared to the relevant EPRA NAREIT Germany Index	40 %
Non-financial targets (ESG)	20 %

The amount paid for the 2021 LTI is capped at 200 % of the target amount.

Target achievement of the LTI Programme 2021 at 100 % target achievement

in EUR	Lars von Lackum CEO	Dr Volker Wiegel COO	Susanne Schröter-Crossan CFO
Total Shareholder Return	240,000	178,000	178,000
Relative share price performance	240,000	178,000	178,000
ESG targets	120,000	89,000	89,000
Total	600,000	445,000	445,000

The financial performance criteria used in LTI 2021 are the development of the absolute TSR and the relative share price performance. These performance criteria are therefore geared towards adding value for shareholders and create incentives to generate shareholder value.

The absolute TSR generally describes the development of LEG's share price over the performance period, including the hypothetically reinvested gross dividends per share during this period.

The target achievement of the performance criterion development of the absolute TSR is 100 % if the absolute TSR of the LEG share deviates 0 percentage points from the target value set for the respective LTI. If the absolute TSR is 10 percentage points or more below the target value, the target achievement is 0 %. If the absolute TSR is 10 percentage points above the target value, the target achievement is 200 %. Further increases in the absolute TSR do not lead to any additional increase in target achievement. Target achievements between the defined minimum, target, and maximum values are linearly interpolated.

To determine the target achievement of the relative share price performance criterion, the development of the LEG Immobilien SE share price in per cent in the respective performance period is compared with the development of the EPRA Germany Index in per cent. The EPRA Germany Index comprises LEG Immobilien SE's key national listed competitors and is thus a suitable peer group.

The EPRA Germany performance is subtracted from the share performance of LEG Immobilien SE. If the result of the subtraction is 0, the degree of target achievement is 100 %. With a share performance that is 20 percentage points lower than the EPRA Germany performance, the target achievement is 0 % ("minimum value"). A share performance that is 20 percentage points higher than the EPRA Germany index results in a target achievement of 200 % ("maximum value"). If the maximum value is reached, a further improvement in share performance will not lead to a further increase in target achievement. Target achievements between the defined minimum, target, and maximum values are linearly interpolated.

For the ESG targets, the Supervisory Board could define criteria from the categories "Environmental," "Social," and "Governance." For the LTI 2021, the Supervisory Board defined operationalised criteria from the "Environmental" and "Social" categories with specific targets. The Supervisory Board sets the specific targets and the minimum and maximum values each year before the start of the relevant financial year; the Supervisory Board set ESG targets for the LTI that differed from the ESG targets set for the STI. The Supervisory Board assessed target achievement based on suitable quantitative or qualitative evaluations for measuring the success of the respective ESG targets. The target achievement of the ESG goals is capped at 200 %.

The payout of LTI 2021 will take place after the end of the four-year performance period in the 2025 financial year.

LTI 2021 granted in the 2024 financial year

Target achievement development of absolute TSR in the performance period 2021 to 2024:

The Supervisory Board has set the following target values for the LTI 2021 for the performance criterion of the development of absolute TSR:

100 % target value	Ranges
7.0 %	0 % minimum value: 5.6 % 100 % target value: 7.0 % 200 % maximum value: 8.4 %

For the performance criterion development of the absolute TSR, the actual achieved value for the performance period 2021 to 2024 is -20.86 %. The degree of target achievement for the performance criterion development of the absolute TSR is therefore 0.00 %.

Target achievement of relative share price performance in the performance period 2021 to 2024

The Supervisory Board has set the following target values for the LTI 2021 performance criterion relative share price performance:

100 % target value	Ranges
100.0 %	0 % minimum value: ≤ 80.0 % 100 % target value: 100.0 % 200 % maximum value: 120.0 %

The performance of LEG Immobilien SE's share relative to the EPRA NAREIT Germany Index in the relevant period from 2021 to 2024 was 118.9 %. The degree of target achievement for the relative share price performance sub-target is 194.3 % or 77.7 % on a weighted basis.

Target achievement of ESG in the performance period 2021 to 2024

Environmental	Social
Target: Reduction of the climate-adjusted CO ₂ emissions in kg/m ² of the portfolio compared to the base year 2019 over the next four years, based on the portfolio included in the annual report as of 31/12/2019.	Target: Measurement value of the "Trust Index" for the LEG Group, determined in the biennial employee survey "Great Place to Work." The relevant factor is the development of the average value from the two measurements conducted during the four-year LTI period, compared to the measurement value determined in the 2020 survey.
Target values¹: 0 % minimum value: -6 % 100 % target value: -10 % 200 % maximum value: -14 %	Target values¹: 0 % minimum value: 60 % 100 % target value: 66 % 200 % maximum value: 72 %

¹ Target achievement between the defined values is interpolated on a straight-line basis.
All sub-targets (environmental and social) are weighted equally.

Criteria	Target	Target achievement
Non-financial (ESG)	Environment (Reduction of climate-adjusted CO ₂ emissions in kg/m ² of the portfolio compared to the base year 2019 over the next four years, based on the portfolio included in the annual report as of 31/12/2019)	200.0 % (CO ₂ reduction compared to base year 2019: 24%)
	Measurement value of the "Trust Index" for the LEG Group of at least 70 %, determined in the biennial employee survey "Great Place to Work." The relevant factor is the development of the average value from the two measurements conducted during the four-year LTI period, as determined in the 2020 survey.	200.0 % (Ø Trustindex 2022 & 2024: 73.5 %)

The target achievement of the ESG targets in the 2024 financial year is 200.0 %.

Target achievement of the LTI Programme 2021

The payout amount of the LTI 2021 is calculated as follows

Target achievement Development of absolute TSR x 40 %
+ Target achievement Relative share price performance x 40 %
+ Target achievement ESG targets x 20 %
x with the target amount specified in the respective Management Board employment contract
= Payout amount of the LTI 2021

Criteria	Target	Target achievement	weighted Target achievement
Financial	Development of absolute total shareholder return	0.0 %	0.0 %
	Relative share price performance	194.3 %	77.7 %
Non-financial (ESG)	Environment (Reduction of climate-adjusted CO ₂ emissions in kg/m ² of the portfolio compared to the base year 2019 over the next four years, based on the portfolio included in the annual report as of 31/12/2019)	200.0 %	20.0 %
	Measurement value of the "Trust Index" for the LEG Group of at least 70 %, determined in the biennial employee survey "Great Place to Work." The relevant factor is the development of the average value from the two measurements conducted during the four-year LTI period, as determined in the 2020 survey.	200.0 %	20.0 %

	Lars von Lackum CEO	Dr Volker Wiegel COO	Susanne Schröter- Crossan CFO
in EUR			
Total shareholder return	0	0	0
Relative share price performance	466,248	345,801	345,801
ESG targets	240,000	178,000	178,000
Total	706,248	523,801	523,801
Management Board total			1,753,850

The target achievement rate for the LTI 2021 is 117.7 % overall.

Dr Kathrin Köhling is not entitled to payment of an LTI 2021 as she was not appointed to the Management Board until April 2023.

Development of the provision for current LTI programme

For the current LTI programmes 2021 to 2025, the necessary provisions were formed or released based on actuarial reports and recognised as personnel expenses amounting to EUR 4.0 million. The utilisation of provisions relates to the LTI 2020 Tranche 3 paid out in the 2024 financial year. The provision for the LTI programmes amounted to approximately EUR 11.3 million as of 31 December 2024 (31 December 2023: approximately EUR 7.4 million).

Development of the provision

in EUR	Provision 31/12/2023	Provision allocation (+) / release (-) in 2024	Provisions utilisation in 2024	Provision 31/12/2024
Lars von Lackum	3,202,978.38	1,790,573.06	85,579.59	4,907,971.85
Dr Kathrin Köhling	5,48,276.78	693,597.10	0.00	1,241,873.88
Dr Volker Wiegel	2,136,691.55	1,184,060.20	65,757.00	3,254,994.75
Susanne Schröter-Crossan	1,526,160.28	361,558.09	42,408.50	1,845,309.87
Total	7,414,106.99	4,029,788.45	193,745.09	11,250,150.35

Malus and clawback provisions for variable remuneration

The Supervisory Board has the option to withhold (malus) or reclaim (clawback) variable remuneration components if the conditions outlined below are met. If a Management Board member commits at least a grossly negligent serious violation of legal or contractual duties or internal company conduct guidelines (compliance violation), the Supervisory Board has the right, at its reasonable discretion, to partially or fully reduce and thereby withhold variable remuneration components that have not yet been paid out. In addition, the Supervisory Board may, at its reasonable discretion, partially or fully reclaim the gross amount of variable remuneration components that have already been paid out.

Furthermore, the Supervisory Board has the option to partially or fully reclaim variable remuneration components that have already been paid out if, after the payout, it is determined that the consolidated financial statements, which formed the basis for calculating the payout amount and were audited by the external auditor and approved by the Supervisory Board, were incorrect. If a corrected consolidated financial statement had been used, a lower or no payout amount for the variable remuneration component would have been due. This is not dependent on the members of the Management Board being responsible for this.

Remuneration cannot be recovered on the basis of clawback provisions if payment was made more than two years prior. Legal reclaim options, such as the assertion of claims for damages, remain unaffected.

There was no malus or clawback in the 2024 financial year.

Share ownership obligation (obligation according to Share Ownership Guidelines “SOG”)

Independently of the obligation to purchase shares under the LTI regulations from 2022 onwards, each Management Board member has been required, since 1 January 2021, to acquire shares in LEG Immobilien SE amounting to 100.0 % of their gross annual base salary within a four-year build-up phase and to hold them for the entire duration of their Management Board contract. During the establishment phase, each Management Board member is required to acquire shares in LEG Immobilien SE amounting to 25 % of their respective gross annual base salary in each of the four build-up years. The number of LEG Immobilien SE shares to be acquired in each establishment year is determined by dividing the applicable gross annual salary at the beginning of each build-up year by the rounded whole number value derived from calculating the arithmetic mean of the closing prices of LEG Immobilien SE shares in Xetra trading on the Frankfurt Stock Exchange over the last 30 trading days before the first day of the respective establishment year. Shares already held by a member of the Management Board are taken into account.

For the financial years from 2021 onwards, the Management Board members have achieved the SOG target. For Dr Kathrin Köhling, the obligation to acquire and hold shares began with the start of her Management Board contract on 1 April 2023.

The following table shows the number of LEG Immobilien SE shares held by the Management Board members at the relevant time to fulfil the SOG requirement.

Attainment of the Share Ownership Guidelines

2024	Actual number of shares as of 31/12/2023	Required	Gross annual basic remuneration in EUR thousand	Proven
		Percentage of basic remuneration		25 % of the gross annual basic remuneration in EUR thousand
Lars von Lackum ¹	12,000	100 %	1,045	261
Dr Kathrin Köhling ²	2,310	100 %	480	120
Dr Volker Wiegel ¹	4,581	100 %	605	151

¹ Based on the average Xetra closing price of the last 30 trading days in the 2023 financial year, amounting to EUR 73.93.

² Based on the average Xetra closing price of the last 30 trading days as of 31 March 2024, amounting to EUR 72.67.

	Number of shares to be purchased in 2024	Amount in EUR thousand	Proven purchased shares in 2024	Actual number of shares as of 31/12/2024
Lars von Lackum ¹	3,534	148	2,000	14,000
Dr Kathrin Köhling ²	1,651 ³	145	1,990	4,300
Dr Volker Wiegel ¹	2,046	157	2,119	6,700

¹ Based on the average Xetra closing price of the last 30 trading days in the 2023 financial year, amounting to EUR 73.93.

² Based on the average Xetra closing price of the last 30 trading days as of 31 March 2024, amounting to EUR 72.67.

³ Number of shares to be purchased from 1 April 2023 to 31 March 2024.

As at 31 December 2024, Lars von Lackum had built up a share portfolio of 14,000 shares. At the beginning of the shareholding obligation in the 2021 financial year, he held 2,060 shares, which were counted towards the portfolio to be built up. By 31 December 2024, he had acquired 11,940 shares and thus exceeded the shareholding obligation by 3,039 shares.

Total remuneration of the members of the Management Board

The remuneration granted to the Management Board members for the financial years 2024 and 2023, as defined in Section 162 (1) sentence 1 AktG, is shown in the following table. The table includes the remuneration components for the activities performed by the Management Board members in the reporting year or those whose assessment period ended in the reporting year ("remuneration paid"); there are no legally due but not yet received remuneration claims ("remuneration payable").

Remuneration and benefits paid

	Lars von Lackum CEO				Dr Kathrin Köhling CFO			
	2024		2023		2024		2023	
	T€	in %	T€	in %	T€	in %	T€	in %
Fixed remuneration	1,045	37	950	45	480	46	281	44
Additional benefits	18	1	27	1	17	2	24	4
Total fixed remuneration components	1,063	38	977	46	497	48	305	48
One-year variable remuneration (STI) total	1,089	37	1,045	50	550	52	327	52
One-year variable remuneration (STI 2023)	-	-	1,045	50	-	-	327	52
One-year variable remuneration (STI 2024)	1,089	37	-	-	550	52	-	-
Multi-year variable remuneration (LTI) total	706	25	86	4	-	-	-	-
LTI 2020 Tranche 3 (2020 to 2022)	-	-	86	4	-	-	-	-
LTI Tranche 2021	706	26	-	-	-	-	-	-
Total variable remuneration components	1,795	62	1,131	54	550	52	327	52
Total paid and payable remuneration pursuant to Section 162 (1) sentence 1 AktG	2,858	100	2,108	100	1,047	100	632	100
Pension costs	108	-	108	-	58	-	41	-
Total remuneration	2,966	-	2,216	-	1,105	-	673	-

	Dr Volker Wiegel COO				Susanne Schröter-Crossan ¹ former CFO			
	2024		2023		2024		2023	
	T€	in %	T€	in %	T€	in %	T€	in %
Fixed remuneration	605	33	550	42	-	-	275	50
Additional benefits	38	2	39	3	-	-	8	1
Total fixed remuneration components	643	35	589	45	-	-	283	51
One-year variable remuneration (STI) total	686	37	653	50	-	-	224	41
One-year variable remuneration (STI 2023)	-	-	653	50	-	-	224	41
One-year variable remuneration (STI 2024)	686	37	-	-	-	-	-	-
Multi-year variable remuneration (LTI) total	524	28	66	5	524	100	42	8
LTI 2020 Tranche 3 (2020 to 2022)	-	-	66	5	-	-	42	8
LTI Tranche 2021	524	28	-	-	524	100	-	-
Total variable remuneration components	1,210	65	719	55	524	100	266	49
Total paid and payable remuneration pursuant to Section 162 (1) sentence 1 AktG	1,853	100	1,308	100	524	100	549	100
Pension costs	58	-	58	-	-	-	29	-
Total remuneration	1,911	-	1,366	-	524	-	578	-

¹ End of Management Board contract as of 30 June 2023.

The fixed remuneration components, the short-term variable remuneration component (STI 2024), and the long-term variable remuneration component (LTI 2021) are classified as "remuneration paid," regardless of the actual payout date, as the underlying performance was completed by the balance sheet date of 31 December 2024.

In addition to the amount of remuneration, the relative share of all fixed and variable remuneration components in total remuneration must also be disclosed in accordance with section 162 (1) sentence 2 no. 1 AktG. The stated relative share relates to the remuneration components granted in the 2023 and 2024 financial years in accordance with section 162 (1) sentence 1 AktG. The relative share values stated in the Management Board remuneration system refer solely to target remuneration. The relative shares actually achieved may therefore differ significantly from the relative shares given in the Management Board remuneration system, which are based on the target values. To ensure transparent reporting, pension costs for the company pension scheme are disclosed separately.

Members of the Management Board were not granted or owed any benefits by third parties in accordance with section 162 (2) no. 1 AktG.

Maximum Management Board remuneration in the 2024 financial year

The maximum remuneration for a financial year, including basic remuneration, variable remuneration components, occupational pension provisions, and additional benefits, is capped at EUR 4,800 thousand for Lars von Lackum, EUR 3,100 thousand for Dr Kathrin Köhling, and EUR 3,100 thousand for Dr Volker Wiegel. If the maximum remuneration for a financial year is exceeded, the payout amount of the LTI for the respective financial year will be reduced accordingly. Compliance with the maximum remuneration for the 2024 financial year will be reported after all remuneration components for this financial year have been granted. The maximum remuneration of the Management Board members was benchmarked against the Executive Board remuneration in the MDAX, DAX 50 ESG and the peer group. Compared to the MDAX, the DAX 50 ESG and the peer group, it was within the normal market range for the CEO and COO. In comparison, Dr Kathrin Köhling's maximum remuneration was below the standard market range for the MDAX and selected property companies.

Remuneration of former members of the Management Board

In the 2024 financial year, there were no remuneration obligations under Section 162 (1) AktG towards former Management Board members, except for Susanne Schröter-Crossan. As described, Susanne Schröter-Crossan still has claims from the current LTIs for 2021 to 2023.

Benefits in the event of early termination of employment

If the appointment as a member of the Management Board of LEG Immobilien SE is revoked, the Management Board contract may be terminated by either party with a notice period of six months to the end of the month. The notice period is extended if a longer notice period is stipulated in accordance with section 622 (2) BGB. This does not affect termination options in accordance with section 626 BGB.

Severance pay

The Management Board contracts do not provide for any entitlement to severance payments in the event of early termination of their appointment; however, the Supervisory Board has the option to agree on such a payment. In the event of the early termination of the activity of a member of the Management Board, the payments made to the respective member must not exceed the value of two years' remuneration (severance cap) or the value of the remuneration payable for the remaining term of this contract. The severance payment cap is calculated on the basis of the total remuneration for the past financial year and, if applicable, the expected total remuneration for the current financial year.

In the event of premature termination of a Management Board employment contract for good cause for which the Management Board member is responsible, the Executive Board member is not entitled to any payments.

Change of control

In the event of a change of control of the company, the members of the Management Board have the right to resign from their position as a member of the Management Board for good cause within a period of three months from the change of control with a further three months' notice to the end of the month and to terminate the Management Board employment contract (special right of termination).

The severance payment regulations applicable in the event that the special right of termination is exercised stipulate that the payment in connection with the termination of Management Board activity due to a change of control is limited to a maximum of two years' remuneration, limited to the value of the remuneration for the remaining term of the Management Board employment contract.

Death benefit

If the Management Board member dies during the term of the contract, the remuneration including STI and LTI up to the date of termination of the contract as a result of the death is settled and paid to the heirs in accordance with the provisions of the Management Board employment contract. In addition, the widow(er) and children, provided they have not yet reached the age of 25, are entitled as joint creditors to the undiminished continued payment of remuneration for the remainder of the month of death and the three following months, but at the longest until the end of the term of the Management Board employment contract that would have occurred without the death of the Management Board member.

Remuneration of members of the Supervisory Board

Remuneration system for the Supervisory Board

In accordance with Article 9.1 of LEG Immobilien SE's Articles of Association, the Supervisory Board has six members who are elected by the Annual General Meeting.

In accordance with the Articles of Association, all remuneration for Supervisory Board work is payable after the end of the financial year. Members of the Supervisory Board who are only on the Supervisory Board or a committee of the Supervisory Board for part of the financial year receive corresponding remuneration pro rata temporis for this financial year.

The Supervisory Board has established five committees, four of which receive equal remuneration. To account for the increasingly important and intensive preparatory work of the committees and to ensure consistency in committee remuneration with the Supervisory Board's targeted remuneration policy positioning, the Supervisory Board and the Management Board proposed to the Annual General Meeting in May 2024 an increase in committee remuneration to the 75th percentile of the comparison group (MDAX), raising it from the current EUR 25,000 to EUR 30,000 for committee members (committee chair: EUR 60,000). The Annual General Meeting approved this proposal accordingly.

Remuneration scheme for the Supervisory Board

Fixed remuneration	The fixed remuneration of an ordinary member of the Supervisory Board amounts to EUR 90,000.00.
Differentiation	The Chairman of the Supervisory Board receives 2.5 times the fixed remuneration of an ordinary member of the Supervisory Board and the Deputy Chairman of the Supervisory Board receives 1.25 times the fixed remuneration of an ordinary member of the Supervisory Board.
Committee remuneration	The members of a Supervisory Board committee receive an additional annual fixed remuneration of EUR 30,000.00; the committee Chairman receives double this amount. No remuneration is paid for membership and chairmanship of the Nomination Committee.

The function-based differentiation in the remuneration of the Chair compared to the Deputy Chair and the regular Supervisory Board members reflects the greater responsibility, the broader range of tasks, and the associated higher time commitment of the Supervisory Board Chair. This is in line with Principle 25 and Recommendation G.17 of the German Corporate Governance Code (DCGK). The differentiation is standard market practice. MDAX companies were used as a peer group for reviewing the remuneration of Supervisory Board members.

Members of the Supervisory Board are also reimbursed for appropriate costs and travel expenses. The VAT on appropriate costs and travel expenses is reimbursed by LEG Immobilien SE, provided that the Supervisory Board members are entitled to invoice VAT separately to LEG Immobilien SE and exercise this right.

LEG Immobilien SE has taken out a directors' and officers' (D&O) liability insurance policy for the Supervisory Board members with an appropriate coverage amount and no deductible.

Attendance fees are not paid.

Breakdown of Supervisory Board remuneration

The following remunerations were granted to the Supervisory Board members for the financial years 2024 and 2023 in accordance with Section 162 (1) sentence 1 AktG:

Supervisory Board remuneration 2024

Last name	First name	Fixed remuneration		Remuneration for committee activity		Board Total remuneration 2024	Board Total remuneration 2023	2024 vs. 2023
		in EUR	in %	in EUR	in %	in EUR	in EUR	in %
Room ¹⁾	Michael	225,000.00	72.80	84,083.33	27.20	309,083.33	275,000.00	12.39
Dr Nolting ²⁾	Claus	112,500.00	50.09	112,111.11	49.91	224,611.11	187,500.00	19.79
Beumer ³⁾	Christoph	54,500.00	75.00	18,166.67	25.00	72,666.67	0.00	0.00
Dr Eichelberg	Sylvia	90,000.00	76.25	28,027.78	23.75	118,027.78	115,000.00	2.63
Dr Scharpe ⁴⁾	Jochen	35,500.00	78.26	9,861.11	21.74	45,361.11	115,000.00	-60.56
Dr Suder ⁵⁾	Katrin	90,000.00	61.62	56,055.55	38.38	146,055.55	140,000.00	4.33
Wiesmann ⁶⁾	Martin	90,000.00	39.11	140,138.89	60.89	230,138.89	165,000.00	39.48
Total		697,500.00	60.87	448,444.44	39.13	1,145,944.44	997,500.00	14.88

1) Chairman of the Supervisory Board, the Executive Committee, and the Nomination Committee

2) Deputy Chairman of the Supervisory Board, the Executive Committee, the Nomination Committee, and the Risk and Audit Committee
Appointed upon the conclusion of the AGM on 23/05/2024.

Appointed upon the conclusion of the AGM on 23/05/2024.

5) Chairwoman of the ESG Committee

6) Chairman of the Remuneration Committee

Number of LEG Immobilien SE shares held as at 31/12/2024

Members of the Supervisory Board	Number of LEG Immobilien SE shares held as at 31/12/2024
Michael Zimmer	4,100
Martin Wiesmann	1,400
Dr Katrin Suder	500

The Supervisory Board members are not required to purchase and hold shares in LEG Immobilien SE.

Michael Zimmer also acquired corporate bonds in the LEG bond 2025/2035 with a nominal value of EUR 500 thousand and bonds in the convertible bond 2024/2030 with a nominal value of EUR 1 million.

Comparative presentation of earnings development and annual changes in remuneration pursuant to Section 162 (1) sentence 2 no. 2 AktG

Pursuant to Section 162 (1) sentence 2 no. 2 AktG, the earnings development of LEG Immobilien SE, the annual change in the remuneration of Management Board and Supervisory Board members, as well as the annual change in the average remuneration of employees on a full-time equivalent basis, must be presented over the past five financial years (so-called "Vertical comparison"). LEG Immobilien SE makes use of the transitional relief under Section 26j (2) sentence 2 EGAktG and is gradually building up the vertical comparison over the first five years.

The development in earnings is shown using the Group's key performance indicators AFFO, AFFO per share, FFO I, FFO I per share and total comprehensive income. Net income for the year is also disclosed in accordance with section 275 (3) no. 16 HGB.

The average employee remuneration includes personnel costs for wages and salaries, including payroll tax, employer contributions to social security, additional benefits, and short-term variable remuneration components for all companies within the LEG Group. The average number of employees is calculated on the basis of section 267 (5) HGB.

Comparative presentation of the development of earnings and the annual change in remuneration

Earnings development	2024	2023	Change in %	2022	Change in%
Group AFFO in EUR million	200.4	181.2	10.6	108.8	66.5
Group AFFO per share in EUR	2.70	2.44	10.7	1.48	64.9
Annual earnings of LEG Immobilien SE (Individual company) in EUR million	4.1	18.3	-77.6	-307.6	-105.9
Total comprehensive income of LEG Immobilien SE (Group) in EUR million	62.6	-1,593.3	-103.9	315.6	-604.8
Average remuneration per employee in EUR thousand	80	77	3.9	72	6.9
Management Board remuneration in EUR thousand					
Lars von Lackum	2,858	2,108	30.9	1,910	10.4
Dr Kathrin Köhling	1,047	632	57.8	-	-
Dr Volker Wiegel	1,853	1,308	36.9	1,211	8.0
Susanne Schröter-Crossan ¹	524	549	-4.6	1,066	-48.5
Supervisory Board remuneration in EUR thousand					
Christoph Beumer ²	73	-	-	-	-
Dr Sylvia Eichelberg	118	115	2.6	100	14.7
Dr Claus Nolting	225	188	19.7	162	15.8
Dr Katrin Suder	146	140	4.3	86	62.8
Martin Wiesmann	230	165	39.4	141	17.2
Michael Zimmer	309	275	12.4	256	7.5
Supervisory Board members who left during the financial year					
Herr Dr Jochen Scharpe (until 23 May 2024)	45	115	-60.9	110	4.5

¹ End of Management Board contract as of 30 June 2023.

² Member of Supervisory Board from 23 May 2024

Comparative presentation of the development of earnings and the annual change in remuneration

Earnings development	2021	Change in %	2020	Change in%
Group AFFO in EUR million	92.2	18.0	92.8	-0.6
Group AFFO per share in EUR	1.27	16.5	1.32	-3.8
Annual result of LEG Immobilien SE (individual company) in EUR million	-33.4	821.0	-17.6	89.6
Total comprehensive income of LEG Immobilien SE (Group) in EUR million	1,750.1	-82.0	1,360	28.7
Average remuneration per employee in EUR thousand	72	0.0	71	1.4
Management Board remuneration in EUR thousand				
Lars von Lackum	1,874	1.9	1,346	39.2
Dr Kathrin Köhling	-	-	-	-
Dr Volker Wiegel	1,259	-3.8	966	30.3
Susanne Schröter-Crossan ¹	1,116	-4.5	491	127.2
Supervisory Board remuneration in EUR thousand				
Christoph Beumer ²	-	-	-	-
Dr Sylvia Eichelberg	47	114.3	-	-
Dr Claus Nolting	116	40.2	74	56.5
Dr Katrin Suder	-	-	-	-
Martin Wiesmann	96	46.2	17	473.1
Michael Zimmer	224	14.2	226	-0.9
Supervisory Board members who left during the financial year				
Dr Jochen Scharpe (until 23 May 2024)	96	14.7	104	-7.7

¹ End of Management Board contract as of 30 June 2023.² Member of Supervisory Board from 23 May 2024

Outlook 2025:**Adjustment of the Management Board remuneration system in the 2025 financial year**

The business environment of LEG Immobilien SE remains largely influenced by geopolitical and domestic political risks, as well as increasing regulatory requirements for energy-efficient housing and rent pricing, unchanged from the previous year. Shortages of materials and skilled labour continue to prevail. The development of energy costs remains uncertain. In the second half of 2024, the valuation of property portfolios stabilised. LEG Immobilien SE's day-to-day business is therefore subject to a high degree of uncertainty, some of which is beyond the control of the Management Board. Against this background, the Management Board and the Supervisory Board agree that the proven business strategy of recent years and the cash-oriented management approach, based on the performance criteria adjusted EBITDA margin and AFFO per share, should be continued unchanged in the 2025 financial year. The capital market report provides a detailed overview of the environment in which LEG Immobilien SE operates.

Accordingly, the approved 2025 business plan, the 2025 forecast presented on 8 November 2024 as part of the Q3 2024 reporting, and the target-setting for the 2025 Management Board remuneration are aligned with this business strategy and corporate management approach.

The Supervisory Board must determine the target values for the performance criteria of the STI for the following year, as well as the LTI starting in the following year, before the beginning of that year, in accordance with the Management Board contracts. The corresponding Supervisory Board resolution is passed after the approval of the business plan for the following year, as the target values for the financial performance criteria are based on the business plan. The target values for the performance criteria of the variable Management Board remuneration for the following year are published alongside the Q3 figures of the current year. Adjustments to forecasts made during the year are not taken into account in calculating target achievement.

The Management Board and Supervisory Board are aware that the economic planning for 2025 and subsequent years is ambitious and subject to significant external risks, as described in the 2024 opportunity and risk report. In this context, the Supervisory Board set the target values for the financial and non-financial performance criteria of the STI and LTI on 15 December 2024. The Supervisory Board considers the targets to be consistently challenging. The LTI continues to focus on the interests of the company and its shareholders.

LEG Immobilien SE continued its successfully established sustainability strategy in the 2024 financial year. The focus of the updated sustainability strategy is on the "Environmental" dimension. In addition to CO₂ reduction in existing buildings, the focus is on the financial viability of CO₂ reduction measures. Already established companies (Green Ventures), which operate with their products and services both for the company and for third parties, offer significant revenue potential and are therefore key drivers of the sustainability strategy. Due to the strategic focus on the "Environmental" dimension, the Supervisory Board intends in future to set only one target from the "Environmental" dimension in both the STI and the LTI when determining the ESG targets, each weighted at 20 %. Nevertheless, the provision of affordable housing and the fulfilment of LEG Immobilien SE's high governance standards continue to shape the company's daily operations.

Action areas from assessing the suitability of the remuneration system and remuneration amounts

The system and the customary and appropriate level of Management Board remuneration must be regularly reviewed by the Remuneration Committee. If necessary, the Remuneration Committee proposes adjustments to the Supervisory Board to ensure that the members of the Management Board receive a competitive remuneration package that is in line with the market within the applicable framework.

The Remuneration Committee reviewed the remuneration system again in the 2024 financial year with the help of an external, independent remuneration consultant. The review has shown that the remuneration system is appropriate with regard to capital market expectations and governance requirements.

The structure of the target total direct remuneration corresponds to the structure of comparable Management Board remuneration in the MDAX. The fundamental functionality of the STI is transparent and comprehensible. The selection and weighting of the financial key figures align with the strategic goals of LEG Immobilien SE and are in line with market standards. The functionality of the LTI is also transparent and comprehensible. The selection of financial key figures also aligns with the strategic goals of LEG Immobilien SE and is in line with market standards.

The integration of ESG targets with concrete operationalisation aligns with market practice and the requirements of the capital market.

In order to align the behaviour of the Management Board even more closely with the interests of the company and its shareholders and to optimally dovetail the behaviour of the Management Board with the strategic positioning of the company, the Supervisory Board has adjusted the remuneration system and will submit the agreed adjustments to the 2025 Annual General Meeting for approval. With the adjustments made, the Supervisory Board is also endeavouring to reduce complexity and administrative expenses.

In detail, the adjustment of the remuneration system

- the criteria-based adjustment factor in the STI was cancelled; however, the discretionary elements in the malus and clawback provisions remained unchanged;
- the criteria in the ESG targets are focussed on environmental;
- the maximum remuneration was increased.

Adjusted EBITDA margin

Adjusted EBITDA margin and target achievement

new range	previous range
+ 5.0 %-points /- 3.5 %-points	+/- 5.0 %-points

If the adjusted EBITDA margin target value is reached, the target achievement level is 100 %. If the target value is exceeded by 5 percentage points, the maximum value of 200 % target achievement is reached. If the target value is undercut by 3.5 percentage points, the target achievement corresponds to the minimum value of 0 %. Target achievements between the defined minimum, target, and maximum values (0 %; 100 %; 200 %) are linearly interpolated.

AFFO per share

AFFO per share and target achievement

new range	previous range
+ 20.0 % /- 15.0 %	+/- 20.0 %

If the target value for the performance criterion AFFO per share is achieved, the target achievement is 100 %. If the target value is exceeded by 20 %, the maximum value of 200 % target achievement is reached. If the target value is undercut by 15 %, the target achievement corresponds to the minimum value of 0%. Target achievements between the defined minimum, target, and maximum values (0 %; 100 %; 200 %) are linearly interpolated.

Maximum remuneration

Pursuant to Section 87a (1) sentence 2 no. 1 AktG, the Supervisory Board must set a maximum remuneration for the members of the Management Board. In the adjusted remuneration system, this maximum remuneration will be increased in view of the planned increase in total direct remuneration for the CFO from April 2025 and for the CEO and COO from January 2026. The maximum remuneration is intended to ensure that the members of the Management Board are appropriately remunerated with regard to their tasks and performance as well as the situation of the company and that the remuneration does not exceed the usual remuneration without special reasons. The maximum remuneration was adjusted to the MDAX peer group with the help of an external, independent remuneration consultant on the basis of a horizontal and vertical market comparison.

ESG goals

The Supervisory Board has decided to set only one ESG target each from the "Environmental" dimension for the STI and LTI in future. This is intended to fulfil the objective of combining CO₂ reduction targets with the financial goals of LEG Immobilien SE's Green Ventures. The STI should focus exclusively on CO₂ reduction derived from the decarbonisation pathway. The LTI is intended to focus on the financial success (investment income and sales results) of Green Ventures geared towards efficient climate improvement and thus also on cost-efficient and financeable CO₂ reduction.

The integration of ESG objectives from the "Social" and "Governance" dimensions has proven to be particularly difficult when it comes to defining suitable, measurable key figures. This was also recognised by the capital market. Accordingly, the Supervisory Board intends to no longer set ESG targets from the "Social" and "Governance" in the future. The importance from the "Social" and "Governance" dimensions in corporate management remains unchanged; the provision of affordable housing and the fulfilment of LEG Immobilien SE's high governance standards continue to shape daily operations.

The ranges of the financial performance criteria are to be recalibrated in order to further strengthen the alignment of Management Board remuneration with the interests of investors and thus increase the level of ambition of the target achievement of the financial performance criteria.

The adjusted **remuneration system 2025** to be submitted to the 2025 Annual General Meeting for approval is therefore as follows

Adjusted remuneration system 2025

Basic remuneration	Fixed contractually agreed remuneration paid out in twelve equal monthly instalments	
One-year variable remuneration "STI"	Plan type	Target bonus model
	Success targets	40 %: Adjusted EBITDA margin, 40 %: Adjusted Funds from Operations I per share, 20 %: ESG target (limited to the "Environmental" dimension)
	Cap	200 % of the target amount
Multi-year variable remuneration "Virtual performance share plan" "LTI"	Plan type	Performance share plan
	Success targets	80 %: Relative Total Shareholder Return compared to the relevant index (EPRA NAREIT Germany), 20 %: ESG target (limited to the "Environmental" dimension).
	Cap	250 % of the target amount
	Performance period	4 years; after 4 years: Obligation to purchase LEG shares in the amount of 25 % of the payout
Occupational pension scheme	Receipt of a fixed amount, specified in the respective employment contract, into a reinsured support fund	
Additional benefits	Essentially company car for business and private use, for business trips the services of a driver can be used, various insurance elements	
Maximum remuneration ¹	Chairman of the Board: EUR 4,800,000 (from 01/01/2026: EUR 7.2 million) Ordinary Management Board members: EUR 3,100,000 (from 01/01/2026: EUR 4.5 million)	
Shareholding obligation	Obligation to purchase LEG shares equivalent to a gross basic salary within four years. Obligation to hold the acquired shares for the duration of the Management Board activity	

¹ The Annual General Meeting on 28 May 2025 will be asked to approve the increase in the maximum remuneration from the 2026 financial year of EUR 7.2 million for the Chairman of the Management Board and EUR 4.5 million for an ordinary member of the Management Board.

For the 2025 financial year, the maximum remuneration remains EUR 4.8 million for the Chairman and generally EUR 3.1 million for an ordinary Management Board member. From the 2026 financial year onwards, the maximum remuneration is set to be EUR 7.2 million for the Chairman and EUR 4.5 million for an ordinary Management Board member. Deviating from this, the maximum remuneration for the CFO in the 2025 financial year is EUR 4.15 million.

The application of the adjusted remuneration system 2025, including the increase in the maximum remuneration provided for therein, is subject to the approval of the adjusted remuneration system 2025 by the 2025 Annual General Meeting.

Adjustment of remuneration amount

The Supervisory Board considers the current structure and composition of the Management Board to be one of the key success factors of LEG Immobilien SE. In accordance with the Management Board employment contracts, the salaries of the Management Board members are reviewed every two years, taking into account the economic situation of the company, the performance of the respective Management Board member and the development of the cost of living. Before the current review, the last adjustment was made in January 2024.

All three Management Board members have expressed their willingness to continue their successful work in the current composition.

The Supervisory Board therefore decided on 10 January 2025 to extend the appointments of all three Management Board members and the corresponding extensions of their respective Management Board contracts. The appointment and contract of Lars von Lackum will be extended from 1 January 2026 to 31 December 2030. The appointment and contract of Dr Kathrin Köhling will be extended from 1 April 2025 to 31 March 2030. The appointment and contract of Dr Volker Wiegel will be extended from 1 January 2026 to 31 December 2028. In this context, the Supervisory Board also decided to increase the remuneration of the Management Board members from the beginning of their new terms.

In connection with the extension of the contracts, the Supervisory Board examined whether the remuneration of the Management Board members should be adjusted. The Supervisory Board considered many factors, including the growing challenges facing the Management Board in the current market environment, the increased cost of living, the remuneration levels of market peers and competitors, the willingness of the Management Board to continue its work and the recommendation of the external consultant. The Supervisory Board has also taken into account the views of shareholders who have expressed certain expectations with regard to remuneration. However, the Supervisory Board has also taken into account that the shareholders have elected the members of the Supervisory Board in order to manage the company's risks and create long-term shareholder value.

The Supervisory Board is aware that there are potential risks for the company if the company is unable to retain the members of the Management Board. These risks include disruptions to business operations, the loss of important knowledge and expertise, negative effects on shareholder confidence, delays in strategic decision-making and a difficult transition phase in the search for replacement members, all of which can have a significant impact on the company's performance and stability.

Taking into account all of the above circumstances in particular, the Supervisory Board has come to the conclusion that it is in the best interests of the company and its shareholders to increase the remuneration of the members of the Management Board at the start of the new term of office. The remuneration adjustments for Lars von Lackum, CEO, and Dr Volker Wiegel are shown in the tables below.

The remuneration of Dr Kathrin Köhling, CFO, was adjusted to the appropriate remuneration level of a CFO of an MDAX company, as already agreed with her when she was first appointed. When Dr Kathrin Köhling joined the Management Board on 1 April 2023, the Supervisory Board initially agreed a lower remuneration with her than the remuneration envisaged for a CFO of LEG Immobilien SE. In doing so, the Supervisory Board took into account the fact that it was an initial appointment. At the latest, upon a renewed appointment, the remuneration of Dr Kathrin Köhling should be increased.

Specifically, from 1 April 2025, Dr Kathrin Köhling's fixed salary is increased from EUR 480,000.00 to EUR 605,000.00, the target amount of the STI from EUR 356,000.00 to EUR 444,000.00 and the target amount of the LTI from EUR 520,000.00 to EUR 650,000.00. This corresponds to a 25.3 % increase in target remuneration from EUR 1,356,000.00 to EUR 1,699,000.00. Dr Kathrin Köhling will participate from the increase in remuneration pro rata temporis in the 2025 financial year and in full from the 2026 financial year onwards.

Remuneration Dr Kathrin Köhling in the 2025 financial year (increase pro rata temporis from 01/04/2025)

Remuneration amount in EUR and structure (target remuneration)	Dr Kathrin Köhling			Distribution (%)
	01/01/2024 - 31/12/2024	01/01/2025 - 31/12/2025	Delta (%)	
Basic remuneration	480,000	573,750	19.5	33.8
One-year variable remuneration (STI)	356,000	422,000	18.5	24.8
Cash remuneration	836,000	995,750	19.1	
Multi-year variable remuneration (LTI)	520,000	617,500	18.8	36.4
Total remuneration	1,356,000	1,613,250	19.0	
+ bAV contribution	58,000	58,000	0.0	3.4
+ Additional benefits	27,000	27,000	0.0	1.6
Total remuneration	1,441,000	1,698,250	17.9	100.0

Remuneration of Dr Kathrin Köhling in the 2026 financial year

Remuneration amount in EUR and structure (target remuneration)	Dr Kathrin Köhling			Distribution (%)
	01/01/2024 - 31/12/2024	01/01/2026 - 31/12/2026	Delta (%)	
Basic remuneration	480,000	605,000	26.0	33.9
One-year variable remuneration (STI)	356,000	444,000	24.7	24.9
Cash remuneration	836,000	1,049,000	25.5	
Multi-year variable remuneration (LTI)	520,000	650,000	25.0	36.4
Total remuneration	1,356,000	1,699,000	25.3	
+ bAV contribution	58,000	58,000	0.0	3.3
+ Additional benefits	27,000	27,000	0.0	1.5
Total remuneration	1,441,000	1,784,000	23.8	100.0

Remuneration amounts and structure upon extension of Management Board contracts

Remuneration amount in EUR and structure (target remuneration)	Lars von Lackum			Distribution (%)
	from 01/01/2024	from 01/01/2026	Delta (%)	
Basic remuneration	1,045,000	1,150,000	10.0	30.8
One-year variable remuneration (STI)	705,000	800,000	13.5	21.4
Cash remuneration	1,750,000	1,950,000	11.4	
Multi-year variable remuneration (LTI)	1,000,000	1,650,000	65.0	44.1
Total remuneration	2,750,000	3,600,000	30.9	
+ bAV contribution	108,000	108,000	0.0	2.9
+ Additional benefits	30,000	30,000	0.0	0.8
Total remuneration	2,888,000	3,738,000	29.4	
Factor GV: VV to Ø OVM	1.79	1.97		
Maximum remuneration	4,800,000	7,200,000	50.0	

Dr Kathrin Köhling				
Remuneration amount in EUR and structure (target remuneration)	from 01/01/2024	from 01/01/2026	Delta (%)	Distribution (%)
Basic remuneration	480,000	605,000	26.0	33.9
One-year variable remuneration (STI)	356,000	444,000	24.7	24.9
Cash remuneration	836,000	1,049,000	25.5	
Multi-year variable remuneration (LTI)	520,000	650,000	25.0	36.4
Total remuneration	1,356,000	1,699,000	25.3	
+ bAV contribution	58,000	58,000	0.0	3.3
+ Additional benefits	27,000	27,000	0.0	1.5
Total remuneration	1,441,000	1,784,000	23.8	
Factor GV: VV to Ø OVM	1.79	1.97		
Maximum remuneration	3,100,000	4,500,000	45.2	

Dr Volker Wiegel				
Remuneration amount in EUR and structure (target remuneration)	from 01/01/2024	from 01/01/2026	Delta (%)	Distribution (%)
Basic remuneration	605,000	700,000	15.7	34.9
One-year variable remuneration (STI)	444,000	480,000	8.1	24.0
Cash remuneration	1,049,000	1,180,000	12.5	
Multi-year variable remuneration (LTI)	650,000	725,000	11.5	36.2
Total remuneration	1,699,000	1,905,000	12.1	
+ bAV contribution	58,000	58,000	0.0	2.9
+ Additional benefits	41,000	41,000	0.0	2.0
Total remuneration	1,798,000	2,004,000	11.5	
Factor GV: VV to Ø OVM	1.79	1.97		
Maximum remuneration	3,100,000	4,500,000	45.2	

The increase in target remuneration for Management Board members is disproportionately allocated to the LTI, further strengthening the sustainability focus of the remuneration and its alignment with the capital market.

Variable remuneration components for the 2025 financial year

On 15 December 2024, the Supervisory Board set the target values for the performance criteria of the STI for the 2025 financial year and the target values for the performance criteria of the LTI with the performance period 2025 to 2028 on the basis of the updated 2025 remuneration system, which will be submitted to the Annual General Meeting for approval in May 2025. This determination of the target values for the performance criteria of the STI 2025 and the LTI 2025 until 2028 is also subject to the proviso that the Annual General Meeting in May 2025 approves the adjusted remuneration system 2025 submitted to it.

Short-term variable remuneration share (STI)

The STI 2025 consists of an annual payment determined based on the following financial and non-financial performance criteria:

Financial and non-financial performance criteria STI 2025

	weighting
Adjusted EBITDA margin	40 %
AFFO per share	40 %
Environment targets as ESG targets	20 %

The two financial performance criteria each account for 40 %, while the ESG target accounts for 20 % of the STI target amount. The target achievement for each performance criterion is capped at 200 %.

The target values for the adjusted EBITDA margin and AFFO per share, as determined by the Supervisory Board, are derived from the business plan approved by the Supervisory Board for the respective financial year. The two financial performance criteria are each weighted at 40 %.

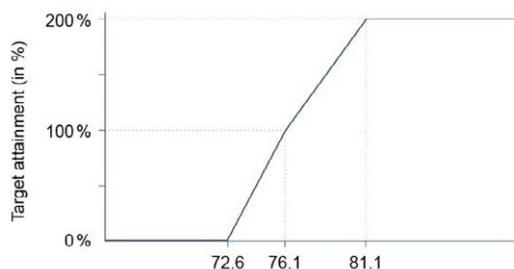
The Supervisory Board has defined the following targets for the financial performance criteria for the 2025 financial year:

STI 2025 financial performance criteria

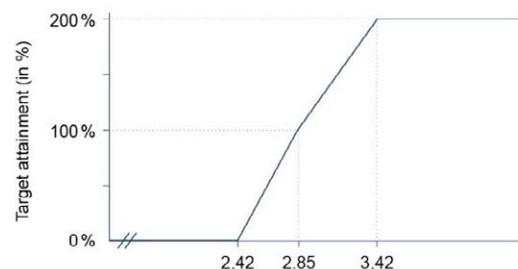
	100% target value	Ranges
Adjusted EBITDA margin	76.1 %	0 % minimum value: ≤ 72.6 % 100 % target value: 76.1 % 200 % maximum value: ≥ 81.1 %
AFFO per share	EUR 2.85	0 % Minimum value: ≤ 2.42 % 100 % Target value: EUR 2.85 200 % Maximum value: ≥ EUR 3.42

In determining the achievement of the financial performance criteria, the actual achieved value for each performance criterion is compared with the target value set by the Supervisory Board. The target achievement of the performance criterion is derived from the percentage deviation between the actual value and the target value. The payout amount is determined on the basis of the contractually agreed target amount, the contractually agreed weighting of the performance criteria and the respective target achievement.

Range of adjusted EBITDA margin



Range of AFFO per share



Non-financial performance criterion of STI 2025

The ESG targets are derived from LEG Immobilien SE's sustainability report as well as strategic considerations and future projects. The ESG targets are in line with the company's decarbonisation path. The targets are assigned quantitatively measurable criteria, which allow for the determination of a measurable degree of target achievement by comparing the target values with the actual values after the end of the financial year. The specific ESG targets, as well as the minimum, target, and maximum values, are determined annually by the Supervisory Board in agreement with the Management Board members before the start of the respective financial year. The ESG targets are weighted at 20 % overall.

For the 2025 financial year, the Supervisory Board has defined the following environmental target as the sole ESG target:

Definition of the Environmental target for STI 2025

	Ranges
Savings of 6,000 tonnes CO₂	0 % Minimum value: 5,400 tonnes of CO ₂ savings 100% Target value: 6,000 tonnes of CO ₂ savings 200 % Maximum value: 6,600 tonnes of CO ₂ savings

To achieve 100 % of the environmental target, a saving of 6,000 tonnes of carbon dioxide (CO₂) is required in 2025. All CO₂ reduction measures from the three clusters of measures of the sustainability strategy "Emission-efficient heat supply", "Energy demand reduction" and "Energy-efficient refurbishment" are taken into account. These three clusters are monitored on a quarterly basis by means of CO₂ reporting.

LTI 2025-2028

The LTI plan conditions applicable since the 2022 financial year remain unchanged for LTIs with performance periods from 2025 to 2028 or earlier. For the LTIs with the performance period 2025 to 2028 and later, the Supervisory Board has only set an environmental target as an ESG target.

For the LTI with the performance period 2025 to 2028, the Management Board members will receive an LTI in the form of a virtual Performance Share Plan based on a four-year performance period.

The determination of the LTI for the performance period 2025 to 2028 is based on the following financial and non-financial performance criteria:

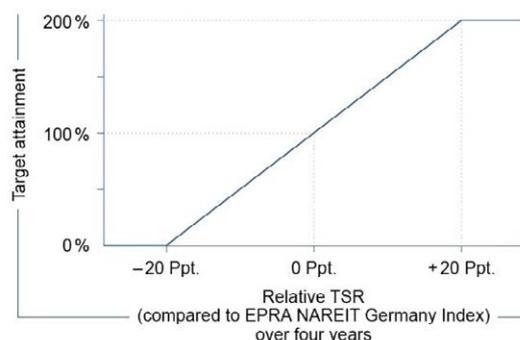
Financial and non-financial performance criteria LTI 2025 -2028

	weighting
Development of relative total shareholder return compared to the relevant property index (EPRA Germany)	80 %
Environment targets as ESG targets	20 %

The financial performance criterion used in the LTI for the performance period 2025 to 2028 is the relative TSR compared to a relevant real estate index, weighted at 80 %. The Supervisory Board has chosen to use the EPRA Germany Index as the benchmark index. The EPRA Germany Index comprises LEG Immobilien SE's key national listed competitors and is thus a relevant peer group.

TSR describes changes in LEG Immobilien SE's share price for the performance periods, including notionally reinvested gross dividends per share. The relative TSR represents the difference in percentage points between the share price change of LEG Immobilien SE, including hypothetically reinvested gross dividends, and the change in the EPRA Germany Index over the performance period.

Target achievement chart relative TSR



The target achievement of the relative TSR is 100 % if the relative TSR is 0 percentage points, meaning that the share price performance, including reinvested gross dividends of LEG Immobilien SE, matches the performance of the EPRA Germany Index. If relative TSR is 20 percentage points or more below TSR in the benchmark index, target achievement is 0 %. Target achievement is 200 % if relative TSR is 20 percentage points or more above the benchmark index's TSR. Relative TSR higher than this does not further increase target achievement. Target achievements between the defined minimum, target, and maximum values (0 %; 100 %; 200 %) are linearly interpolated.

Target value for LTI 2025-2028

	Target achievement level 0 % 2028	Target achievement level 100 % 2028	Target achievement level 200 % 2028
Relative total shareholder return per year	≤ -20 %	0 %	≥ 20 %

As with the STI, specific ESG targets are defined for each LTI. Different ESG targets are used compared to the STI to avoid double incentivisation. The Supervisory Board determines the specific ESG targets for the respective LTI before the start of the corresponding performance period. These targets are precisely defined to ensure that they can be clearly measured.

For the LTI with the performance period 2025 to 2028, the Supervisory Board has defined the following environmental target as the sole ESG target:

	Environmental
Target	Profit and disposal results of Green Ventures in the period from 2025 to 2028
Targets	0% minimum value: EUR 10 million 100% target value: EUR 20 million 200% maximum value: EUR 30 million

In the period from 2025 to 2028, the target value of the environmental target cumulatively takes into account the respective pro rata annual profit and disposal results generated by the Green Ventures RENOWATE, dekarbo and termios. These companies are included in the consolidated financial statements of LEG Immobilien SE as associated companies (at equity) in accordance with IAS 28. If one of these companies is sold in whole or in part in the relevant period, the result of the sale, defined as the selling price less the carrying amount of the investment in the consolidated financial statements of LEG Immobilien SE at the time of the sale and less incidental costs (e.g. notary fees, etc.), is added to the income from the investment. If the pro rata result of the previous year, which has already been recognised in the previous year's result, is included in the sales price, the pro rata sales result must be adjusted for this result. If it becomes necessary to fully consolidate one of the companies during the performance period, the pro rata earnings from the unconsolidated company are added so that the company continues to be included in the calculation as if it were still an at-equity company.

For cumulative profits and/or disposal results of Green Ventures amounting to EUR 20 million in the period from 2025 to 2028, a target achievement of 100 % is reached. If the cumulative profits and/or disposal results are less than or equal to EUR 10 million, the target achievement level is 0 % if the cumulative profits and/or disposal results are greater than or equal to EUR 30 million, the maximum target achievement level of 200 % is achieved. Target achievements between the defined minimum, target, and maximum values (0 %; 100 %; 200 %) are linearly interpolated.

Possible total amount of the LTI 2025

The payout amount of LTI 2025, determined after the end of the performance period 2025 to 2028, is capped at EUR 2,500,000.00 for Lars von Lackum, EUR 1,543,750.00 for Dr Kathrin Köhling (calculated on a pro-rata basis due to the amended Management Board contract from 1 April 2025), and EUR 1,625,000.00 for Dr Volker Wiegel.

Possible total amount of the LTI 2025

in EUR	LTI 2025
Lars von Lackum	2,500,000.00
Dr Kathrin Köhling	1,543,750.00
Dr Volker Wiegel	1,625,000.00

If a payout amount for LTI 2025 arises, it will be settled and paid to the Management Board member no later than 30 days after the approval of LEG Immobilien SE's consolidated financial statements for the final year of the performance period. The Management Board members are required to invest 25 % of the payout amount in shares issued by LEG Immobilien SE and hold them for the duration of their tenure.