

## CORPORATE GOVERNANCE DECLARATION IN ACCORDANCE WITH SECTIONS 289F AND 315D OF THE HGB

In accordance with the provisions of sections 289f and 315d of the Handelsgesetzbuch (HGB – German Commercial Code) the Company has to include a corporate governance declaration in its management report. Pursuant to section 317 (2), sentence 6 of the HGB the audit of the disclosures made in accordance with section 289f and 315d of the HGB is limited by the auditor to whether the disclosures have been made. The declaration can also be found on the website of Sixt SE at [ir.sixt.eu](http://ir.sixt.eu) under “Corporate Governance”.

### Corporate governance

For Sixt SE, good and responsible corporate management and supervision (corporate governance) is an essential means of ensuring and enhancing confidence of customers, business partners and the capital market in the Company. Responsible management that focuses on long-term value creation is therefore of central importance for the Company. The basic hallmarks of good corporate governance are efficient and trusting collaboration between the Managing Board and the Supervisory Board, upholding the shareholders’ interests and transparency in the corporate communication, both externally and internally.

The recommendations of the Government Commission on the German Corporate Governance Code are an established benchmark for corporate management at German listed companies. Apart from the exceptions listed in the declaration of conformity of December 2020, the Managing Board and the Supervisory Board of Sixt SE affirm their commitment to these recommendations of the German Corporate Governance Code.

### Declaration of conformity in accordance with section 161 of the Aktiengesetz (AktG – German Stock Corporation Act)

The Managing Board and Supervisory Board of Sixt SE declare that:

The recommendations of the “German Corporate Governance Code” in the version of 16 December 2019 (hereinafter referred to as “Code”) announced by the Federal Ministry of Justice in the official section of the Bundesanzeiger (Federal Gazette) on 20 March 2020 will be and have been complied with, with the following exceptions:

- ∥ Recommendation B.5: The Supervisory Board believes that setting a general age limit for members of the Managing Board would impose a restriction on the selection of eligible candidates and thus be contrary to the interests of Sixt SE.
- ∥ Recommendation C.2: Given the fact that the Supervisory Board consists of three members, of which in accordance with the Articles of Association only two members are elected, setting a general age limit for Supervisory Board members would impose a restriction on the selection of eligible candidates and thus be contrary to the interests of Sixt SE.
- ∥ Recommendation C.5: The Chairman of the Supervisory Board of Sixt SE, Mr Friedrich Joussem, is also Chairman of the Managing Board of TUI AG, which is also listed on the stock exchange. Mr Joussem has declared to Sixt SE that the workload associated with the two offices are compatible.
- ∥ Recommendations D.2 to D.5 and D.11: Since according to the Articles of Association the Supervisory Board of Sixt SE consists of three members, no committees are formed.
- ∥ Recommendation F.1: Sixt SE will disclose all price-sensitive information to analysts and all shareholders. Sixt SE believes that a disclosure to all shareholders of all non-price-sensitive information given to financial analysts and similar parties would not further their interest in information.
- ∥ Recommendation F.2: The Consolidated Financial Statements and Group Management Report are published within the statutory periods. Interim reports are published within the periods stipulated by stock exchange law. Sixt SE believes that the publication deadlines stipulated by the Code are not more beneficial to the information interests of investors, creditors, employees, and the public.
- ∥ Recommendations G.1. and G.2.: The Supervisory Board believes that the determination of individual target total compensation in addition to a maximum compensation does neither provide an additional incentive for the Managing Board nor a further advantage for Sixt SE.

- ∥ Recommendation G.7: The Supervisory Board believes that a long-term determination of performance criteria for variable compensation components is more beneficial to sustainability than an annual determination for the upcoming fiscal year.
- ∥ Recommendation G.10: The contracts of the Managing Board members do not stipulate that variable compensation

amounts are to be invested predominantly in shares of the Company or granted accordingly. The Supervisory Board believes that such a structure would not be more beneficial to the long-term promotion of the Company's well-being and to ensuring sustainable and long-term success of the Company.

Pullach, December 2020

### For the Supervisory Board of Sixt SE

FRIEDRICH JOUSSEN  
Chairman

### For the Managing Board of Sixt SE

ERICH SIXT  
Chairman

#### Target figures in accordance with the Act stipulating the equal participation of women and men in executive positions

In accordance with the provisions of the Act on the Equal Participation of Women and Men in Executive Positions in the Private and Public Sector, Sixt SE defined the following target figures for the proportion of female members in the Supervisory and Managing Boards of Sixt SE as well as the first and second executive levels below the Managing Board.

The Supervisory Board determined a target figure of 0% for the proportion of women serving in the Supervisory and Managing Boards, to be implemented by 30 June 2022. As of 31 December 2020 these target figures of 0% each were met. Neither the Managing nor the Supervisory Board had any female members as of 31 December 2020.

The Managing Board has determined that the proportion of women serving on the first executive level below the Managing Board should be 15% and on the second executive level below the Managing Board 30%, both carrying an implementation period up to 30 June 2022. As of 31 December 2020 the proportion of women serving on the first executive level below the Managing Board was 17% and on the second executive level below the Managing Board 32%. Consequently, the targets for both levels were already surpassed. This takes due account of the German consolidated companies of Sixt SE.

#### Diversity concept for the Managing Board and long-term succession planning

The Managing Board in its entirety should have a wide range of professional expertise and views that are deemed to be of material significance for the activities of the Sixt Group.

In the opinion of the Supervisory Board, a wide range of professional expertise and views among the members of the Managing Board facilitates a good understanding of the organisational and business affairs of the Sixt Group and enables the members of the Managing Board to constructively question decisions and be open for innovative ideas.

The Supervisory Board is further of the opinion that mutually complementary professional profiles as well as different professional and educational backgrounds already follow from the duty to provide orderly business management. Furthermore, different track records and experiences among the members of the Managing Board are crucial for analysing current challenges, problems and strategies from different viewpoints and then taking the best possible decisions for the company.

In-depth experience in IT management and a profound understanding of digitisation are indispensable for all subjects of the Company, given the increasing digitisation of business models and the high relevance of a modern IT structure, to lead the company successfully into the future.

It is also the view of the Supervisory Board that key aspects of modern management are management experience as well as intercultural competence, both best gained in an internationally active company, to successfully lead and motivate global teams. In addition, the Managing Board should also possess in-depth knowledge of accounting, finance management and the capital markets.

As regards the age-specific stipulations, reference is made to the declaration pursuant to section 161 of the AktG, which specifies that in the opinion of the Supervisory Board, setting a general age limit for members of the Managing Board would restrict the selection of eligible candidates and thus be contrary to the interests of Sixt SE. As regards to the gender-specific aspects of the diversity concept, the Supervisory Board, in accordance with the Act on Equal Participation of Women and Men in Executive Positions in the Private and Public Sector, has defined the target figure outlined in the above paragraph.

The current composition of the Managing Board complies with the aspects of the diversity concept in all respects. Further details on the career and qualifications of the Managing Board members can be obtained from the Company's website at [ir.sixt.eu](http://ir.sixt.eu) under the header "Corporate Facts".

Together with the Managing Board, the Supervisory Board takes care of the long-term succession plan for the Managing Board. The Supervisory and the Managing Board are in regular communication regarding suitable internal and external successor candidates, so as to ensure the continued further development of the company. In all these deliberations, the main focus is always on the company's interests, taking due account of all circumstances of the individual cases. The long-term succession plan takes into account, among other things, the requirements of the German Stock Corporation Act and the (Corporate Governance) Code as well as the aspects of the diversity concept for the Managing Board. Furthermore, taking into consideration the specific qualification requirements, the Managing Board is in regular contact with the Human Resource management regarding potential candidates from inside the company and external ones. Following this, suitable recommendations are submitted to the Supervisory Board. Potential candidates attend externally monitored assessment centres and will hold structured interviews.

### **Objectives for the composition, competence profile and diversity concept of the Supervisory Board**

In accordance with the stipulations of section 100 (5) of the AktG, the Supervisory Board of capital market-oriented companies in its entirety must be familiar with the industry in which the corporation is active. Moreover, at least one member of the Supervisory Board must have professional expertise in the fields of accounting or financial auditing. Further to these stipulations, the Company's Supervisory Board has prepared a comprehensive competence profile for its composition and formulated detailed requirements regarding the overall composition of the Board and its individual members.

The Supervisory Board in its entirety should have a wide range of professional expertise and views that are deemed to be of material significance for the activities of the Sixt Group.

In the opinion of the Supervisory Board a wide range of professional expertise and views among the members of the Supervisory Board facilitates a good understanding of the organisational and business affairs of the Sixt Group. This enables the members of the Supervisory Board to question decisions taken by the Managing Board constructively as well as to be open for innovative ideas and thus contribute to the successful management of the company.

It is the Supervisory Board's overall objective to do justice to its monitoring and advisory function by having a diverse composition. Diversity means above all internationality and different experience perspectives and biographies. Generally, the members of the Board shall complement each other's experiences and skills, so that current challenges, problems and strategies can be analysed from different perspectives, allowing decisions to be taken in the best interest of the company. It is the Supervisory Board's objective always to be in a position to competently advise and supervise the Managing Board and adequately to appraise and accompany new developments in the industry.

As regards the age-specific stipulations as well as the regular limits for membership duration, reference is made to the declaration pursuant to section 161 of the AktG, which specifies that no limitations are provided in this respect. As regards the gender-specific aspects of the diversity concept, the Supervisory Board, in accordance with the Act on Equal Participation of Women and Men in Executive Positions in the

Private and Public Sector, has defined a target figure which is outlined in the above paragraph.

The composition of the Supervisory Board should do justice to the criteria of internationality and industry expertise by having at least one Supervisory Board member with professional experience in an internationally active company and at least one member with professional experience in one of the areas of vehicle rental, automotive industry, automotive trade, vehicle leasing or travel and tourism. In addition, at least one member should have expertise in business administration.

At least two Board members should be independent as defined in the German Corporate Governance Code to guarantee the independent monitoring and consultation of the Managing Board. In the assessment of the Supervisory Board, all current members of the Supervisory Board of Sixt SE (Mr Friedrich Jousen, Mr Ralf Teckentrup and Dr Daniel Terberger) are independent. This also applies to Mr Ralf Teckentrup, who has been a member of the Supervisory Board since 2007 and therefore for more than 12 years. As Mr Teckentrup has worked full-time for another company during his entire term of office, the Supervisory Board is of the opinion that the duration of his membership of the Supervisory Board alone has no influence on his independence.

The Supervisory Board takes due account of the aforementioned diversity aspects when submitting proposals for the election and/or the appointment of Supervisory Board members and will take due individual consideration of the extent to which different and mutually complementary professional profiles, track records and life experiences will benefit the work of the Supervisory Board.

Moreover, the Supervisory Board shall subject itself to a regular efficiency review. This review will monitor the effective execution of the tasks assigned to the Supervisory Board, including a practicability assessment of the procedural rules of the Supervisory Board's by-laws, as well as the efficiency of the Board's work. The last review took place in autumn 2019 by means of a survey of the Supervisory Board members. The results of the survey were subsequently evaluated and discussed by the Supervisory Board.

The current composition of the Supervisory Board complies with the aspects of the diversity concept in all respects. Further details on the career and qualifications of the Supervisory Board members can be obtained from the

Company's website at [ir.sixt.eu](http://ir.sixt.eu) under the header "Corporate Facts".

#### **Relevant disclosures on corporate governance practices**

The practices used for managing Sixt SE and the Sixt Group comply fully with statutory provisions.

Strategic and operational management of the Group is performed on the basis of planning policies and regular comprehensive reports to the Managing Board. Reporting covers the risk management system, the internal control system as well as internal audits.

The risk management system, the functioning and extent of which is documented in the risk manual, provides for several tools and measures to support the management in identifying, assessing and controlling risks as well as monitoring countermeasures. Among other things, the Managing Board and the Supervisory Board receive a comprehensive risk report each year. In addition, the Managing Board is regularly informed about relevant issues by the company's functional units. The internal control system consists of control rules, measures and controls to ensure compliance with statutory provisions and corporate guidelines. It includes regular reports by the company's business units, the implementation of effectiveness tests by the GRC department, audit reports and regular working meetings relating to various topics. The internal audit system relates to measures such as planned audits and other audits, the results of which are documented in the respective audit and activity reports to the Managing Board.

#### **Compliance within the Sixt Group**

The success of the Sixt Group is based not only on its excellent business policy, but also on the economic integrity and the trust customers, suppliers, shareholders and business partners place in the Group. To win and keep this trust it is a precondition that the Managing Board and the employees of the Company in any situation and continuously comply with the high standards of legislation, ethics and social skills. The Code of Conduct of Sixt SE and its affiliated companies, which is mandatory for all employees, defines these behavioural principles for the acting individuals' dealings in relation to third parties and within the Company. In this Code of Conduct the Managing Board of Sixt SE defines its clear expectations of ethical and lawful conduct by all employees and business partners and thereby establishes the so-called "Tone-from-the-Top".

This Code of Conduct is agreed upon with all employees when joining the company as a binding part of the employment relationship and can also be accessed at any time via the central Intranet.

In addition to the general requirements and expectations for integrity and law-abiding compliance, the Code of Conduct also contains specific and more detailed information and specifications on individual compliance areas. These refer in particular to anti-corruption regulations, granting of advantages, donations and sponsoring, questions on anti-trust legislation, money laundering prevention, data protection as well as capital market law.

These generally applicable specifications are supplemented by specific implementation requirements, which come in the form of detailed individual instructions, as well as by independent compliance control loops (for example: tax compliance, data protection).

A Group-wide compliance organisation has been established to ensure that all ethical and legal requirements adopted by the Managing Board are known and implemented within the Group. These comprise various individual functions and are based on the well-known Three-lines-of-defence-model: alongside the operational departments that are primarily responsible for implementation, the Compliance Officer, the Legal, Tax and Internal Controls departments are responsible for the effectiveness of the compliance processes in a coordinating or advisory capacity. As independent auditing instance, the Group's Internal Audit body verifies appropriateness and effectiveness of the compliance organisation as well as the implementation of and adherence to compliance requirements as part of its risk-oriented audits.

In addition to the standards and processes so defined, special training seminars on specific topics are held for such sensitive areas as the sales department. In the selection of its business partners Sixt takes care that these partners comply with the same standards as defined in Sixt's Code of Conduct.

To become aware of potential compliance violations, Sixt offers its employees different reporting channels. Thus, employees can submit notifications to the compliance organisation via their superior, the internal compliance officer or an external ombudsman. Sixt has taken precautions to ensure that notifications to the Ombudsman can be made anonymously and that the anonymity of whistleblowers can be

strictly preserved in order to reduce the fear of repression for those submitting notifications and thereby lower the reporting threshold. In the event of relevant notifications, the Ombudsman and the compliance officer consult each other and decide on the measures to be initiated. In addition, the compliance officer is in regular contact with the Managing Board, reports to the respective departments on the current compliance situation or individual transactions and provides support regarding the development and implementation of preventive measures.

Sixt reviews the functionality and appropriateness of the compliance organisation at regular intervals and, if necessary, implements suitable adjustments or additions as quickly as possible, for example due to changing regulations, changing market conditions or new internal structures.

#### **Working practices of the Managing Board and Supervisory Board**

As European Stock Corporation (Societas Europaea) Sixt SE is governed by the German Stock Corporation Act, the specific European SE regulations and the German SE Implementation Act. One key principle of the Stock Corporation Act is the dualistic management system (Managing Board and Supervisory Board), which is also established for Sixt SE. Sixt SE takes due account of this principle of separate management and supervisory bodies and has different personnel in the Managing and Supervisory Boards of Sixt SE. Simultaneous membership in both bodies is not permitted. In accordance with article 7 (1) and (2) of the Company's Articles of Association, the Managing Board of Sixt SE consists of one or more members appointed by the Supervisory Board for a maximum period of up to five years. Reappointments are generally possible. In fiscal year 2020, Sixt SE's Managing Board had five members. They are responsible for basic strategic orientation, daily operations and the monitoring of risk management at Sixt SE and in the Sixt Group. The Chairman of the Managing Board of Sixt SE, Mr Erich Sixt, was also Chairman of the Supervisory Board of Sixt Leasing SE until the end of 15 July 2020. Sixt SE is the Group's strategic and financial holding company and provides central administrative functions for various Group companies. The daily operations are managed from within the functional units of the Mobility and, until their sale, Leasing Business.

The members of the Managing Board perform the duties assigned to them under clearly defined portfolio responsibilities in accordance with the executive organisation

chart and the rules of procedure. The Chairman of the Managing Board and Chief Executive Officer is in charge of the overall management and business policy of the company. In addition, he also is responsible for marketing, public relations, international franchising, IT and strategic human resources management. The Chief Operations Officer is responsible for the rental business at rental offices and for the fleet, in particular the purchase and sale of vehicles as well as maintenance and repairs. Furthermore, he is accountable for such areas as customer service and quality management. The Chief Financial Officer is in control of the overall management of all the Group's finance departments, including finance and accounting, controlling, risk management as well as the legal and auditing departments. The board member for organisation and strategy is responsible for the Group strategy, M&A, central procurement and SIXT TECH. In addition, he is responsible for global operating human resources, as well as the management of all global service operations. The Chief Sales Officer is responsible for national and international sales as well as the Group's global e-commerce business.

Managing Board meetings, at which cross-portfolio issues are discussed, are held as and when necessary. The Managing Board did not establish any committees.

In accordance with article 10 (1) of the Articles of Association, the Supervisory Board of Sixt SE has three members. Two members are elected by the Annual General Meeting in accordance with legal provisions and the provisions of the Articles of Association. One further member of the body is appointed by the shareholder Mr Erich Sixt. The Supervisory Board elects a Chairman and a Deputy Chairman from among its members (article 12 (1) of the Articles of Association). As according to the Articles of Association, the Supervisory Board of Sixt SE consists only of three people, no committees are formed.

The Supervisory Board's main tasks include the appointment of Managing Board members and supervision of the Managing Board. As a general rule, the Supervisory Board adopts its resolutions at meetings. On instruction of the Supervisory Board Chairman, resolutions by the Supervisory Board may also be adopted outside of meetings (or by way of a combined resolution) by casting votes verbally or by telephone, in writing (section 126b of Bürgerliches Gesetzbuch (German Civil

Code)) and/or by using other means of telecommunication or electronic media (article 14 (2) of the Articles of Association). Moreover, a resolution may also be validly adopted by aforementioned means without the instruction of the Chairman of the Supervisory Board if no member objects (article 14 (3) of the Articles of Association). Resolutions of the Supervisory Board require a simple majority of votes cast, unless otherwise mandatorily required by law (article 14 (7) of the Articles of Association). The Report of the Supervisory Board in this Annual Report contains further details on the meetings and activities of the Supervisory Board during financial year 2020.

The Managing Board and Supervisory Board cooperate closely for the benefit of Sixt Group. The Managing Board informs the Supervisory Board regularly, promptly and comprehensively on all matters that are relevant to the Company and the Group regarding strategic planning, business development, the risk situation and risk management as well as the results of internal audits. To this end, the Managing Board agrees the company's strategic orientation with the Supervisory Board and discusses the implementation of strategy at regular intervals. Documents required to make decisions, in particular the annual financial statements of Sixt SE, the consolidated financial statements, the management report on the Group's and the Company's situation, including the auditors' reports, are forwarded to the members of the Supervisory Board in good time before the respective meeting.

#### **Employee participation programme (Matching Stock Programme)**

The Managing and Supervisory Boards of Sixt SE resolved to implement a Matching Stock Programme (MSP) for a selected group of employees, senior executives and members of the Managing Board of the Sixt Group at the Company and its affiliated companies. The programme enables employee participation in the form of shares while avoiding any dilutive effects for existing shareholders of Sixt SE.

Participants in the MSP had to have a contract of employment with Sixt SE or one of its subsidiaries which has not been terminated at the time of subscribing for the MSP. To participate in the MSP, each participant had to make a personal investment by acquiring interest-bearing bonds of Sixt SE.

The bonds acquired as personal investment carried a coupon of 4.5% p.a. and a maturity until 1 December 2020. The total volume invested by all participants was limited to EUR 7.0 million. The Managing Board of Sixt SE defined the maximum participation volume for each of the beneficiaries. Where the Managing Board of Sixt SE itself was concerned it did so with the approval of the Supervisory Board.

Every EUR 1,000 of paid-up subscription amount entitles to subscribe to 500 stock options per annual tranche in accordance with the MSP terms and conditions.

On each 1st of December every year from 2012 (first time) to 2018 (last time) one tranche of stock options was allocated (a total of maximum 7 tranches), so that each participant is entitled to subscribe up to a total of 3,500 stock options (7 tranches with 500 stock options each) for every EUR 1,000 of paid-up investment volume. In the fiscal years 2019 and 2020 no further tranches of stock options were allocated.

The allocated stock options can only be exercised after a lock-up period of four years, starting from the allocation of the respective tranche. The stock options can only be exercised if the exercise price since the allocation of the respective tranche is 20% higher than the initial price of said tranche (exercise threshold). The initial price of the stock options corresponds to the average unweighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the stock options for the tranche concerned are allocated. The exercise price is the average unweighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the stock options of the respective tranche are exercised. Stock options allocated as part of a tranche are deemed to have been exercised on the first trading day following the end of the four-year lock-up period, if the exercise threshold has been

reached. If the exercise threshold for a tranche is not reached, the stock options of this tranche expire without replacement.

The exercise gain (before taxes) for a tranche, calculated if the stock options are exercised, must not exceed 5% of the regular earnings before taxes (EBT) reported in the most recent approved consolidated financial statements of Sixt SE. In addition, the exercise gain (before taxes) of each tranche is limited for every participant to twice his paid-up investment volume. In the case of a higher calculated exercise gain, the amount will be reduced proportionately for all participants. The remaining exercise gain, less the taxes and contributions on the exercise gain payable by the participants (net exercise gain), is used for the acquisition of preference shares of Sixt SE. These shares are subsequently transferred to a blocked custody account in the participant's favour. The participant is free to draw on the shares after another year. The total term of the MSP, including this lock-up period, is eleven years, up until 2023.

If, during the term of the MSP, adjustments are made to the share capital of Sixt SE or restructuring measures are implemented that have a direct impact on the share capital of Sixt SE and this causes the value of the stock options to change by 10% or more, the initial price shall be adjusted to the extent necessary to compensate for the change in value of the stock options caused by the capital action. If Sixt SE distributes dividends or other assets to shareholders in the period between allocation and exercise of a tranche of stock options, the initial price of this tranche must be adjusted. For this the dividend or distribution amount attributable to one share, adjusted for the effects from capitalisation measures if applicable, is to be deducted from the initial price used to calculate the exercise hurdle of a tranche.

If the participant's contract of employment is terminated, any stock options already allocated but not yet exercised are generally lost.

**Notification of managers' transactions**

In accordance with article 19 of the Regulation (EU) number 596/2014 of the European Parliament and the Council on market abuse (European Market Abuse Directive) members of the Managing and Supervisory Boards of Sixt SE as well as persons closely associated with them are legally required to report their own transactions with shares or bonds of Sixt SE and their related financial derivatives or other related financial instruments to Sixt SE and the Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority), as long as the aggregated total of the transactions conducted by the respective person reaches or exceeds the sum of EUR 20,000 within a calendar year. The transaction notifications received by Sixt SE during the preceding fiscal year were duly published and can be retrieved on the website of Sixt SE at [ir.sixt.eu](http://ir.sixt.eu) under the tab "News" and "Managers' Transactions".

**Disclosures relating to the auditor**

On 24 June 2020, the Annual General Meeting adopted the proposal of the Supervisory Board to appoint Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, as auditor for the fiscal year 2020 for Sixt SE and the Sixt Group and as auditor for any interim financial reports/financial information of Sixt SE relating to fiscal year 2020 as well as to fiscal year 2021, valid for the period up until the Annual General Meeting 2021. Auditing companies from the Deloitte network are auditing the majority of companies included in the consolidated financial statements which require such audits. Deloitte GmbH Wirtschaftsprüfungsgesellschaft has been auditor of Sixt SE, respectively previously Sixt Aktiengesellschaft, since the annual financial statements 2005. Since the annual financial statements 2019 the auditor Klaus Löffler has been the auditor responsible for conducting the audit.