SIXT SE

2023

ANNUAL REPORT

THE SIXT GROUP IN FIGURES

in EUR million	2023	2022	2021	2020	2019
Revenue	**3,621**	**3,066**	**2,282**	**1,532**	**2,501**
Segment Germany	1,075	870	740	679	978
Segment Europe	1,461	1,278	946	577	1,033
Segment North America	1,076	908	585	264	483
Other	8	10	13	12	7
Earnings before net finance costs and taxes (EBIT)	**573**	**589**	**479**	**-49**	**339**
Corporate EBITDA[1]	**650**	**699**	**573**	**81**	**419**
Earnings before taxes (EBT)	**464**	**550**	**442**	**-82**	**308**
Return on revenue before taxes (in %)	**12.8**	**17.9**	**19.4**	**-5.3**	**12.3**
Consolidated profit/loss	**335**	**386**	**313**	**2**	**247**
Net income per share (basic)					
Ordinary share (in Euro)	7.13	8.21	6.66	-0.73	4.97
Preference share (in Euro)	7.15	8.23	6.68	-0.68	5.02
Total assets	**6,450**	**5,551**	**4,521**	**4,428**	**6,249**
Rental vehicles[1]	**4,469**	**3,833**	**2,857**	**2,205**	**3,035**
Equity	**2,002**	**1,979**	**1,746**	**1,395**	**1,592**
Equity ratio (in %)	**31.0**	**35.7**	**38.6**	**31.5**	**25.5**
Financial liabilities	**3,298**	**2,505**	**2,001**	**2,378**	**3,437**
Dividend per share					
Ordinary share (in Euro)	3.90[2]	6.11	3.70	-	-
Preference share (in Euro)	3.92[2]	6.13	3.72	0.05	0.05
Total dividend, net	**183.4[2]**	**287.2**	**174.0**	**0.8**	**0.8**
Average fleet size[3]	308,300	270,900	242,000	205,400	284,500
Share of premium vehicles (in %)[4]	57	57	57	55	50
Share of electric vehicles, including plug-in hybrids and mild hybrids (in %)	18	11	9	3	1
Number of employees[5]	**8,735**	**7,509**	**6,399**	**6,921**	**8,105**
Number of stations worldwide (31 Dec.)[6]	**2,099**	**2,098**	**2,180**	**2,067**	**2,111**

[1] *Rights of use for leased vehicles financed via leasing contracts, which were previously included in the item property and equipment, have been reported in the item leased vehicles since 2022. The depreciation attributable to these rights of use has been reclassified to depreciation of rental vehicles.*

[2] *Proposal by the management*

[3] *Including franchisees*

[4] *Share of vehicles added to the fleet in terms of value*

[5] *Average for the year*

[6] *Including franchise countries*

A \\ TO OUR SHAREHOLDERS

A.1 \\ LETTER TO THE SHAREHOLDERS

Dear shareholders,
Dear ladies and gentlemen,

2023 was another very successful year for the Sixt Group and we continued on our profitable growth trajectory. Never before have we been able to meet more customers' needs for travel and mobility in a single year. We reached the ambitious goals we had set for ourselves for the year in terms of both revenue and earnings. Consolidated revenue of EUR 3.62 billion marks the second consecutive record year and a new all-time high with strong contribution to growth from all three regional segments: North America (+18%), Germany (+24%) and the European markets outside Germany (+14%).

Earnings before interest, taxes, depreciation and amortisation (EBITDA) also reached an all-time high of EUR 1.33 billion (2022: EUR 1.14 billion). This underscores the very solid condition of Sixt's operating business. Earnings before taxes (EBT) of EUR 464.3 million in 2023 marked the second-best result in the company's history, exceeding the pre-Covid record result in 2019 by more than 50%* and falling within the range communicated at the beginning of 2023. With an EBT margin of 12.8%, Sixt also clearly exceeded its minimum target margin of 10%.

* *EBT of EUR 534.6 million for 2018 is not included in this analysis. It included a non-recurring effect from the sale of the stake in DriveNow and totalled EUR 336.7 million on an adjusted basis. In addition, the comparative figures for 2019 used in this text have been adjusted and relate to continuing operations. The Leasing segment was sold in July 2020.*

In view of the very positive business performance in 2023, the Management Board plans to propose a dividend of EUR 3.90 per ordinary share and EUR 3.92 per preference share for the past financial year at the company's upcoming Annual General Meeting, subject to the approval of the Supervisory Board. The payout ratio of 54.7% is above the long-term average of 53.7%, which has been the case since 2012 with the exception of the Covid years 2019 to 2021.

Our earnings are all the more remarkable because the market environment – besides positive developments – also presented us with demanding challenges. Besides higher interest rates, these challenges included a significant deterioration in market conditions for e-mobility in particular. At Sixt, falling residual values for electric vehicles led to increased depreciation and losses from vehicle sales and thus to a negative impact on earnings in the range of around EUR 40 million for 2023. At the same time, demand for e-mobility as a whole has not yet developed the momentum desired by politics in many places. Sixt has also felt the effects of this, despite investing a sum in the millions in high-profile electric car marketing campaigns and investments into charging infrastructure. According to Sixt's estimates, the lower demand compared to combustion engines resulted in a substantial loss of revenue. Sixt assumes that without these two effects relating to e-mobility, the last financial year would have closed with EBT above the record year 2022.

Sixt reacted quickly to the changed market conditions over the course of the year, particularly in the fourth quarter of 2023 and the first quarter of 2024: Increased depreciation was carried out and the phasing out of electric risk vehicles – i.e. vehicles for which there are no buy-back or leasing agreements and for which Sixt therefore bears the residual value risk itself – was brought forward significantly. At the end of February 2024, the percentage of such vehicles in the electric Sixt fleet was only around half as high as on 31 March 2023. Compared to its competitors and in terms of its overall fleet, Sixt has a lower share of risk vehicles anyway.

The global tourism industry as a whole developed positively in 2023. Statistics from Eurostat and the US Travel Association show that global industry revenue and overnight stays exceeded the comparable figures from 2019. The recovery varied from region to region and by type of travel, however. While the number of holiday trips exceeded the 2019 level, the global business travel industry recovered faster than expected, but has not yet reached pre-Covid levels. A similar picture emerges in commercial aviation – despite a significant increase in seat kilometres offered and passenger kilometres flown, total capacity in 2023 was still just below pre-Covid levels, according to the International Air Transport Association (IATA).

Despite this challenging situation, the global car rental market proved to be robust and continued to grow. After years of persistent supply bottlenecks in the automotive industry, caused in particular by a shortage of semiconductors, supply chains largely stabilised in 2023. This resulted – with respect to the industry as a whole – in a significantly broader range of rental vehicles in all vehicle classes. However, the car rental prices that Sixt managed to charge were still significantly higher than the comparable figures for 2019. This impressively demonstrates the value of our premium positioning, which we not only emphasize through our marketing, but also consistently deliver to our customers and thus justify the corresponding price points.

This advantage is also an expression of the successful implementation of our ***EXPECT BETTER strategy***. Let us look back together on the efforts and successes of the past year in our five strategic fields of action.

Our declared goal is to create ***premium experiences*** for our customers. Therefore, we made significant investments along the entire customer journey last year. This includes a fleet of unprecedented size and quality of nearly 170,000 rental vehicles on average (excluding franchises) with an average share (measured by vehicle value) of premium vehicles from the Audi, BMW (incl. MINI) and Mercedes brands of 57% – an increase of 7 percentage points compared to the pre-Covid record year 2019. In addition, Sixt continued to invest heavily in the infrastructure of its branches and the design of its car parks as well as in making the vehicle pick-up process as convenient as possible.

The investments in tech and innovation that we have made have contributed to the premium experience for our customers (e.g. in the form of the SIXT App and website, which have been thoroughly modernised since the end of 2023). At the same time, they have had a positive impact on our internal efficiency (e.g. in the form of faster and more cost-efficient turnaround processes). The foundation and centrepiece of our tech strategy is and remains our SIXT App with the underlying mobility platform ONE – an integrated ecosystem for all SIXT products with a single sign-on. From Rent, Share, Ride, Van & Truck to our SIXT+ car subscription and our new SIXT charge offer, it includes both offers that we operate ourselves and offers from partners that we make available to our customers via the SIXT App according to the asset-light principle (since 2023, this has also included offers from the provider Miles in Germany, for example).

Sixt's ***desire for growth***, the third pillar of our company strategy, continued unabated in 2023. This can be seen not only in our record fleet, but also in the high number of newly opened branches. In the United States, the world's largest and most important car rental market, Sixt was able to open three new airport and seven new downtown branches in the past financial year and increase its market share even further. Sixt also continued its expansion in its domestic market of Germany and in other European markets by opening many new locations (e.g. London Heathrow, Perugia Airport, Munich Ostbahnhof) and significantly increased its market share. Besides its corporate countries, Sixt continued to drive its growth in cooperation with its franchise partners. Over the last decade, these partners have more than tripled their revenue.

As you know, we at Sixt are guided by ***responsible behaviour and entrepreneurship*** in particular, the fourth pillar of our strategy. This maxim is not limited to our management team. Our business is and remains a people business that is driven by our employees. They shape, breathe life into and fulfil the premium promise that Sixt stands for. Last year, we once again invested heavily and very consciously in expanding our workforce and thus not least in excellent customer service. As of 31 December 2023, close to 9,000 employees worked for Sixt (+13.5% compared to the end of the previous year), more than ever before.

Our commitment to acting responsibly also includes environmental sustainability, of course. We are already making a contribution here per se due to the nature of our business model. All of our mobility services ultimately follow the shared mobility concept and thus create alternatives to private car ownership. At the same time, we are reducing CO_2 emissions at our branches and sites as far as possible and, as announced, have been offsetting the estimated remaining emissions since the end of last year. With the help of our new product SIXT charge, we are also making it even easier for users of our app to get started with electric mobility.

The ***SIXT brand*** goes far beyond our distinctive logo and the colour orange. It represents the result of all points of contact with our company and our services and acts as a link for the four pillars of our strategy already mentioned. The SIXT brand benefits from the positive experiences and associations that we have built up over decades. In 2023, we also took important steps to further strengthen and sharpen the reach, awareness and profile of the SIXT brand worldwide.

The most important initiatives were the refresh of our brand design in the spring of 2023 and the style-defining “Rent THE Car” brand campaign in the US with New York's Times Square being lit up in bright orange for several weeks. In the area of professional US sports, we also entered into important, long-term partnerships with the NBA teams Los Angeles Lakers and the Chicago Bulls, with which we will further increase our awareness of and emotional connection to the SIXT brand, particularly in the B2C segment in the US.

As we look to the future, our maxim for the current year remains unchanged: The EXPECT BETTER strategy remains our compass in everything that we do. In particular, we are focussing on the strategic pillar of Premium Experience and thus on further enhancing the quality of experience for our customers. As a result, we want to do an even better job when it comes to gaining customer trust. We expect this to continue to have a positive effect on customer loyalty. What we call Digital Rent will play a key role here: From an even more intuitive booking process, even faster vehicle pick-up (e.g. thanks to advance recording of all key data and the option to go directly to the vehicle), straightforward digital management of all key parameters during the rental (e.g. the rental period) through to even more customer-friendly handling of the end of the rental (e.g. thanks to automatic recording of the external condition of the vehicle at more and more branches as well as digital transmission of the fuel level and mileage upon retun for a growing number of rental vehicles).

With our focus on digital innovations like these and the related further improvement of the entire customer journey, we believe we are very well equipped to continue our successful development in a macroeconomic environment that remains volatile.

Our highly flexible and diversified business model will help us to continue to benefit disproportionately from growth opportunities in the future and to cushion market risks: a balanced ratio of our three regional segments, a healthy customer mix of B2C and B2B, our high share of variable costs, a short holding period of well under one year on average and a high proportion of non-risk vehicles compared to the competition, in other words, vehicles for which we are not affected by price fluctuations on the used vehicle markets, that has increased compared to the previous year.

When it comes to financing, we not only benefit from a continued high equity ratio but also from a high degree of flexibility and diversification with regard to debt financing. As part of the consistent further development of our financing strategy, we also published the rating from one of the major rating agencies in January 2024 for the first time in the company's history. The long-term issuer rating from S&P Global Ratings (BBB; outlook stable) reflects Sixt's resilience and, in particular, its profitable revenue growth, premium positioning and the strategy of fleet acquisition based on a solid balance sheet and moderate debt levels.

Looking back, 2023 was characterised by very successful financial transactions: in June 2023, we successfully placed a new bond on the market with a total volume of EUR 300 million. We were also able to issue several borrower's note loans totalling EUR 864 million in financial year 2023. And 2024 has also got off to an extremely satisfactory start. For the first time, we issued a EUR 500 million rated benchmark bond. The impressive order book of over EUR 2.4 billion and the interest coupon of "only" 3.75% once again demonstrate the high level of confidence of the capital markets and the financial strength of our company. With a revolving credit line of EUR 950 million as an additional source of liquidity, we also have sufficient financial room for manoeuvre to take advantage of short-term opportunities and continue to invest vigorously wherever this makes sense.

Our fleet of attractive rental vehicles will of course continue to account for a significant share of our financing requirements in the future. However, we also have advantageous purchasing agreements for 2024 and beyond, which will enable us to create the conditions for further growth and at the same time respond to demand with the necessary degree of flexibility in order to ensure high capacity utilisation while maintaining positive price points. We remain true to our premium strategy, with the highest premium share among our competitors. At the same time, a comprehensive agreement with Stellantis that provides for the purchase of up to 250,000 vehicles by 2026, for example, has put us in a position to meet our customers' needs for flexible mobility with a wide range of brands and vehicle classes even better – especially when it comes to the volume segment.

With regard to e-mobility: now that used car prices for electric vehicles have come under pressure over the course of the past year and this trend is continuing, Sixt will continue its strategy of selling electric risk vehicles early in the course of 2024 and further reduce its fleet accordingly. Nevertheless, electric vehicles will continue to make up part of the Sixt fleet in the future. However, further developments require a high degree of flexibility. The key factor is what customers demand from us. The cost situation also plays a role, as do the (changing) long-term strategies of car manufacturers, to which Sixt as a car rental company is ultimately a subsequent party.

Overall, we are optimistic about the course of business in 2024 and expect a strong year with high demand. We are forecasting another significant increase in consolidated revenue, which should thus reach a new record level for the third year in a row. Consolidated earnings before taxes (EBT) for the full year 2024 are expected to be between EUR 400 million and EUR 520 million.

Dear shareholders, at the end of this review of the past, very successful financial year and the outlook for 2024, we realise that we at Sixt know who we are. What we stand for as a company and as a team. Where we come from. Where we want to go. And above all: how we plan to get there. Together. We look forward to it and thank you for your trust.

Pullach, March 2024

ALEXANDER SIXT

KONSTANTIN SIXT

A.2 \\ THE REPORT OF THE SUPERVISORY BOARD

General information

In financial year 2023, the Supervisory Board of Sixt SE duly performed the duties incumbent on it according to the law and the Articles of Association to the best of its knowledge and belief. It advised the Management Board in close and trusting cooperation on matters of major importance to Sixt SE and the Group and carefully and continuously monitored the Management Board in its management of the business.

To this end, the Management Board informed the Supervisory Board in written and verbal form regularly, promptly, and comprehensively about the current business performance and the situation of the company and the Group. The Management Board reported every quarter detailed information on the business performance and economic and financial position of Sixt SE as well as its domestic and foreign subsidiaries. The Management Board explained the documents and reports on how the business developed, planning and company strategies at the Supervisory Board meetings. Furthermore, the Management Board involved the Supervisory Board in decisions of significant importance for Sixt SE and the Group at an early stage. In the reporting year, there was no need to examine additional company documents above and beyond the reports and proposals for resolution submitted by the Management Board.

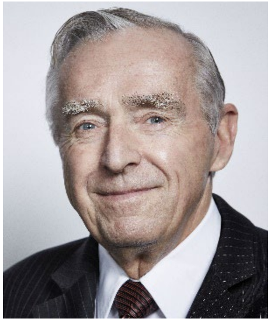
Apart from the meetings, the members of the Supervisory Board remained in regular contact with the Management Board, especially the chairmen of the two company organs. The recommendations and suggestions of the German Corporate Governance Code and of the legal stipulations on stock corporations governing the duty of the Management Board to report to the Supervisory Board were consistently complied with.

The Supervisory Board convened for five meetings in the year under review in which it addressed the economic situation and strategic direction of the Group as well as the personnel situation in detail. One of the meetings took place with the attendees present. The remaining meetings were held by video conference.

Key issues in 2023

In the four regular meetings in the reporting year, the Supervisory Board received detailed information from the Management Board on important issues relating to the development of the business, the strategic focus, the risk situation and risk management, the internal control systems and the asset, financial and earnings position of Sixt SE and the Group. The Management Board attended these regular meetings, explained all matters to the members of the Supervisory Board and answered their questions. The Supervisory Board also met on individual topics without the Management Board being present. The Chairman of the Supervisory Board was also in direct contact with the Co-Chairmen of the Management Board and the Chairman of the Audit Committee with the Chief Financial Officer on important current issues.

ERICH SIXT



- Chairman of the Supervisory Board of Sixt SE since 16 June 2021
- Born in 1944

In the reporting year, the Supervisory Board's deliberations focused mainly on the following matters:

- In March 2023, the Board dealt with the audit of the accounts for financial year 2022. The financial statements were approved following the auditor's report on the results of the audit based on the recommendation of the Audit Committee.

- The Management Board informed the Supervisory Board in all regular meetings about how the business of the Sixt companies was developing. Key financial ratios and liquidity were also the subject of these reports. Besides geopolitical crises such as the war in Ukraine and the terrorist attack by Hamas on Israel, the focus was on macroeconomic issues such as the continuing high inflation, high energy prices and increased refinancing costs, as well as the global recessionary economic trends, particularly in the German domestic market. The Supervisory Board commended the management for its forward-looking approach.

- The Supervisory Board continuously informed itself about the company's further expansion and internationalisation. The focus was on the US market and its unique features. Sixt was already present at 43 of the 50 most important airports in the US in 2023. In this context, the Supervisory Board also dealt with the marketing measures carried out in the United States to increase awareness and improve the positioning of Sixt.

- In the reporting year, the Supervisory Board also dealt intensively with the reorganisation of the remuneration system. The remuneration system was fundamentally revised and approved by the Annual General Meeting of Sixt SE by a majority of 98.63% of the votes cast. In particular, it is important to emphasise that part of the short-term variable remuneration and part of the long-term variable remuneration will be dependent on the achievement of ESG targets in future. Share ownership guidelines were also introduced.

- The Supervisory Board also informed itself about the status of the electrification of the Sixt fleet and the development of demand for electromobility. It was noted that the demand observed is clearly behind the demand for combustion engines and does not yet meet the politically defined targets.

- The Supervisory Board took note of and approved the medium-term business plan presented by the Management Board for the Sixt Group at the end of the reporting year. The Supervisory Board discussed in detail the economic and strategic assumptions underlying this planning with regard to market opportunities and cost developments (in particular the increased financing costs), the expected demand and the anticipated development of customer needs in the individual regions and in particular against the backdrop of the overall macroeconomic challenges.

- The Supervisory Board also dealt with the personnel changes on the Management Board described separately below.

Report on the work of the committees

The Supervisory Board has established an Audit Committee, a Remuneration Committee and a Nomination Committee to support it in its work. Further information on the tasks, composition and working methods of the committees can be found in the Corporate Governance Declaration.

The Audit Committee held a total of five meetings in financial year 2023, all of which were held by video conference. The Board member responsible for finance was a regular participant. The auditor and heads of specialised departments such as Accounting, ESG, Internal Audit, Global GRC and Legal were also present to discuss individual topics.

In addition, the Audit Committee Chairman held regular one-on-one meetings with the Management Board member responsible for finance and the auditor, among other individuals. The Chairman of the Audit Committee informed the Supervisory Board in its respective following meeting about the activities of the committee as well as the content of meetings and discussions.

The Audit Committee's deliberations focused mainly on the following topics in the reporting year:

- The meeting in March served to prepare the balance sheet meeting of the Supervisory Board and the audit of the accounts for financial year 2022. The Audit Committee reviewed the financial statements and management reports, taking the audit reports and the focal points of the audit into account, and discussed them with the auditor and dealt with the quality of the audit. The Audit Committee also met occasionally without the members of the Management Board being present.

- In addition, the Audit Committee reviewed the auditor's declaration of independence and recommended to the full Supervisory Board that Deloitte GmbH Wirtschaftsprüfungsgesellschaft be proposed as auditor for the last time at the 2023 Annual General Meeting. Furthermore, the Audit Committee issued the audit mandate after the Annual General Meeting.

- The Audit Committee repeatedly dealt with the current risk situation, risk management and the further development of the internal control system and the compliance organisation.

- The Audit Committee also received reports on the main results of the internal audits carried out by Group Internal Audit and on further audit planning.

- The quarterly reports were presented and discussed by the Audit Committee prior to their publication. In addition, the Audit Committee dealt with the non-audit services provided by the auditor on a regular basis.

The Remuneration Committee held a total of three meetings in financial year 2023, at which it dealt intensively with the revision of the remuneration system for the Management Board and its implementation and submitted corresponding recommendations to the Supervisory Board.

The Nomination Committee did not convene in financial year 2023.

Individualised disclosure of meeting attendance in financial year 2023

The members of the Supervisory Board and the committees attended the meetings of the Supervisory Board and the committees in the reporting period as follows:

Supervisory Board member	Plenum	Audit Committee	Nomination Committee
Erich Sixt (Chairman)	5/5 (100%)	n/a	n/a
Dr. Daniel Terberger (Deputy Chairman)	5/5 (100%)	5/5 (100%)	3/3 (100%)
Anna Magdalena Kamenetzky-Wetzel	5/5 (100%)	5/5 (100%)	3/3 (100%)
Dr. Julian zu Putlitz	5/5 (100%)	5/5 (100%)	3/3 (100%)
Total	**100%**	**100%**	**100%**

Conflicts of interest

There were no conflicts of interest of Supervisory Board members in the past financial year.

Corporate Governance

The Management Board and Supervisory Board report on the topic of corporate governance in the Corporate Governance Declaration pursuant to sections 289f, 315d of the German Commercial Code (HGB), which is published on the Internet at *ir.sixt.eu* under “Corporate Governance” as well as in this Annual Report. Furthermore, the Management Board and the Supervisory Board issued the regular Declaration of Conformity pursuant to section 161 of the German Stock Corporation Act (AktG) in December 2023 and made it permanently available to shareholders on the company’s website at *ir.sixt.eu* in the “Corporate Governance” section. Apart from a few exceptions outlined in the Declaration, Sixt SE follows the recommendations of the Code in the version dated 28 April 2022 and applicable as of 27 June 2022.

In the reporting year, there was one training programme for the Supervisory Board relating to the Corporate Sustainability Reporting Directive (CSRD) In addition, the members of the Supervisory Board attended the training and development measures required for their duties on their own responsibility.

Audit of the 2023 Annual Financial Statements and Consolidated Financial Statements

The Management Board prepared the Annual Financial Statements of Sixt SE as per 31 December 2023 in accordance with the requirements of the German Commercial Code (Handelsgesetzbuch / HGB) and the Consolidated Financial Statements and Combined Management Report as per 31 December 2023 in accordance with section 315e of the German Commercial Code and on the basis of the International Financial Reporting Standards (IFRS), as adopted by the EU. According to the Law on Strengthening the Non-Financial Reporting of Companies in their Management and Group Management Reports (CSR Directive Implementation Act), the Combined Non-Financial Declaration is included in the Management Report.

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, audited the Annual Financial Statements and Consolidated Financial Statements of Sixt SE as well as the Combined Management Report (with the exception of the Combined Non-Financial Declaration and the Corporate Governance Declaration) and issued these documents their unqualified audit opinion. Furthermore, the auditor also determined that the Management Board had taken the appropriate measures required under section 91 of the German Stock Corporation Act (AktG), in particular those relating to the establishment of a monitoring system, and that the monitoring system is suited for the early detection of developments that could jeopardise the company as a going concern. In addition, the auditor subjected the remuneration report to a formal completeness review in accordance with section 162 (3) of the German Stock Corporation Act (AktG). The Supervisory Board had commissioned the auditor on the basis of the resolution passed by the Annual General Meeting on 23 May 2023.

Each member of the Supervisory Board received the documents together with the Management Board's Dependent Company Report and the auditor's audit reports as well as the Management Board's proposal on the appropriation of unappropriated profit in sufficient time for examination. The auditor attended the meeting of the Audit Committee on 20 March 2024 and the meeting of the Supervisory Board to approve the financial statements on 26 March 2024 and reported comprehensively on the course of the audit and its main results, addressing in particular the key audit matters. The focal points of the audit included the subsequent valuation of rental vehicles, the recoverability of trade receivables and non-financial assets, revenue recognition, the early risk detection system and risk reporting in the Management Report, the completeness of provisions and recognised leasing transactions in accordance with IFRS 16, and the reporting on transactions with related parties (Dependent Company Report). The recoverability of shares in affiliated companies and the receivables from affiliated companies as well as the presentation of service relationships and agency agreements within the Group were also relevant for the audit of the financial statements of Sixt SE.

The Audit Committee reviewed the financial statements and Management Reports at its meeting on 20 March 2024, taking the audit reports and focal points of the audit into account, and discussed them with the auditor. The Chairman of the Audit Committee reported on the results of this preliminary review at the meeting of the Supervisory Board on 26 March 2024. In addition, the auditor informed the Audit Committee about services provided by the audit firm and its network beyond the audit of the financial statements. In his opinion, there were no circumstances that could cast doubt on the independence of the auditor.

The Supervisory Board took due notice of the result of the audit and, following the completion of its own examination, which in particular covered the key audit matters described in the auditor's report, including the audit procedures, raised no objections. The Supervisory Board approved the Annual Financial Statements and Consolidated Financial Statements prepared by the Management Board and audited by the auditor, as well as the Combined Management Report (including the Combined Non-Financial Declaration contained in the Management Report). The 2023 Annual Financial Statements of Sixt SE were thus adopted in accordance with the provisions of the German Stock Corporation Act (AktG). Following its own review, the Supervisory Board also concurred with the proposal of the Management Board on the allocation of the unappropriated profit for 2023.

The auditor included the report by the Management Board covering the relationship between Sixt SE and its affiliated companies in accordance with section 312 of the German Stock Corporation Act (AktG) in its audit and submitted its audit report to the Audit Committee and the Supervisory Board. The audit by the auditor did not lead to any objections. The following unqualified audit opinion was issued: *"Upon completion of our audit and assessment in accordance with professional standards, we confirm that the actual disclosures made in the report are accurate."*

The Supervisory Board's examination of the report covering the relationship between Sixt SE and its affiliated companies in accordance with section 312 of the German Stock Corporation Act (AktG) did not give rise to any objections. The Supervisory Board therefore concurred with the auditor's findings. Following the completion of its own examination, the Supervisory Board had no objections to the Management Board's concluding statement concerning its relationships with its affiliated companies.

Personnel changes

Mr. James Adams left the Management Board by mutual agreement on 15 February 2024. The Supervisory Board would like to thank Mr. Adams for his achievements and commitment and wishes him all the best for the future. Further details on the individual members of the Management Board and Supervisory Board, including information on the term and end of their current appointments and information on their first-time appointments, can be found on the company's website at ir.sixt.eu in the "Management" section.

Thanks to the management and all employees

Despite the many global uncertainties in the financial year 2023, especially with regard to high inflation and increased refinancing costs, Sixt Group succeeded in achieving new record revenue and a very good result for 2023 and further expanding its global presence. The Supervisory Board would like to thank the members of the Management Board, all Managing Directors and all employees worldwide for their great personal commitment, ongoing dedication and constructive and trusting cooperation in these challenging times. It is convinced that the Group will continue its history of profitable growth.

Pullach, March 2024

The Supervisory Board

ERICH SIXT	DR. DANIEL TERBERGER	ANNA MAGDALENA KAMENETZKY-WETZEL	DR. JULIAN ZU PUTLITZ
Chairman	Deputy Chairman	Member	Member

A.3 \\ SIXT SHARE

Capital market defies geopolitical and monetary crises
Due to a strong year-end rally on the global stock markets, Germany's largest benchmark index, the German share index (DAX), also closed the year with a performance that was well above average. Nevertheless, a number of crises had to be overcome in the course of the year to achieve this. Following a successful and positive start to 2023, the bankruptcy of Silicon Valley Bank in March 2023 brought back memories of the 2008/2009 financial crisis and sent the global stock markets into a short-term tailspin. After a rapid recovery, the DAX reached its temporary high for the year of 16,470 points at the end of March 2023. After this high, however, the DAX began a prolonged downward trend. The reasons for this were, on the one hand, concerns about negative global economic developments and the associated fears of recession, with the Chinese real estate giant Evergrande, which filed for Chapter 15 protection in the US in mid-August 2023, taking centre stage. On the other hand, this downward trend was further intensified at the beginning of October 2023 by the conflict in the Middle East between Israel and the Islamist Hamas and the threat of escalation. As a result, the DAX reached a new low of 14,687 points on 27 October 2023.

The year-end rally was primarily driven by the faster-than-forecast fall in inflation worldwide and by the resulting hope of falling key interest rates from global central banks. Due to this positive development, the DAX reached a new all-time high of 16,794 points on 11 December 2023.

The DAX ultimately closed the stock market year 2023 at 16,752 points, which corresponds to an increase of 20.3%.

The second-line index MDAX, in which the ordinary shares of Sixt SE have been listed since 21 March 2022, showed a significantly weaker development compared to its big brother DAX. The MDAX started 2023 at 25,118 points and closed the year at 27,137 points – an increase of 8.0%.

The US stock markets also developed positively across the board in 2023. For example, the Dow Jones Index recorded a gain of 13.7% in 2023, while the S&P 500 rose by as much as 24.2%. The NASDAQ 100 technology index posted a price gain of 53.8% in 2023 due to the “Magnificent Seven” shares listed there.

The globally diversified MSCI World Index achieved a price increase of +21.8% in 2023.

Development of Sixt shares in 2023
Following the price correction of both classes of Sixt shares in 2022, both Sixt ordinary and Sixt preference shares started 2023 on a positive note, as did the market as a whole. Following the publication of the preliminary annual figures for 2022 on 28 February 2023, the ordinary share reached its high for the year of EUR 128.90 on 8 March 2023. While the ordinary share embarked on a long-term downward trend after reaching its high for the year, the Sixt preference share rose once again in the run-up to the 2023 Annual General Meeting and reached its high for the year of EUR 79.70 on the day of the Annual General Meeting on 23 May 2023. After this, however, the preference shares also began a continuous downward trend. The fears of recession that emerged in the summer of 2023 and continued high inflation coupled with a sharp rise in interest rates had a negative overall impact on cyclical shares. The conflicts in the Middle East at the beginning of October 2023 further exacerbated the price losses, with the ordinary share reaching its low for the year on 1 November 2023 at a price of EUR 81.10 and the preference share on 26 October 2023 at a price of EUR 54.00. In the wake of the year-end rally, both share classes were able to partially compensate for the price losses. The Sixt ordinary share ended the stock market year 2023 at a price of EUR 101.20 and the Sixt preference share at a price of EUR 67.10.

Over a 12-month period, the Sixt ordinary share thus rose by 17.7% and the Sixt preference share by 23.1%, significantly outperforming the MDAX, which rose by only 8.0% in the same period.

The market capitalisation of Sixt SE, based on the year-end prices, amounted to EUR 4.19 billion – an increase of 19.1% compared to the value at the end of the previous year (EUR 3.51 billion, all figures based on Xetra closing prices). Based on the respective annual highs of the ordinary and preference shares in 2023, the company's total market capitalisation peaked at EUR 5.24 billion.

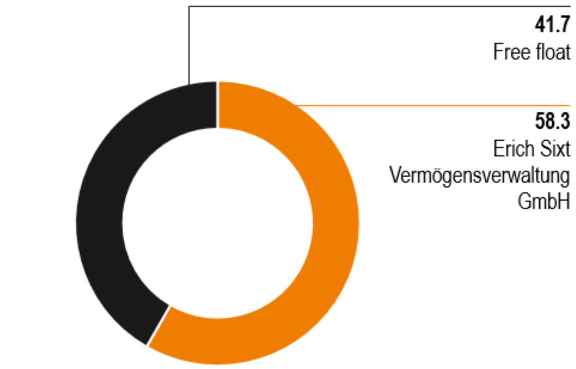
Shareholder structure unchanged

As in the previous year, 58.3% of the ordinary shares with voting rights were held by Erich Sixt Vermögensverwaltung GmbH at the end of 2023, measured in terms of the registered share capital. All of its shares are held directly and indirectly by the Sixt family.

Sixt SE publishes voting rights notifications on its website at *ir.sixt.eu* in the "Our News" section. The company did not receive any such notifications in the reporting year.

Shareholder structure as at 31 December 2023

in %



Dividend

Due to the very good performance in financial year 2022, a special dividend of EUR 2.00 per ordinary and preference share was distributed to shareholders for financial year 2022 in addition to the ordinary dividend of EUR 4.11 (ordinary share) and EUR 4.13 (preference share). With a dividend of EUR 6.11 per ordinary share (2021: EUR 3.70) and EUR 6.13 per preference share (2022: EUR 3.72), the total dividend for financial year 2022 amounted to EUR 287 million, which corresponded to 74.4% of the consolidated net profit for financial year 2022.

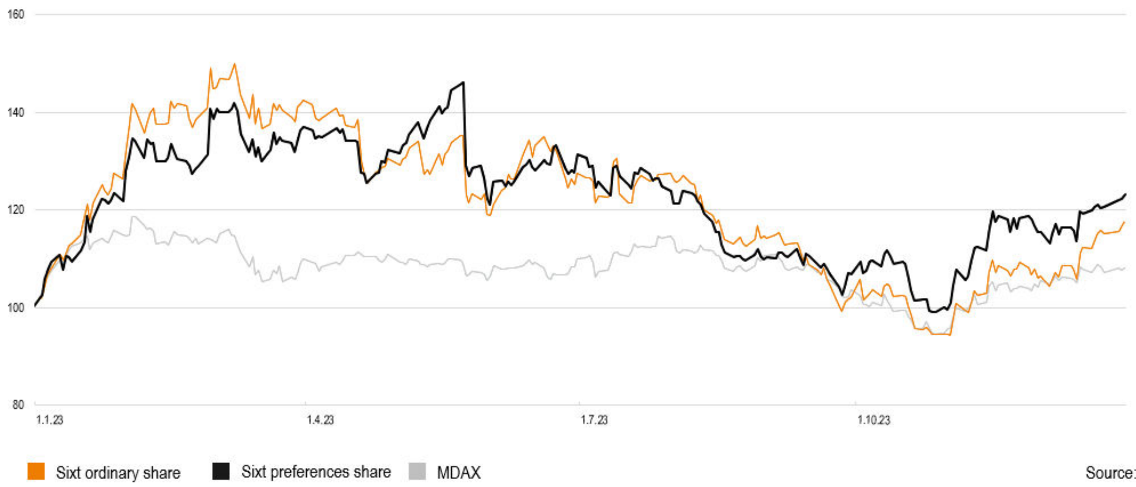
Due to the pleasing business and earnings performance in 2023, the Management Board will propose a dividend of EUR 3.90 per ordinary share and EUR 3.92 per preference share for the 2023 financial year to the 2024 Annual General Meeting, subject to the approval of the Supervisory Board. The proposal would correspond to a total dividend payout of EUR 183 million or 54.7% of consolidated net profit after minority interests. Based on the respective year-end closing prices for 2023, the dividend yields would be 3.9% per ordinary share and 5.8% per preference share.

Sixt SE pursues a conservative and long-term orientated financial strategy. The dividend policy is therefore based on the earnings situation of Sixt Group and aimed at allowing shareholders to participate appropriately in the Group's earnings performance while maintaining Sixt Group's strong capitalisation in the long term. With this in mind, the dividend policy of Sixt SE provides for the distribution of usually between 35% and 60% of the consolidated net profit of Sixt Group as a dividend. In order to maintain or adjust the capital structure, the Managing Board and Supervisory Board may submit dividend proposals to the shareholders that deviate from this or propose special dividends in special situations.

Sixt share information	
Share classes	No-par value voting bearer shares (WKN: 723132, ISIN: DE0007231326) No-par value non-voting preference bearer shares (WKN: 723133, ISIN: DE0007231334) No-par value voting ordinary registered shares (WKN: A1K065, ISIN: DE000A1K0656)
Share classes	Xetra, Frankfurt am Main, Munich, Stuttgart, Hanover, Düsseldorf, Hamburg, Berlin
Key indices	MDAX (weighting of ordinary shares: 0.84%) CDAX (weighting of ordinary shares: 0.09%, weighting of preference shares: 0.08%) Prime All Share (weighting of ordinary shares: 0.08%, weighting of preference shares: 0.07%)
Trading segment	Prime Standard
Designated sponsors	Stifel Europe Bank AG, M.M. Warburg & Co. KGaA

Performance of Sixt ordinary and preference shares and MDAX

in %



Source: Bloomberg

	2023	2022
Earnings per share – basic (in EUR)		
Ordinary share	7.13	8.21
Preference share	7.15	8.23
Dividend (in EUR)		
Ordinary share	3.90[1]	6.11
Preference share	3.92[1]	6.13
Number of shares (as at 31 Dec.)	46,943,358	46,943,358
Ordinary share	30,367,112	30,367,112
Preference share	16,576,246	16,576,246

	2023	2022
High (in EUR)[2]		
Ordinary share	128.90	165.40
Preference share	79.70	91.40
Low (in EUR)[2]		
Ordinary share	81.10	82.05
Preference share	54.00	46.85
Year-end price (in EUR)[2]		
Ordinary share	101.20	85.95
Preference share	67.10	54.50
Dividend yield (in %)[3]		
Ordinary share	3.9	7.1
Preference share	5.8	11.2
Market capitalisation (in EUR billion)[3,4]		
as at 31 Dec.	4.19	3.51

1 *Proposal to the Annual General Meeting*
2 *All prices refer to Xetra closing prices*
3 *Based on Xetra year-end closing price*
4 *Based on ordinary and preference shares*

Active capital market communication

As a listed company, Sixt has always attached great importance to an ongoing and intensive dialogue with the capital market. Sixt SE is listed in the Prime Standard of the German Stock Exchange and is therefore subject to extensive transparency and publicity requirements.

In reporting year 2023, investors, analysts and the financial media had a great need for information on the effects of higher interest rates and the resulting higher refinancing costs, as well as on the ongoing expansion in the US in particular. Other focal points of the discussions with investors included digitalisation, the future strategy with regard to the electrification of the fleet, the effects of inflation, fleet growth and the purchasing policy with vehicle manufacturers, rental prices and the impact of recessionary trends on the business model. As part of its investor relations work, the company held many one-on-one meetings with investors and analysts and presented itself at a number of roadshows and international conferences.

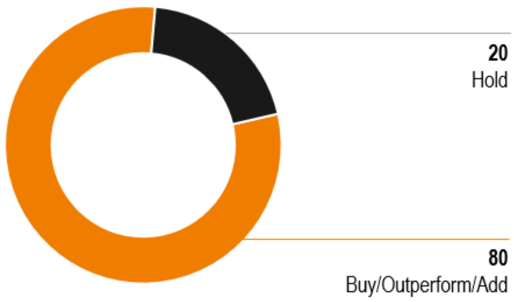
In addition to the virtual Annual General Meeting on 23 May 2023, the analysts' conference was held in Frankfurt/Main on 18 April 2023 with many analysts and investors in attendance.

As in the previous year, an investor presentation was published for each reporting quarter at *ir.sixt.eu* in the "Publications" section, which contained information on the current business environment and a detailed analysis of the key figures for the quarter.

As in previous years, Sixt used conferences with domestic and foreign investors to communicate the Group's strategy and business development. The events, which took place partly virtually and partly in person, met with great interest from investors on both sides of the Atlantic.

Analyst recommendations (Sixt ordinary share) as at December 2023

in %



The Management Board also used the publication of the 2022 annual results and the 2023 quarterly reports to provide financial and business journalists with timely information on the Group's current performance. Conference calls were also held, which are traditionally an integral part of communication with relevant business media and news agencies.

In the year under review, Sixt was covered regularly by Baader Bank, Berenberg, BNP Paribas Exane, Deutsche Bank, DZ Bank, Hauck Aufhäuser Lampe, Jefferies, Metzler, M.M. Warburg, ODDO BHF and STIFEL. The average price target for the Sixt ordinary share stated in the studies was EUR 132.20 as at 31 December of the reporting year (end of 2022: EUR 92.75). Eight of the financial analysts issued a positive recommendation (Buy/Outperform/Add) for the Sixt ordinary share as at the end of financial year 2023.

B

B \\ COMBINED MANAGEMENT REPORT

B.1 \\ PRINCIPLES OF THE GROUP

1. BUSINESS MODEL OF THE GROUP

1.1 GROUP STRUCTURE AND MANAGEMENT

Sixt SE, with its registered office in Pullach, Germany, is a listed European stock corporation (Societas Europaea) and serves as the parent and holding company of Sixt Group. Sixt SE performs key management and administrative tasks and is responsible for the strategic and financial management of Sixt Group. It also performs important financing functions for the Group.

The operating business of Sixt Group is managed entirely by legally independent subsidiaries in Germany and abroad.

The Management Board of Sixt SE manages the company on its own responsibility. The Supervisory Board of Sixt SE appoints, monitors and advises the Management Board and is directly involved in decisions of fundamental importance to the company and the Group.

An overview of the companies included in the Consolidated Financial Statements as well as the other shareholdings of Sixt Group, which are of minor economic importance in their entirety, can be found in the Notes to the Consolidated Financial Statements under “Consolidation.” This report summarises the Management Reports of the Group and Sixt SE in accordance with section 315 (5) of the German Commercial Code (HGB), hereinafter also referred to as the Combined Management Report or Management Report.

1.2 GROUP ACTIVITIES AND RANGE OF SERVICES

Sixt Group is a mobility service provider that operates in Europe and North America. Other regions of the world are covered by franchisees and cooperation partners operating under the SIXT brand name. Sixt has been pursuing a focused premium strategy for many years as a decisive unique selling proposition in competing globally. This strategy is based on the commitment to offering business and private customers high-quality solutions for their respective mobility needs that are characterised by the most flexible processes and ease of use. The high share of vehicles from renowned manufacturer brands in the vehicle fleet is also an elementary component of this strategy.

Sixt aspires to be the innovation leader in the mobility industry. The technology and mobility platform ONE launched in 2019 plays an important role here. The basis for this is the end-to-end digitalisation of the entire product portfolio (via the SIXT App) as well as all sales channels and operational business processes. Via the SIXT App, users have access to the products SIXT rent, SIXT van & truck, SIXT share, SIXT ride and, since 2020, also to the car subscription offer SIXT+. In line with the platform strategy, Sixt relies on strong partnerships with which the mobility platform ONE is continuously expanded as an open ecosystem. Customers can also access products and services from third-party providers, such as the electric scooter, e-bike and e-moped provider TIER, the US ride service provider Lyft and, since June 2023, also to MILES car sharing vehicles via the SIXT App. A partnership was also concluded with Blacklane. By integrating digital car and commercial vehicle rental, car sharing, car subscriptions as well as arranging transfer services, customers have access to over 300,000 vehicles and mobility offers from more than 3,000 partners with more than 5 million drivers in over 550 cities in more than 40 countries worldwide via the SIXT App.

Sixt’s digitalisation strategy is based on changing customer preferences and demands for mobility and takes a change in usage behaviour in the online and mobile sector into account, which, in turn, is a consequence of technological development. Sixt offers its customers lean, flexible and transparent rental processes. By the end of 2023, around 68% (end of 2022: 72%) of reservations in the area of mobility were made via the company’s online and mobile channels.

Furthermore, Sixt uses digital channels such as the Group’s websites and social media accounts to engage in a constant dialogue with its customers and the general public. In addition, regular and continuous marketing activities are managed via these channels. In order to promptly identify trends and record data and experience, the company monitors the acceptance of its new platforms and applications at an early stage.

2. OPERATING BUSINESS

2.1 MARKET POSITION AND POSITIONING

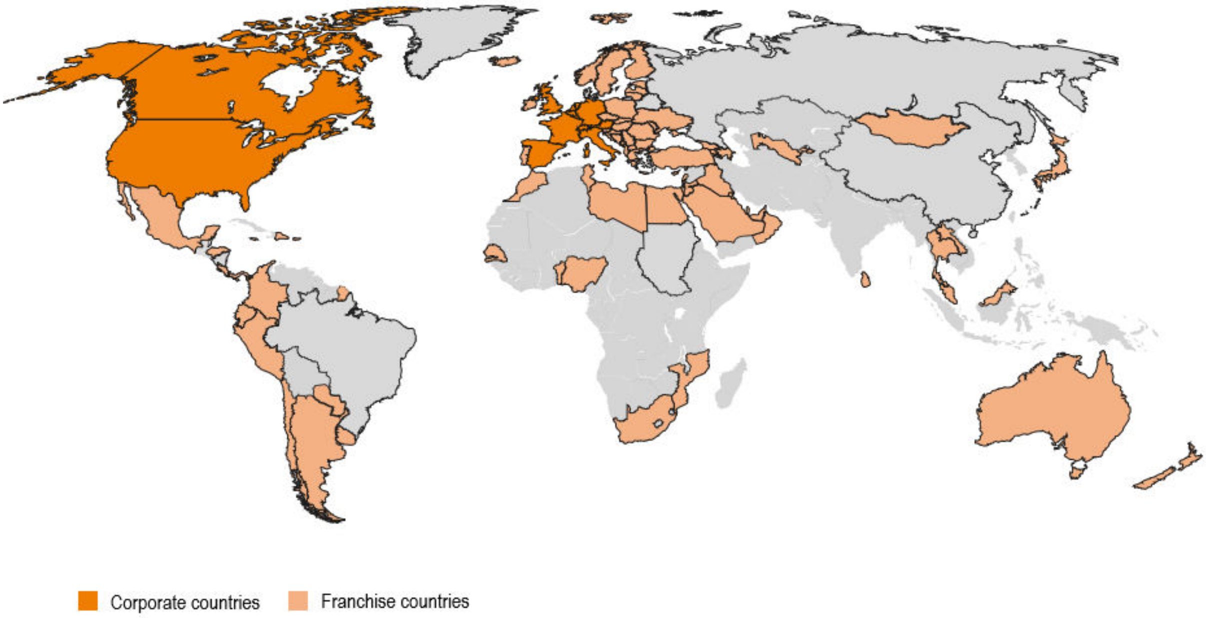
The operating business is segmented by region. A distinction is made between the reporting segments Germany, Europe and North America.

International expansion was continued again in financial year 2023. The global positioning is divided into own country organisations (corporate countries) and cooperation with franchisees and partners (franchise countries). These partners are already established in their respective markets. As at 31 December 2023, Sixt was represented by franchisees in a total of around 100 markets.

Sixt is present with its own subsidiaries in the European core countries of Austria, Belgium, France, Germany, Italy, Luxembourg, Monaco, the Netherlands, Spain, Switzerland and the UK, thus covering a large part of the European market. In addition, Sixt is active with subsidiaries in the US and, since 2022, in Canada, as well.

Sixt's strategy is to be represented by its own companies in large markets with low-risk conditions and to be represented by qualified franchisees and cooperation partners in smaller markets or markets with higher risks.

Geographical presence in Sixt corporate and franchise countries



Segment Germany: Based on its own estimates and data from Euromonitor, Sixt is the market leader in Germany with a market size of EUR 2.8 billion in 2023, well ahead of its competitors. One focus of Sixt's business in Germany has traditionally been on business and corporate customers, together with a strong network of stations at German airports. Sixt operated at least one station at all major German airports as early as 1977 and was represented at 27 airports in financial year 2023. The share of private customers and tourists has increased in recent years, however. At the end of 2023, Sixt had 348 stations and thus ensures extensive coverage in Germany (2022: 355 stations).

Segment Europe: Sixt has been steadily expanding its presence in Europe since the mid-1990s and focuses on the leading countries in the car rental market. According to Euromonitor, the UK, France and Spain are the largest rental markets. According to Euromonitor, the market size of the corporate countries in Europe (excluding Germany) amounted to EUR 10.3 billion in 2023. There were 443 stations at the end of 2023 (2022: 435 stations). Private customers and tourists are the most important customer segment for Sixt in Europe.

Segment North America: According to Euromonitor, Sixt achieves a market share of around 3% in the US, the world's largest car rental market, with an estimated total volume of USD 38.5 billion in 2023. Within only a few years, Sixt managed to establish itself as the fourth largest vendor in the US. As in other target markets, Sixt is also successful on the other side of the Atlantic with its strategy of providing its customers with both premium products and convincing premium service and has achieved a differentiated positioning in the market. Compared to its original focus on European tourists, Sixt has managed to grow in recent years mainly thanks to a higher share of American private customers. Similar to Europe, Sixt also relies on a strong presence at major airports and business centres in the US to further support its growing corporate customer base in the US and to strengthen its network of stations particularly on the East and West coasts, especially at major hubs of American airlines. At the 50 most strategically important US airports for Sixt, which according to the company's own estimates account for approx. USD 11 billion and thus around 70% of the total market volume at airports, the company was already represented at 43 airports by the end of 2023. There were 107 stations in the US at the end of 2023 (2022: 99 stations). Expansion in Canada has followed a similar strategy since 2022. As at 31 December 2023, there were four stations in operation in Canada (2022: 3 stations). This brings the total number of stations in North America to 111.

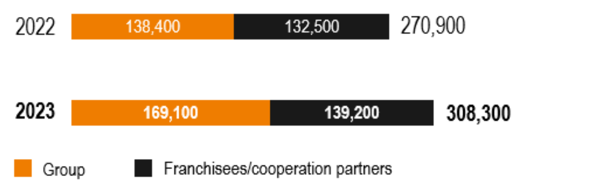
Source
Euromonitor International, Mobility 2024, January 2024

Sixt Group's target audiences are private customers/tourists, business and corporate customers, whereby Sixt Group's revenue is mainly generated through the Business to Customer (B2C), Business to Business (B2B) and Business to Partner (B2P) sales channels. While B2B refers to the rental business with business/corporate customers, rental business with private customers/tourists falls under B2C. The B2P sales approach also targets private/end customers, however, unlike B2C, customers are not acquired directly (e.g. via the Sixt website) but rather via an intermediary partner. The B2C and B2P sales channels account for a total of 71% (2022: 74%), the remaining 29% (2022: 26%) are accounted for by B2B and other.

The company continues to pursue its dedicated premium approach, which includes the high quality of the vehicle fleet as well as customer-oriented service. Sixt therefore traditionally offers its customers a large number of high-quality equipped vehicles from renowned manufacturers. In 2023, around 57% of the infleets in the Sixt corporate countries consisted of vehicles from the premium brands Audi, BMW, Mini and Mercedes-Benz, compared to likewise 57% the previous year. The company focuses on comprehensive and modern equipment for its vehicle fleet in terms of driving comfort and safety.

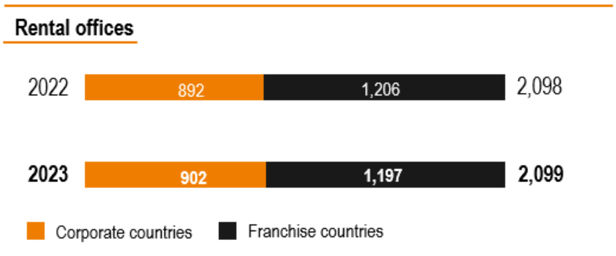
While 2022 was still characterised by a shortage of vehicles, this situation eased in financial year 2023. Thanks in part to its established and long-term relationships with car manufacturers, Sixt succeeded in expanding its average vehicle fleet in Germany and abroad (excluding franchisees) to a record level of 169,100 vehicles in the reporting year (2022: 138,400). Current registrations of new vehicles totalled 183,900 vehicles (2022: 146,200). The holding period for vehicles fell again compared to the previous year, primarily due to the normalisation of the procurement market in the reporting year. Including the vehicles of franchisees and cooperation partners, Sixt's global vehicle fleet consisted of an average of 308,300 vehicles in 2023 after 270,900 vehicles in 2022.

Average number of vehicles Group and franchisees/cooperation partner



Sixt is represented globally by franchise and cooperation partners outside the European and North American corporate countries. Thanks to this dual orientation with its own companies and franchisees, the Sixt brand was present in around 100 countries in 2023, virtually unchanged from the previous year.

Despite advancing digitalisation, which makes it possible for customers to rent a vehicle without making a prior visit to a rental station and saves costs, the close-knit global network of 2,099 stations (2022: 2,098) at the end of 2023 (including franchise countries) remains the basis of the operating business. Virtual stations are also available to customers, where they can rent and pick up vehicles at frequented locations such as shopping centres or car parks simply by using their smartphone and the SIXT App.



2.2 RANGE OF SERVICES

The Group's product portfolio includes SIXT rent (car rental), SIXT van & truck (commercial vehicle rental), SIXT share (car sharing), SIXT+ (car subscriptions/long-term rentals) and SIXT ride (transfer services). All products are linked via the SIXT App and the integrated mobility platform ONE launched in 2019.

- *SIXT rent:* SIXT rent bundles the Group's activities in the field of classic car hire, which remains the core of the business model and offers short to medium-term mobility. The range includes an extensive fleet of modern cars, from small cars to luxury class vehicles, as well as minibuses for up to nine people. In line with its corporate strategy, Sixt continues to drive its international expansion with a focus on a high level of quality. The broad network of stations offers the opportunity to take advantage of detailed advice from the station staff. Last but not least, SIXT rent is also focusing on the digitalisation and networking of its services. The SIXT App enables fully mobile check-in. At selected rental stations in Europe and North America, particularly at airports, customers can select their vehicle until shortly before the start of the rental and then open it directly via the app without having to go through the rental station at the car park. This digital service is gradually being extended to other stations at airports and in urban areas.

  By linking the classic car rental service SIXT rent with the car sharing service SIXT share, the duration of use can also be flexibly adapted to the actual needs of the user, from a few minutes to several days, with the most favourable price being offered in each case.

  SIXT rent offers holiday travellers a wide range of international holiday rental cars. This is tailored to the respective mobility needs in the vacation regions.

- *SIXT van & truck:* In addition to the rental of cars, Sixt offers a wide selection of commercial vehicles under the SIXT van & truck product since 2021. The products range from vans to trucks with a gross vehicle weight of up to sixteen tonnes. These vehicles from renowned manufacturers for special groups of customers are available for short or long-term rentals and thus cover a wide range of mobility requirements. Services such as accessories for moving as well as special equipment and fixtures round off the range. As at 31 December 2023, Sixt's corporate and franchise station network comprised more than 900 stations offering vans and trucks, of which more than 20 were Truck Centres. Sixt Truck Centres are designed to meet the growing needs of corporate and commercial customers. Two acquisitions in the United Kingdom in 2022 expanded the local station network by an additional nine stations and depots. In addition, “SIXT Commercial Vehicle”, a new brand for the special requirements of B2B customers, was launched.

- *SIXT share:* With SIXT share, the company offers a flexible car sharing service that allows for a vehicle to be returned even outside of firmly defined business regions. This means the vehicle can be returned at any Sixt station in Germany. By cross-linking the vehicle fleets of SIXT rent and SIXT share, the company leverages synergies within the Group, as the vehicles can be flexibly deployed as needed. This enables Sixt to offer its services not only in large cities and metropolitan areas, but also in surrounding communities. Sixt is thus the first car sharing provider to have already opened up several communities near Munich, thus offering even more people in suburban areas a range of flexible, modern mobility options and at the same time making a contribution to the mobility revolution. The bundling of the vehicle fleets also offers Sixt customers the advantage of a larger selection of vehicle brands and types. Since June 2023, the cooperation with MILES has meant that their approximately 14,000 vehicles in Germany have also been integrated into the SIXT App and can now be booked. A total of more than 1.7 million (2022: more than 2.0 million) drives were booked with SIXT share in financial year 2023. The decrease in the number of trips is due to a change in the pricing strategy, which resulted in fewer but longer trips.

SIXT share also includes a micro-mobility offering with e-scooters, e-mopeds and e-bikes.

- *SIXT+* With the launch of the car subscription offer SIXT+ in June 2020, Sixt expanded the product offering on its mobility platform ONE. SIXT+ is the solution for customers who do not want to be tied down for years by buying or leasing. Unlike car sharing or short-term rentals, customers receive their own car with SIXT+, which they can use just like a private vehicle for as long as they wish at fixed monthly rates. All costs for maintenance, insurance, servicing and wear and tear are included. By focusing on monthly cancellable subscriptions, fast delivery times and flexible product features such as the pause option or digital customisability of the subscription configuration during the subscription, Sixt creates benefits for its customers. Due to the longer contract terms, Sixt can better plan its revenues and cash flows compared to short-term rentals.

  All SIXT subscription products are also united under the SIXT+ brand umbrella, including the international car hire flat rate SIXT+ unlimited as a premium model, as well as SIXT+ flex as a flexible company car alternative. A white label solution with Jaguar Land Rover was added in the summer of 2023. This gives customers access to even more vehicle models and creates significant added value for the respective vehicle manufacturer through the additional mobility offering for customers.

- *SIXT ride:* SIXT ride is an integrated mobility service available since 2012 that is primarily based on the brokering of professional driver and chauffeur services. With a global network of over 3,000 partners and a total of more than 5 million drivers, SIXT ride offers customers the convenience of being picked up in over 550 cities in more than 40 countries worldwide, while benefitting from additional features. Thanks to its global network, SIXT ride can also offer event transport services and has been serving luxury companies for a number of years in organising the logistics of events with several hundred guests.

  In addition, SIXT ride works together with local taxi companies and well-known international ride-hailing partners to organise ride services for immediate pick-ups or short-term bookings. Besides taxi centres in all major German cities, these include established ride-hailing networks such as the ride service provider Lyft in the US, Cabify in Spain and Addison Lee in the UK. SIXT ride offers corporate customers the advantage of a simple and uniform billing system so that driving services can be included in business travellers' planning and booking and be billed transparently. Thus, taxis can be booked directly while planning travel via interfaces to company travel portals. Due to the bookability in the Amadeus transfer hub, travel agencies also have access to SIXT ride.

3. SIGNIFICANT EXTERNAL INFLUENCING FACTORS

Sixt Group operates internationally and has a listed parent company. Thus, the business of the Group companies is under the influence of a large number of different legal systems and regulations. These include regulations in the areas of road traffic, environmental protection, customer and data protection and public order, as well as tax and insurance laws and regulations for the financial and capital markets.

In economic terms, the Sixt Group is influenced by the general economic conditions, which determine in particular the willingness of business travellers to spend, private consumption and the willingness of companies to invest. In addition, there are industry-specific influencing factors such as the availability of new vehicles and the development of the used car markets. These and other influencing factors, which represent both risks and opportunities for Sixt Group, are explained in detail in the Report on Risks and Opportunities.

4. MANAGEMENT OF THE COMPANY

The long-term success of Sixt Group is measured using predefined financial performance indicators.

The following financial performance indicators are of particular importance at the Group level:

- Revenue
- Earnings before taxes (EBT)

In addition, the return on revenue (EBT÷revenue) and the equity ratio (equity÷total assets) serve as performance indicators.

The relevant performance indicator for the operating segments is Corporate EBITDA, i.e., earnings before interest, taxes, depreciation and amortisation (EBITDA), but with additional consideration of depreciation on rental vehicles and the attributable interest result.

Sixt Group aims to achieve the following returns and ratios in the long term and thus on a sustainable basis:

- A return on revenue of at least 10%.
- A Group equity ratio of at least 20%.

5. RESEARCH AND DEVELOPMENT

Sixt pursues a consistent digitalisation strategy that encompasses both its product portfolio and sales channels as well as its operational business processes. In doing so, Sixt uses and drives the latest technological developments and digital services forward in order to be able to offer its customers fast, flexible and convenient solutions. The company places great importance on its own technological expertise and development activities for its business success. Sixt has organised its research and development activities in the SIXT TECH unit, which is divided into product divisions and enabling divisions. In 2023, 800 employees on average were working for the SIXT TECH unit, mainly in the development centres in Germany, India and Ukraine. A fourth development site was opened in Lisbon, Portugal, at the end of financial year 2022. The focus of this location is on pricing, yield and fulfilment.

Product Divisions: The Product Divisions pursue the goal of developing and optimising mobility solutions. In addition, the focus is on increasing internal efficiency.

Enabling Divisions: The Enabling Divisions are responsible for digital security, the internal IT infrastructure, provision of the cloud platform ONE and other technical support for the specialist departments. In addition, they pursue the goal of constantly keeping the IT infrastructure in the branches as well as at Group headquarters in Pullach up to date with the latest technology.

The goal is the new and further development of all mobility products and the associated fundamental and continuous modernisation of the company's own IT infrastructure towards a 100% cloud-based technology. Sixt uses an agile project management and development methodology based on SCRUM.

The most important activities in the Product Divisions in 2023 were:

Digital Experience: The Digital Experience Division is responsible for providing the customer-centred offering via the Sixt website and the SIXT App. Over the course of the last financial year, the previous versions of the website and app were revised completely and replaced in terms of both the backend and the frontend. This important step is aimed at significantly improving the user experience for Sixt customers.

Pricing and Yield: The Pricing and Yield Division deals with pricing and fleet management. In addition to the continuous optimisation of pricing algorithms and product design, the division also works on new, data-driven approaches to fleet planning, both as a target for vehicle purchasing and for operational fleet management via vehicle transfers and additions and removals.

Sales: The Sales Division is responsible for expanding and optimising the digital offering for business and corporate customers (B2B). In addition to needs-based B2B mobility solutions, the focus is on an intuitive and industry-leading B2B self-service platform and the end-to-end digitalisation of the entire sales process.

Fulfillment: The Fulfillment Division focuses on the digitalisation of car rental and fleet management processes. The IT tools used for vehicle check-in, turnaround and for handing over the vehicle when renting and returning vehicles // check-out when renting and returning vehicles were developed even further in the reporting year. Following its launch in the US last year, the digital rental solution for customers ("Mobile Check-in") was also rolled out in Europe at the largest airports and selected stations in city centres and expanded to include the collection of keys from automatic key safes. The first modules of the new, integrated fleet management software to further optimise global fleet processes have also been completed.

Finance: Among other functions, the Finance Division ensures the connection and processing of modern payment methods across all Sixt products. Flexible and customer-orientated dunning is also on the agenda. Timely and transparent billing of agency fees, which are indispensable for partners such as airports and booking portals, as well as the continuous optimisation of the ERP system in general are yet other areas of focus.

Ride: The Ride Division provides the platform for taxis and chauffeur services and is constantly developing it further. Sixt was able to migrate its applications to a new technology suite in

2023. The company has also given its customers the ability to change their reservation via the app without having to contact customer support. Furthermore, Sixt has integrated additional ride service providers and mobility platforms via API integrations and significantly improved the accuracy of driver location tracking across the SIXT ride ecosystem. In addition, Sixt has invested in e-mail communication, the redesign of the web booking tunnel and the improvement of internal tools.

Share: SIXT share has expanded its range by integrating partner companies and now offers various types of on-demand mobility (mopeds, scooters, e-bikes) internationally. Car sharing partners (e.g. Miles) were also included to increase availability even further.

Vans & Trucks: The Vans & Trucks Division creates customised applications for demanding customers in need of commercial vehicles from Sixt. Above all, the solutions help Sixt business customers to manage their daily work and simplify everyday life for professional drivers and fleet managers. For example, the fleet management portal has been supplemented to include features that improve customers' liquidity planning.

The total costs of the areas in Sixt Group that are significantly involved in development activities amounted to EUR 43.2 million in the financial year (2022: EUR 36.4 million).

Development costs of EUR 15.8 million (2022: EUR 20.7 million) relating to current and future software solutions were capitalised in 2023.

B.2 \\ ECONOMIC REPORT

Due to rounding, it is possible that individual figures in this Combines Management Report may not add up exactly to the totals shown. For the same reason, percentages presented may not accurately reflect the absolute figures to which they relate.

The economic growth percentages shown below that were published by the International Monetary Fund (IMF) are preliminary estimates for 2023 and forecasts for subsequent years.

1. GENERAL ECONOMIC CONDITIONS

As part of its internationalization strategy, Sixt has further extended the focus of its corporate activities in 2023 primarily to Western European countries and North America. Therefore, the investment activities of the economy, the consumption behavior of private customers, and the willingness of corporate customers to spend in these regions are relevant to the business development of the entire Sixt Group.

The planned recovery of the global economy in 2023 was slightly better than predicted. In particular, the second half of the year developed significantly better than expected in some important industrial countries such as the USA, where private and government spending supported the economic upswing. However, the increasing momentum was not felt everywhere. Growth was particularly subdued in the Eurozone due to weak consumer demand, the ongoing effects of high energy prices, and the weakness of the interest-sensitive manufacturing industry and corporate investments. The International Monetary Fund therefore expects global economic growth of 3.1% for 2023 (as of January 2024), 0.1 percentage points above the forecast from September 2023. The global inflation rate in the reporting period fell from 8.0% in the previous year to 6.8% in 2023. In the annual average, the euro appreciated compared to the US dollar, rising from an average of $1.05 per euro in 2022 to an average of $1.08 per euro in the 2023 financial year.

The clear recovery of air travel from the enormous impacts of the corona pandemic began in 2022 and continued in 2023. According to the air traffic control organization Eurocontrol, 10.2 million flights were again carried out in 2023, 0.9 million more than in 2022, which corresponds to 92% of the traffic volume in the pre-corona year 2019.

This trend was also reflected in the results of major airlines. Due to the enormous desire to travel and the resulting high customer demand, airlines such as Lufthansa, American Airlines, or Delta Airlines achieved record quarterly results in 2023 in terms of both revenue and earnings.

After the initially cautious forecast for global economic growth, the economic performance in the USA rose by a higher than expected 3.3% after a gain of 2.0% in the previous year. The unemployment rate in the USA rose slightly from 3.5% in December of the previous year to 3.7% in December 2023.

According to a preliminary estimate by the EU Commission (as of January 2024), economic output in the EU grew by 0.5% in the reporting period after an increase of 3.5% in the previous year.

After the German economy grew by 1.9% last year, the German gross domestic product (GDP) shrank by 0.3% in 2023. The declining residential construction and restrictive central bank policy were particularly noticeable. Special factors such as the particularly high level of sickness absence and strikes also weighed on economic growth. Despite all the crises of the past year, the German labor market remained stable: the unemployment rate averaged 5.7%, up from 5.3% in the previous year.

The used car markets, which had seen very strong price increases since the corona pandemic, were characterized by price corrections throughout the year 2023. Therefore, used car prices in the European market fell by an average of 6% compared to the end of 2022, and by 7% in the American used car market. There were also particularities in the field of electric vehicles, where manufacturer price reductions and low demand from private customers led to a more significant price decline, exceeding 20% in some markets.

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Cox Automotive Inc., press release 8 January 2024

2. OVERVIEW OF THE GROUP'S BUSINESS PERFORMANCE AND COMPARISON WITH THE PREVIOUS YEAR'S FORECAST

The Sixt Group continued its growth trajectory in 2023 and achieved record revenue of EUR 3.62 billion (2022: EUR 3.07 billion; +18.1%). This strong growth was driven by the expansion of the fleet to a record average of 169,100 vehicles (excluding franchises) compared to 138,400 vehicles in the previous year, the continued recovery of the tourism industry, the high demand for mobility in the premium segment and the positive level of car rental prices, which remained well above the 2019 level. At the same time, consolidated earnings before taxes (EBT) of EUR 464.3 million were achieved, which was lower than in the previous year (EUR 550.2 million) but significantly higher than the pre-corona level. In addition to inflation-related increases in material costs and financing expenses as well as changes in market conditions with regard to e-mobility and the associated deterioration in the residual value of e-vehicles, the year-on-year decline is primarily due to base effects in 2022. For example, demand for rentals had already risen significantly again at the beginning of 2022 as the coronavirus pandemic subsided, while expenses, such as for personnel and fleet, were still at an unusually low level. At the same time, the chip crisis and the resulting tense supply chains had led to a massive shortage of rental vehicles on the market in 2022.

Sixt SE had issued a forecast for financial year 2023 for the first time at the end of February 2023. At that time, the Management Board assumed a significant increase in consolidated revenue compared to 2022 (EUR 3.07 billion) and expected consolidated EBT in a range of EUR 430 million to EUR 550 million.

The Management Board confirmed the forecast for the full year from February 2023 both in the quarterly statement for the first quarter in May 2023 and with the publication of the half-year figures in August 2023.

Both the revenue and the earnings forecast for the financial year were specified on November 8, 2023, on the basis of the results for the third quarter of 2023: The Management Board of Sixt SE now expected consolidated revenue of EUR 3.6 billion for financial year 2023 (2022: EUR 3.07 billion). Earnings before taxes (EBT) of Sixt Group for financial year 2023 were expected to be in the range of between EUR 460 million and EUR 500 million (2022: EUR 550.2 million).

All three segments made a substantial contribution to the increase in revenue. Foreign business was one of the main drivers of this increase by posting growth of 16.0 % to EUR 2.54 billion (2022: EUR 2.19 billion). Consolidated revenue in Germany even rose by 23.2% to EUR 1.08 million (2022: EUR 878.1 million).

The return on revenue in the reporting year was 12.8% compared to 17.9% in 2022.

The equity ratio of 31.0% reported as at 31 December 2023 continues to be significantly above the minimum target value of 20% but below the previous year's figure of 35.7% due to the increase in total assets.

3. SIGNIFICANT DEVELOPMENTS AND MEASURES IN THE REPORTING YEAR

Successful financing: In February 2023, Sixt raised a total of EUR 450 million by issuing borrower's note loans with fixed and variable interest rates with terms of three (EUR 45 million), five (EUR 305 million) and seven years (EUR 100 million). In the second half of 2023, Sixt issued additional borrower's note loans with a total volume of EUR 414 million at attractive conditions as part of private placements.

In mid-June 2023, Sixt also successfully placed a bond with a volume of EUR 300 million. The very strong interest and the significantly oversubscribed and granular order book once again demonstrated the high level of confidence of the capital market in the operational and financial strength of Sixt Group. The bond has a term of four years and four months and carries an interest coupon of 5.125% p.a. It is the second transaction of Sixt SE under the newly launched "Debt Issuance Program," which allows Sixt to place bonds at short notice. Due to the denomination of the nominal amount in EUR 1,000, private investors were also able to acquire the bond.

Partnership with Blacklane: A partnership with Blacklane, a global chauffeur service provider, was announced in September 2023, which also includes an investment by Sixt in Blacklane GmbH. The partnership gives Sixt access to Blacklane's chauffeur services as an additional mobility option in the US and other international markets, while Blacklane's chauffeur partners gain access to Sixt vehicles. From 2024, the services will be available via the SIXT App in the United States.

Record fleet: Sixt managed to expand its rental fleet even further in the past financial year compared to the previous year and was able to meet the continuing high demand. Compared to the previous year, the situation regarding vehicle procurement has eased but remained challenging. Thanks to intelligent and efficient vehicle purchasing and fleet management based on long-term established supplier relationships and the procurement from new manufacturers, the average fleet stock (excluding franchises) in financial year 2023 was around 169,100 vehicles, 22% more than in the previous year (138,400). Despite the expansion of the manufacturer structure, Sixt Group continues to rely mainly on models from European and American OEMs. Their share of the total fleet at the end of 2023 was around 83% (2022: 84%), which is at a very high level. The premium share (Audi, BMW, Mercedes-Benz and Mini brands) in the fleet remained stable at 57% in financial year 2023 (measured in terms of the value of the vehicles added).

Continuation of the internationalisation and growth strategy: Sixt opened twelve new stations in North America in the past year: Toronto Pearson International Airport, Toronto Downtown, Pittsburgh International Airport, Ronald Reagan Washington National Airport, Hickam Air Force Base, Maui Four Seasons, Jacksonville International Airport, Houston Downtown, Raleigh Durham International Airport, Jersey City Newport Centre, Fort Worth Downtown, Boston Westin Seaport (four stations at airports, eight stations downtown).

In July, Sixt opened a new flagship branch in the arrivals hall of Terminal 2 at London Heathrow Airport, making it the only car rental company with parking spaces directly at the terminal. This means that Sixt can not only offer customers the option of renting directly at the terminal, but also avoid CO2 emissions: Sixt assumes that this will eliminate 30,000 shuttle bus trips per year.

In November, Sixt opened the largest inner-city station ("Downtown") in Europe with a total of 150 parking spaces in the Werksviertel at Munich's Ostbahnhof. Over half of the parking spaces are equipped with an e-charging point. This is the highest percentage in the global Sixt network. With the new station in the Werksviertel, Sixt is strengthening both its own charging infrastructure in the area of electric mobility and its fleet management. The development of its own charging capacities is also part of the company's sustainability strategy. This puts Sixt in a position to be able to recharge its electric rental vehicles quickly and on a large scale after they are returned and return them for rental. At the new location, Sixt customers will benefit from a large, range of rental cars as well as excellent connections via Ostbahnhof. The new station in the Werksviertel will replace the station in Garching-Hochbrück as the main contact point for SIXT+ customers in the greater Munich area.

Major marketing activities: Sixt wants to significantly drive growth in the US and has been cooperating with the prestigious US basketball teams Los Angeles Lakers and Chicago Bulls since September. The three-year partnerships are intended to make an important contribution to further strengthening the visibility and trust in the SIXT brand in the United States through new marketing options (including rights to use the respective logos as part of targeted marketing activities). At the same time, Sixt sees the opportunity to take another important step from being an insider tip to becoming an established premium provider in the highly competitive US car rental market. Parallel to the sports sponsorship in the US, the second phase of the "Rent the Car" campaign was launched in September to further increase awareness of Sixt in the United States.

Also in September, Sixt launched new TV commercials in Germany, Belgium and France. In four different TV commercials, Sixt shows the emotions that a rental car can trigger – both privately and professionally. With this campaign, Sixt wants to appeal more strongly to Generation Z, millennials and women in particular and inspire them to book a rental car with Sixt. This part of the campaign will be accompanied by large-scale installations in the city centres of Munich, Berlin and Hamburg.

In May, the Sixt brand was given a revised design, which was deliberately designed as a brand refreshment and further development of the existing brand image. With changing communication habits, especially among younger people, digital communication has become even more important.

Awards for excellence: Sixt received awards in 18 different categories at the World Travel Awards for Europe in early October. The company was awarded the title "Leading Business Car Rental Company" in Europe and "Leading Car Rental Company" in countries like Germany, England, France, Italy and Switzerland. Sixt also received awards in the categories "Europe's Leading Chauffeur Company" and "Europe's Leading Luxury Car Rental Company." The World Travel Awards have been presented since 1993 and are among the most prestigious awards in the travel and tourism industry.

4. REVENUE DEVELOPMENT

4.1 DEVELOPMENT OF THE GROUP

Total consolidated revenue increased by 18.1% to EUR 3.62 billion (2022: EUR 3.07 billion) in the reporting year due to continued strong demand, particularly during the peak holiday season in the summer months, which was offset by a significantly larger vehicle fleet, as well as a solid market price level.

Breakdown of consolidated revenue	2023		2022	
	in EUR million	in %	in EUR million	in %
Rental revenue	3,299.1	91.1	2,847.5	92.9
Other revenue from the rental business	313.2	8.7	208.6	6.8
Other revenue	8.2	0.2	10.2	0.3
Total	**3,620.5**	**100.0**	**3,066.2**	**100.0**

4.2 REVENUE BREAKDOWNS BY REGIONS

In Germany, consolidated revenue for 2023 was EUR 1,082.0 million, an increase of 23.2% compared to the previous year (EUR 878.1 million) mainly due to the high demand from the B2B sector. At EUR 913.2 million, rental revenue was 18.9% above the previous year's level (EUR 768.1 million). Other revenue from the rental business increased by 59.4% and reached EUR 162.1 million (2022: EUR 101.7 million).

Consolidated revenue abroad increased in 2023 by 16.0% compared to the previous year to EUR 2.54 billion (2022: EUR 2.19 billion). Rental income generated abroad increased by 14.7% to EUR 2.39 billion (2022: EUR 2.08 billion). This development was driven by continued high demand on the one hand and expansion in North America on the other. At EUR 151.1 million, other revenue from the rental business was also significantly above the previous year's level (EUR 106.8 million; +41.4%).

Overall, the share of foreign business in consolidated revenue declined slightly in 2023 compared to the previous year and reached 70.1% (2022: 71.4%); domestic revenue, on the other hand, increased accordingly to 29.9% (2022: 28.6%).

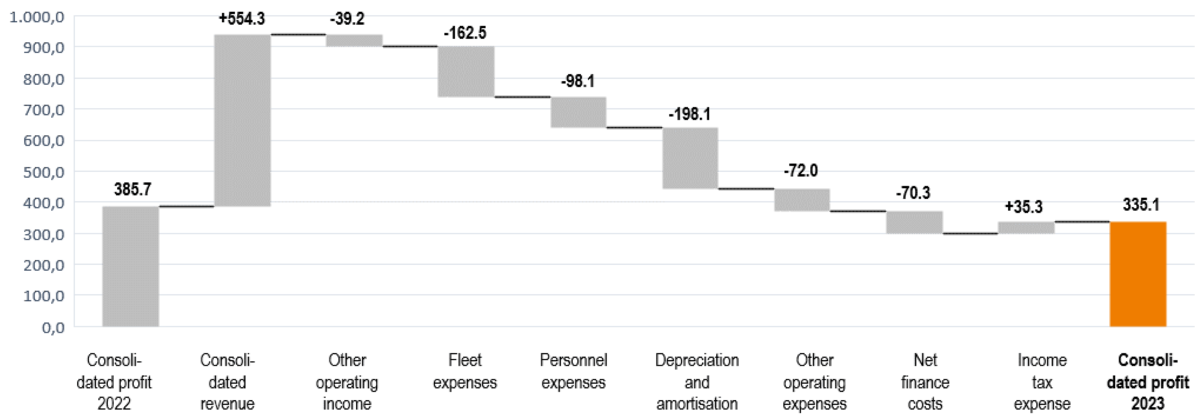
4.3 EARNINGS DEVELOPMENT

Consolidated income statement (condensed) in EUR million	2023	2022	Change in total	Change in %
Consolidated revenue	3,620.5	3,066.2	554.3	18.1
Other operating income	270.1	309.3	-39.2	-12.7
Fleet expenses	792.5	630.0	162.5	25.8
Personnel expenses	665.8	567.7	98.1	17.3
Depreciation and amortisation expense including impairments	752.8	554.6	198.1	35.7
Other operating expenses	1,106.3	1,034.3	72.0	7.0
Earnings before net finance costs and taxes (EBIT)	573.2	588.8	-15.6	-2.6
Financial result	-108.9	-38.6	-70.3	182.0
Earnings before taxes (EBT)	464.3	550.2	-85.9	-15.6
Income tax expense	129.1	164.4	-35.3	-21.5
Consolidated profit/loss	335.1	385.7	-50.6	-13.1
Earnings per share (in EUR)[1]	7.14	8.22	-1.1	-13.1

[1] *Basic, in 2023 based on 46.9 million shares (weighted), in 2022 based on 46.9 million shares (weighted)*

Earnings reconciliation

in EUR million



Other operating income decreased by 12.7% to EUR 270.1 million (2022: EUR 309.3 million). In particular, gains from currency translation declined significantly (EUR 110.6 million; -29.8%). Gains from currency translation are offset by expenses from foreign currencies in the amount of EUR 123.9 million which are recognised under other operating expenses. The decline in income from currency translation is due to the lower volatility of the US dollar compared to the previous year. In addition, other operating income includes among other items income from forwarding costs to third parties (EUR 75.4 million; +36.5%), income from the reversal of provisions (EUR 12.5 million; -34.5%) as well as capitalised costs for self-developed software (EUR 15.8 million; -23.6%).

The fleet expenses item comprises expenses for the rental fleet during the useful lives of the vehicles (fuel, transport, insurance, motor vehicle taxes, vehicle maintenance and repairs, and vehicle preparation, for example). Fleet expenses rose by 25.8% to EUR 792.5 million (2022: EUR 630.0 million). In addition to the average annual increase in the fleet size (excluding franchisees) by 22.2%, costs also rose in line with general inflation, which were countered by implementing efficiency measures.

Personnel expenses rose by 17.3% to EUR 665.8 million (2022: EUR 567.7 million) due to the expansion of the workforce, especially in strategically important areas such as the branches, service centres, and digitalisation, as well as with the market-oriented wage and salary increases and higher variable compensation.

Depreciation and amortisation expense including impairments of EUR 752.8 million was 35.7% above the level of the previous year of EUR 554.6 million. Depreciation of rental vehicles (EUR 569.8 million; +39.8%) increased significantly, in particular due to the expanded fleet size, the higher share of vehicles without buy-back agreements and residual value losses on electric vehicles. Depreciation of property and equipment (EUR 173.5 million; +23.9%), mainly relating to the right of use assets according to IFRS 16, increased in particular due to the opening of new branches and the expansion of existing branches. Amortisation of intangible assets recorded significant growth (EUR 9.5 million; +37.4%) particularly due to the scheduled amortisation of completed projects in connection with internally developed software.

Other operating expenses increased by 7.0% to EUR 1.11 billion in the reporting year (2022: EUR 1.03 billion). The increase is due to higher commissions (EUR 329.3 million; +10.0%), higher expenses for marketing and sales (EUR 179.1 million; +15.1%) and higher other personnel services (EUR 89.3 million, +24.2%). This was offset by currency translation expenses, which were 24.2% lower, declining from EUR 163.5 million to EUR 123.9 million.

For 2023, Sixt Group shows earnings before net finance costs and taxes (EBIT) of EUR 573.2 million (2022: EUR 588.8 million). The EBIT margin, based on consolidated revenue, stood at 15.8% (2022: 19.2%).

The financial result decreased significantly to EUR -108.9 million (2022: EUR -38.6 million). The interest result came to EUR -110.3 million (2022: EUR -38.7 million), mainly due to higher interest expenses. Both the sharp global rise in interest rates and the higher financing volume in connection with the growth of the fleet had a noticeable effect here. Lease agreements accounted for interest expenses totalling EUR 23.4 million (2022: EUR 10.0 million). The other financial result amounted to EUR 1.3 million (2022: EUR 0.1 million).

Sixt recorded consolidated earnings before taxes (EBT) of EUR 464.3 million (2022: EUR 550.2 million). The EBT margin – based on consolidated revenue – was 12.8% (2022: 17.9%).

Income tax expense amounted to EUR 129.1 million (2022: EUR 164.4 million). The tax rate, based on EBT, thus came to 27.8% (2022: 29.9%).

For financial year 2023, Sixt Group reports consolidated profit of EUR 335.1 million (2022: EUR 385.7 million). There were no minority interests, therefore consolidated earnings after taxes and after minority interests also totalled EUR 335.1 million (2022: EUR 385.7 million).

Reconciliation EBT to Corporate EBITDA

in EUR million	2023	2022
Earnings before taxes (EBT)	**464.3**	**550.2**
Depreciation and amortisation expense including impairments	752.8	554.6
Financial result	-108.9	-38.6
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**1,326.0**	**1,143.4**
Depreciation of rental vehicles	-569.8	-407.7
Fleet-related interest result	-106.5	-36.3
Corporate EBITDA	**649.7**	**699.4**

Corporate EBITDA, which is used for the assessment of the performance of the segments, decreased from EUR 699.4 million to EUR 649.7 million. This industry-standard key figure is defined as earnings before taxes adjusted for non-fleet-related depreciation and amortisation and non-fleet-related interest as well as the other financial result. In contrast to EBITDA, Corporate EBITDA is thus reduced by fleet-related expenses such as depreciation and interest.

Earnings per share on an undiluted basis amounted to EUR 7.14 for the reporting year. In the previous year, earnings per share were EUR 8.22.

Return indicators at Sixt Group		
in %	**2023**	2022
Return on equity (ratio of EBT to equity)	23.2	27.8
Return on revenue (ratio of EBT to consolidated revenue)	12.8	17.9

4.4 DEVELOPMENT OF THE SEGMENTS

In line with the company's internal reporting structures, Sixt Group's business is segmented according to regional aspects. The segment report distinguishes between the segments Germany, Europe (excluding Germany) and North America. The profitability of the segments is represented by the industry-standard key figure Corporate EBITDA.

Overall, all three segments recorded strong growth in revenue, although this was offset by increased expenses due to the larger fleets.

The share of Group revenue generated in the segment Germany amounted to EUR 1,075.3 million (2022: EUR 869.8 million). In the Germany segment, strong demand from the B2B sector in particular ensured the strongest growth of all three segments. However, Corporate EBITDA declined slightly (EUR 152.3 million; 2022: EUR 162.6 million), due in particular to higher depreciation and interest expenses.

The segment Europe contributed the largest share of EUR 1,461.1 million (2022: EUR 1,278.0 million) to the Group's revenue. The business benefited from the continued strong travel activity, particularly in the summer months and in vacation countries such as France, Spain and Italy. The segment Europe recorded Corporate EBITDA of EUR 298.5 million (2022: EUR 351.6 million), which was primarily influenced by the increase in depreciation and vehicle fleet expenses.

The North America segment exceeded the billion euro mark for the first time and contributed EUR 1,075.9 million to consolidated revenue (2022: EUR 908.2 million). The strong travel volume and the gradual expansion of the branch network in the US, especially at strategically important airports, were also key factors in this positive development. Corporate EBITDA rose to EUR 193.8 million from EUR 185.8 million in the previous year.

Revenue key figures Sixt Group			Change
in EUR million	**2023**	2022	in %
Segment Germany	1,075.3	869.8	23.6
Segment Europe	1,461.1	1,278.0	14.3
Segment North America	1,075.9	908.2	18.5
Other	8.2	10.2	-19.6
Consolidated revenue	**3,620.5**	**3,066.2**	**18.1**

Corporate EBITDA			Change
in EUR million	**2023**	2022	in %
Segment Germany	152.3	162.6	-6.3
Segment Europe	298.5	351.6	-15.1
Segment North America	193.8	185.8	4.3
Other	5.1	-0.6	-1,007.1
Group total	**649.7**	**699.4**	**-7.1**

The Other segment comprises all activities of Sixt Group that cannot be allocated to the Mobility business, which do not account for a significant share of Sixt Group's revenue and earnings and are therefore not reported separately.

5. APPROPRIATION OF PROFIT

Sixt SE prepares its Annual Financial Statements according to the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). For 2023, Sixt SE reports unappropriated profit of EUR 246.5 million (2022: EUR 390.5 million).

Subject to the consent of the Supervisory Board, the Management and Supervisory Board of Sixt SE propose that the 2024 Annual General Meeting distribute the unappropriated profit as follows:

- Payment of a dividend of EUR 3.90 per ordinary share
- Payment of a dividend of EUR 3.92 per preference share
- Carry-forward to new account EUR 63.1 million

The dividend proposal would result in a total dividend payment of EUR 183.4 million. This would equate to a payout ratio of 54.7% of consolidated net income. The dividend is an expression of the positive business and earnings performance in 2023.

6. NET ASSETS

Sixt Group's total assets amounted to EUR 6.45 billion at the end of 2023, EUR 0.90 billion or 16.2% above the figure as at 31 December 2022 (EUR 5.55 billion). The increase in total assets is particularly due to the increase in the rental vehicles item.

Non-current assets totalled EUR 957.3 million (2022: EUR 730.7 million; +31.0%). The largest item is property and equipment including the capitalised right of use assets, which increased by EUR 202.5 million or 32.0% to EUR 835.8 million (2022: EUR 633.3 million). Goodwill increased slightly by 0.5% to EUR 25.1 million (2022: EUR 24.9 million) due to exchange rate effects. Intangible assets grew by EUR 3.8 million or 8.5% to EUR 47.8 million (2022: EUR 44.0 million). Deferred tax assets increased from EUR 12.4 million by 5.5% to EUR 13.1 million. Other receivables and assets increased by EUR 4.8 million to EUR 12.8 million (2022: EUR 8.0 million; +60.5%).

Current assets in total rose by EUR 671.8 million to EUR 5.49 billion (2022: EUR 4.82 billion; +13.9%). Rental vehicles accounted for EUR 4.47 billion, EUR 635.5 million or 16.6% more than compared to the figure as at 31 December 2022 (EUR 3.83 billion). Thus, the share of rental vehicles in current assets came to 81.4% (2022: 79.5%) and in total assets to 69.3% (2022: 69.1%).

Inventories contain mainly rental vehicles that were taken out of the fleet, petrol stocks as well as raw materials, consumables, and supplies. At EUR 218.5 million, they recorded a significant increase by EUR 168.4 million or 336.6% compared to the previous year (EUR 50.0 million) due to the vehicles removed from the fleet.

Trade receivables came to EUR 541.7 million, EUR 5.9 million or 1.1% slightly above the prior year's figure of EUR 535.9 million.

Other receivables and assets declined by EUR 131.6 million to EUR 217.9 million (2022: EUR 349.5 million). This decline is mainly due to the reduction in VAT receivables.

Income tax receivables increased by 14.2% from EUR 25.2 million to EUR 39.5 million (+56.5%).

The Group's cash and bank balances amounted to EUR 5.9 million as at the reporting date after EUR 26.6 million in the previous year (-77.7%).

The "Sixt" brand name in particular is a significant asset that is not recognised in the balance sheet. The value of this asset can be affected, among other things, by advertising campaigns. However, advertising expenses cannot be unambiguously allocated to this asset. Advertising expenses for financial year 2023 amounted to 4.9% of consolidated revenue (2022: 5.1%).

Consolidated balance sheet (condensed)
Assets

in EUR million	**2023**	2022
Non-current assets		
Property and equipment	835.8	633.3
Miscellaneous	121.4	97.3
Current assets		
Rental vehicles	4,468.9	3,833.4
Cash and bank balances	5.9	26.6
Miscellaneous	1,017.6	960.6
Total assets	**6,449.6**	**5,551.3**

7. FINANCIAL POSITION

7.1 FINANCIAL MANAGEMENT AND FINANCIAL INSTRUMENTS

The financial management of Sixt Group is largely centralised within the Corporate Finance division and is performed on the basis of internal guidelines and risk policies as well as monthly Group liquidity planning. The key tasks include safeguarding liquidity, cost-oriented, long-term coverage of financing requirements of the consolidated companies under the going concern assumption as well as managing interest rate and currency risks. Operative liquidity control and cash management are mainly performed centrally for all consolidated companies by the Corporate Finance division of the Group.

For financing business operations, Sixt Group mainly uses bonds, borrower's note loans, commercial papers, a syndicated revolving credit facility, short-term bilateral credit lines from several banks, real estate redeemable loans and leasing agreements. Sixt SE has been rated BBB with a stable outlook by the rating agency S&P Global Ratings since 15 January 2024.

For the issuance of bonds, Sixt SE has the Debt Issuance Programme established in 2020 that is updated each year with a maximum total volume of EUR 2.50 billion at its disposal. This allows Sixt SE to place bonds on the capital market at short notice if market opportunities arise.

Sixt SE is also an established issuer of borrower's note loans and regularly issues variable and fixed borrower's note loans with different maturities.

Sixt SE uses a long-established commercial paper programme with a maximum total volume of EUR 1.0 billion to issue short-term bonds (so-called commercial papers), which allows commercial papers to be placed if there is investor demand.

A syndicated loan agreement has been in place between Sixt SE as the borrower and eight banks as lenders since 16 September 2022, under which loans with a total volume of up to EUR 950 million can be drawn. The revolving credit facility has a fixed term until 16 September 2028 and can be extended by an additional year, so that the maximum total term is seven years. As usual, the extension is at the discretion of the participating banks. The credit facility can be drawn in various currencies, in particular EUR and USD.

In addition to the syndicated loan agreement, short-term credit lines have been granted bilaterally with several banks, mainly in the form of overdrafts or short-term, uncommitted credit lines.

To finance land and buildings, Sixt Group sometimes uses real estate redeemable loans.

To finance the rental fleet, the Group also uses to a large extent leasing agreements with external financial service providers, who are mainly tied to the manufacturer. Leasing financing continues to form an important part of the Group's refinancing portfolio. In some cases, vehicles are also rented directly from the manufacturer or made available for use. Furthermore, hire purchase agreements are also used in individual markets.

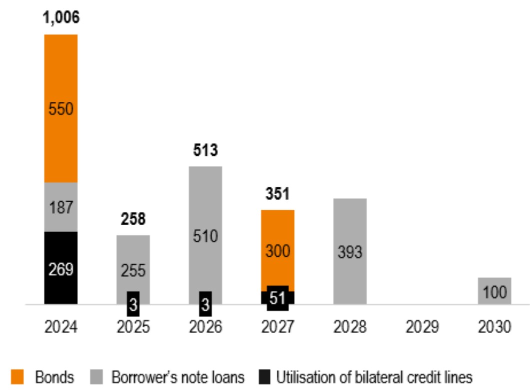
The Sixt Group is participating in factoring programmes, that are intended among others to improve the working capital.

All bonds, borrower's note loans and commercial papers are unsecured and not subordinated. This also applies to the syndicated loan and, with the exception of the real estate redeemable loans, which are secured by mortgages, also to the credit lines granted bilaterally by banks.

The following graphics illustrate the maturities of the financial instruments and the financing mix as at 31 December 2023. The nominal amounts without accrued and future interest and without leasing and hire purchase liabilities of EUR 653.8 million are shown.

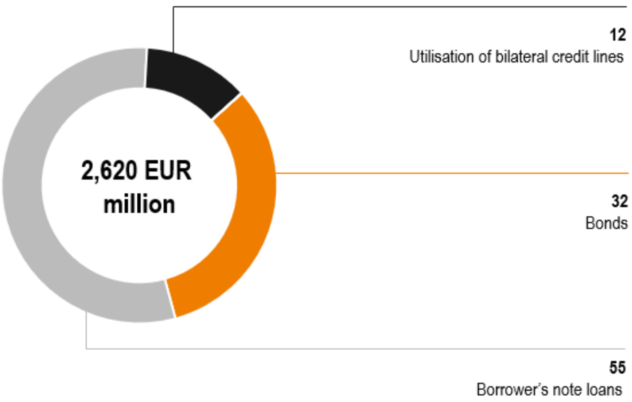
Maturity profile of financing sources

in EUR million



Mix of financing instruments as at 31 December 2023

in %



7.2 EQUITY

Equity ratio

in %

As at 31 December 2023 the Group's equity amounted to EUR 2.00 billion after EUR 1.98 billion at the same reporting date of the previous year. Equity increased due to the consolidated net profit generated despite the dividends of EUR 287.2 million distributed in the reporting year for financial year 2022 and negative currency translation effects of EUR 20.9 million. The equity ratio nevertheless decreased due to the growth in the fleet and the related significant increase in total assets to 31.0% (2022: 35.7%). However, it remained significantly above the average for the rental industry, as well as above its own target of at least 20%.

The share capital of Sixt SE as at the reporting date remains unchanged at EUR 120.2 million.

7.3 LIABILITIES

Non-current liabilities and provisions increased by EUR 506.1 million or 29.7% compared to the previous year from EUR 1.70 billion to EUR 2.21 billion. The change is mainly based on the rise in non-current financial liabilities of EUR 1.63 billion to EUR 2.10 billion. Non-current financial liabilities include the 2023/2027 bond of Sixt SE with a nominal value of EUR 300.0 million. In addition, the item also contains borrower's note loans, bank liabilities and lease liabilities with remaining maturities of more than one year in the total amount of EUR 1.80 billion (2022: EUR 1.08 billion).

Current liabilities and provisions increased year-on-year by EUR 369.4 million to EUR 2.24 billion (2022: EUR 1.87 billion; +19.8%). Other provisions rose by EUR 48.8 million to EUR 207.5 million (2022: EUR 158.7 million; +30.7%), current financial liabilities by EUR 320.2 million to EUR 1,198.4 million (2022: EUR 878.2 million; +36.5%), trade payables by EUR 72.9 million to EUR 193.3 million (2022: EUR 120.4 million; +60.5%) as well as income tax liabilities by EUR 6.8 million to EUR 81.2 million (2022: EUR 74.4 million; +9.1%). This was offset by the decrease in trade payables by EUR 79.3 million to EUR 557.6 million (2022: EUR 636.9 million; -12.5%).

Non-current and current financial liabilities less cash and bank balances (net financial debt) amount to EUR 3.29 billion (2022: EUR 2.48 billion).

Consolidated balance sheet (condensed) Equity and liabilities in EUR million	2023	2022
Equity	2,002.2	1,979.4
Non-current liabilities and provisions		
Provisions	32.5	21.9
Financial liabilities	2,099.6	1,626.9
Miscellaneous	77.3	54.5
Current liabilities and provisions		
Provisions and income tax liabilities	288.6	233.1
Financial liabilities	1,198.4	878.2
Miscellaneous	750.9	757.3
Total equity and liabilities	**6,449.6**	**5,551.3**

8. LIQUIDITY POSITION

For 2023, Sixt Group reports gross cash flows of EUR 1.09 billion, which is EUR 51.9 million above the previous year's figure (EUR 1.04 million). Taking depreciation on rental vehicles into account results in gross cash flow before changes in net current assets of EUR 575.8 million (2022: EUR 663.7 million). Adjusted for changes in working capital, including the rental vehicles, this results in a cash outflow from operating activities of EUR 90.1 million (2022: cash outflow of EUR 201.6 million). The change compared to the previous year is primarily due to the decline in other net assets.

Investing activities resulted in a cash outflow of EUR 67.2 million (2022: cash outflow of EUR 57.2 million). The increase is primarily due to the investment in a stake in Blacklane GmbH, a global chauffeur service specialising in North America.

Financing activities resulted in cash inflow of EUR 136.7 million (2022: cash inflow of EUR 17.5 million). The significant increase in proceeds from borrowings exceeds the higher dividend as well as the repayment of borrower's note loans, bonds, bank loans and leasing liabilities and payments for current financial liabilities.

In total cash flows, cash and cash equivalents, which correspond to the balance sheet item bank balances and cash in hand, decreased by EUR 20.6 million as at 31 December 2023 compared to the figure on the same reporting date in the previous year after exchange rate-related changes.

9. INVESTMENTS

Sixt continued its investments in infrastructure in financial year 2023, in particular through the extensive expansion of its vehicle fleet. As a result, Sixt succeeded in expanding its fleet to a record level in 2023 despite a persistently challenging procurement environment. The improved availability of cars also helped to reduce the average holding period in the 2023 reporting year compared to the previous year. In 2023, Sixt added around 183,900 owned and leased vehicles (2022: 146,200 vehicles) worth a total of EUR 6.66 billion (2022: EUR 4.92 billion) to the rental fleet. This represents an increase by 25.8% in the number of vehicles and by 35.3% in the value of the vehicles. The average value per rental car was around EUR 36,200 and thus significantly above the prior year's level of EUR 33,700.

Vehicles added to the rental fleet	2023	2022
Number of vehicles	183,900	146,200
Value of vehicles in EUR billion	6.66	4.92

In addition, investments were made in property, plant and equipment, in particular in operating and office equipment for branch openings and conversions, as well as investments in internally generated software and rights of use from leases.

B.3 \\ DISCLOSURES IN ACCORDANCE WITH SECTIONS 289A AND 315A HGB

Composition of subscribed capital, classes of shares
The subscribed capital of Sixt SE as at 31 December 2023 amounted to EUR 120,174,996.48 and is divided into 30,367,110 ordinary bearer shares, two ordinary registered shares and 16,576,246 non-voting preference bearer shares.

The company's shares are all no-par value shares with a proportionate amount in the subscribed capital of EUR 2.56 per share. The share of ordinary shares in the subscribed capital as at 31 December 2023 thus totalled EUR 77,739,806.72 and the share of preference shares EUR 42,435,189.76. The shares are fully paid in.

Only the ordinary shares are entitled to vote. Each ordinary share grants one vote at the Annual General Meeting. Subject to mandatory statutory provisions, the preference shares do not grant voting rights. Insofar as preference shares are nevertheless entitled to voting rights, one preference share shall grant one vote. Preference shares grant a preferential right to profits on the basis of which the holders of preference shares receive a dividend of EUR 0.02 more than the holders of ordinary shares from the unappropriated profit for the year, but a dividend of at least EUR 0.05 per share. Preference shareholders are entitled to subsequent payment of the minimum dividend if the unappropriated profit of one or more financial years is not sufficient to distribute the minimum dividend. Further details can be found in Article 22 of the Articles of Association of Sixt SE.

Restrictions on voting rights or the transfer of shares
Apart from the exclusion of voting rights for preference shares, there are no restrictions on voting rights under the company's Articles of Association. The transfer of shares is likewise not subject to any restrictions under the company's Articles of Association. The Management Board is not aware of any agreements between shareholders aimed at restricting voting rights or the transfer of shares.

Shareholdings in Sixt SE
Erich Sixt Vermögensverwaltung GmbH, Pullach, district of Munich, whose shares are held directly and indirectly in full by the Sixt family, holds 17,701,822 ordinary voting shares in the company's subscribed capital as at 31 December 2022 that grant 58.3% of the votes. The company has not been notified of any other direct or indirect shareholdings exceeding 10% of the voting rights as at 31 December 2023, nor is the Management Board aware of any such shareholdings.

Shares with special rights
Pursuant to Article 10 (1) of the Articles of Association of Sixt SE, the company's Supervisory Board consists of four members. Of these, three members are elected by the Annual General Meeting in accordance with the statutory provisions. Another member is appointed to the Supervisory Board by the shareholder Mr. Erich Sixt. His heirs are also entitled to the right of delegation, insofar as they are shareholders. Otherwise, there are no shares with special rights conferring powers of control.

Employee participation and their control rights
The company is not aware of any employee shareholdings in the company's capital in which the employees' rights of control are not exercised directly.

Appointment and dismissal of members of the Management Board, amendments to the Articles of Association
Sixt SE has a two-tier management and supervisory system consisting of a management body (Management Board) and a supervisory body (Supervisory Board). The statutory provisions and conditions of the Articles of Association concerning the appointment and dismissal of members of the Management Board are set out in Article 39 (2) sentence 1 of the SE Regulation, Article 46 of the SE Regulation, section 16 of the SEAG, Article 9 (1) lit. c) (ii) of the SE Regulation, sections 84, 85 of the German Stock Corporation Act (AktG) and Article 7 of the Articles of Association. Accordingly, the Management Board shall be comprised of one or more persons. The number of members of the Management Board is determined by the Supervisory Board. Pursuant to Article 7 (2) of the Articles of Association, the members of the Management Board may be appointed by the Supervisory Board for a maximum period of five years. The Supervisory Board resolves on this by a simple majority of the votes cast. Reappointments are permissible. Premature dismissal of a member of the Management Board by the Supervisory Board requires good cause in accordance with the statutory provisions.

Amendments to the Articles of Association of Sixt SE are resolved by the Annual General Meeting. Subject to mandatory statutory provisions, the preference shares have no voting rights. Resolutions of the Annual General Meeting amending the Articles of Association require by law a majority of three quarters of the share capital represented when the resolution is adopted (Article 59 (1) SE Regulation, section 179 (2) 1 AktG).

However, the law also provides for the possibility that the Articles of Association allow for a smaller majority, provided that at least half of the subscribed capital is represented. Nevertheless, this possibility does not apply to changes in the object of the company, the transfer of the registered office of the company to another member state and to cases for which a higher capital majority is mandatory under statutory provisions (Article 59 (2) SE Regulation, section 51 SEAG).

Sixt SE has made use of the possibility of a deviating regulation of the majority requirements by means of a provision in the Articles of Association that is customary for listed companies. Pursuant to Article 20 (2) of the Articles of Association, amendments to the Articles of Association require a simple majority of the valid votes cast if at least half of the share capital with voting rights is represented, unless mandatory statutory provisions provide otherwise. In deviation from this, Article 20 (2) 3 of the Articles of Association stipulates that capital increases from company funds may only be resolved by a majority of 90% of the valid votes cast. In accordance with Article 16 of the Articles of Association, amendments to the Articles of Association that only affect their wording may also be adopted by the Supervisory Board instead of the Annual General Meeting.

Powers of the Management Board, in particular to issue and buy back shares

Authorised Capital 2020: Pursuant to Article 4 (3) of the Articles of Association, the Management Board is authorised, with the consent of the Supervisory Board, to increase the share capital of the company on one or more occasions up to and including 23 June 2025 by up to a total of EUR 32,640,000.00 by issuing new no-par value bearer shares against cash and/or non-cash contributions (Authorised Capital 2020). The authorisation also includes the power to issue new non-voting preference shares up to the maximum limit legally permitted that rank equally with the non-voting preference shares previously issued in the distribution of profits and/or company assets. The Management Board is authorised, with the consent of the Supervisory Board, to determine the further content of the share rights and the conditions of the share issue. The new shares may, with the consent of the Supervisory Board, also carry dividend rights from the beginning of the financial year preceding their issue if the Annual General Meeting has not yet passed a resolution on the appropriation of profits for that financial year at the time the new shares are issued.

Further details, including the authorisation of the Management Board to exclude shareholders' subscription rights in certain cases, are set out in the above provision of the Articles of Association.

The authorisation to issue new shares from authorised capital enables the Management Board to meet any capital requirements of Sixt SE quickly and flexibly and to take advantage of attractive financing opportunities depending on the market situation.

Conditional Capital 2020: By resolution of the Annual General Meeting of 24 June 2020, the Management Board is authorised, with the consent of the Supervisory Board, to issue bearer and/or registered convertible bonds and/or bonds with warrants with a total nominal value of up to EUR 350,000,000.00 with a fixed or unlimited term on one or more occasions up to and including 23 June 2025 and to grant the holders or creditors of bonds conversion or option rights to subscribe to a total of up to EUR 6,000,000 new no-par value bearer shares of Sixt SE and/or to provide for corresponding conversion rights for the company. The respective conversion or option rights may provide for the subscription of ordinary bearer shares and/or non-voting preference bearer shares in compliance with the statutory requirements. The convertible bonds and/or bonds with warrants may also be issued by a domestic or foreign company in which Sixt SE directly or indirectly holds a majority of the votes and capital. In this case, the Management Board is authorised to assume on behalf of the issuing company on the part of Sixt SE the guarantee for the repayment of the bonds and the payment of the interest to be paid thereon and to grant the holders or creditors of such bonds conversion or option rights to shares of Sixt SE. Convertible bonds and/or bonds with warrants may be issued against cash and/or non-cash contributions. The shareholders of Sixt SE are generally entitled to the statutory subscription right, but the Management Board is authorised, with the consent of the Supervisory Board, to exclude the subscription right under certain conditions.

Further details, including the authorisation of the Management Board to exclude shareholders' subscription rights in certain cases, are set out in the resolution of the Annual General Meeting of 24 June 2020.

In connection with this, the share capital of the company is conditionally increased by resolution of the Annual General Meeting of 24 June 2020 by a total of up to EUR 15,360,000.00 by issuing a total of up to 6,000,000 new no-par value ordinary bearer shares and/or no-par value non-voting preference bearer shares (Conditional Capital 2020). The conditional capital increase serves the purpose of granting shares to holders or creditors of convertible bonds as well as to holders of option rights from warrant bonds issued by Sixt SE or a domestic or foreign company in which Sixt SE directly or indirectly holds a majority of the votes and capital on the basis of the authorisation pursuant to the resolution of the General Meeting of 24 June 2020 up to and including 23 June 2025. It will only be carried out to the extent that the conversion or option rights from the aforementioned bonds are actually exercised or conversion obligations from such bonds are fulfilled and to the extent that no other forms of fulfilment are used for servicing. The new shares shall be issued at the option or conversion price to be determined in accordance with the aforementioned authorisation resolution of the Annual General Meeting of 24 June 2020. The new shares shall participate in the profits of the company from the beginning of the financial year in which they are issued; instead, they shall participate in the profits of the company from the beginning of the financial year preceding their issuance if, at the time of the issuance of the new shares, a resolution on the appropriation of the profits of this financial year has not yet been adopted by the Annual General Meeting. The Management Board is authorised to determine the further details of the implementation of the conditional capital increase.

Authorisation to acquire treasury shares: By resolution of the Annual General Meeting of 24 June 2020, the Management Board is authorised, pursuant to section 71 (1) 8 of the German Stock Corporation Act (AktG), to acquire the company's own ordinary bearer shares and/or preference bearer shares up to and including 23 June 2025 in an amount of up to 10% of the company's share capital existing at the time the authorisation is granted or – if lower – at the time the authorisation is exercised. The shares acquired on the basis of the aforementioned authorisation, together with other treasury shares held by the company or attributable to it pursuant to section 71d AktG, may at no time account for more than 10% of the respective existing share capital.

The authorisation may be exercised, in each case with the consent of the Supervisory Board, in whole or in part, once or several times by the company or by companies dependent on it or in which it holds a majority interest, or also by third parties acting for the account of the company or for the account of companies dependent on it or in which it holds a majority interest. The authorisation may be exercised for any legally permissible purpose. An acquisition for the purpose of trading in own shares is ruled out. In accordance with the resolution of the Annual General Meeting of 24 June 2020, the company is authorised to also use derivatives to acquire treasury shares.

Further details, including the authorisation of the Management Board to exclude shareholders' subscription rights in certain cases, are set out in the resolutions of the Annual General Meeting of 24 June 2020.

Information on the acquisition and holdings of treasury shares can be found in the Notes to the Consolidated Financial Statements under \4.20\ Treasury shares.

Significant agreements of the company that are conditional upon a change of control following a takeover bid
In the event of a change of control, including as a result of a takeover bid, creditors of the company shall be entitled to the following rights:

- The respective creditors of the bond 2018/2024 (ISIN: DE000A2G9HU0) issued by the company in the nominal amount of EUR 250,000,000.00 and of the bond 2020/2024 (ISIN: DE000A3H2UX0) issued by the company in the nominal amount of EUR 300,000,000.00 shall be entitled to a termination right exercisable with a notice period of 30 days after the announcement of the change of control (or 30 days after the next interest payment date, if this would be within the aforementioned 30-day period). A change of control is deemed to have occurred under the terms and conditions of the bonds if a person or persons acting in a coordinated manner within the meaning of section 34 (2) WpHG acquire control of the issuer after the issue date. Control means here direct or indirect legal or beneficial ownership (each within the meaning of section 34 WpHG) of ordinary shares which together grant more than 30% of the voting rights. Person means here any natural person or legal entity or organisation of any kind, but excluding (i) affiliated subsidiaries of the issuer within the meaning of sections 15 to 18 of the German Stock Corporation Act, (ii) Mr. Erich Sixt, (iii) his relatives in the direct line, (iv) his spouse or the spouses of his relatives in the direct line, (v) a Sixt family foundation and/or (vi) a company or joint venture or other organisation or association controlled by the persons named under (ii) to (v) within the meaning of sections 15 to 18 AktG, irrespective of whether or not it is an independent legal entity.

- After the expiry of a negotiation period of 20 banking days after the occurrence of the change of control, the creditors of the syndicated loan each individually have the right to terminate their loan commitment by observing a notice period of not less than ten banking days and to call due and payable all their shares in drawings outstanding under the syndicated loan (mandatory special redemption right). Under the terms of the syndicated loan agreement, a change of control occurs if a person or persons acting in a coordinated manner within the meaning of section 34 (2) of the German Securities Trading Act (WpHG) acquire control over Sixt SE after the syndicated loan agreement has been concluded. Control means here direct or indirect legal or beneficial ownership (each within the meaning of section 34 WpHG) of ordinary shares which together grant more than 30% of the voting rights. Person means here any natural or legal person or organisation of any kind, but excluding (i) Mr. Erich Sixt, (ii) his relatives in a direct line, (iii) his spouse or the spouses of his relatives in a direct line, (iv) a Sixt family foundation established by one or more persons named under (i) to (iii) or (v) and/or (v) a company or joint venture or other organisation or association controlled by the persons named under (i) to (iv) within the meaning of sections 15 to 18 of the AktG, irrespective of whether or not it is an independent legal entity.

The rights described above are all creditor rights that are common in the capital market or the credit business.

Compensation agreements of the company with members of the Management Board or employees in the event of a takeover bid

The company has not entered into any compensation agreements with members of the Management Board or employees in the event of a takeover bid.

B.4 \\ FORECAST REPORT

1. GENERAL ECONOMIC CONDITIONS

According to the International Monetary Fund (IMF), the global economic recovery will be more muted again this year than originally assumed. Many economies are still suffering from the consequences of the coronavirus pandemic and the war in Ukraine. In addition, the stricter fiscal policy to reduce high global inflation is having a negative impact on global economic growth. As a result, global economic output is still lagging behind the level that had been reached before the coronavirus pandemic. The IMF forecasts global growth of 3.1% for 2024, well below the historical average (2000-2019) of 3.8%. The IMF anticipates stronger economic growth in the United States and weaker growth in the eurozone. According to the IMF, China is also expected to grow by 4.6%, its lowest rate in decades.

According to the IMF, global inflation and therefore inflationary pressure will continue to decline this year. The IMF expects global inflation to reach 5.8% in 2024 (2023: 6.8%).

The IMF forecasts economic growth of 2.1% for the US in 2024 and 0.9% for the economy of the eurozone. In Germany the IMF expects growth of 0.5%.

In its fall forecast from November 2023, the EU Commission predicts GDP growth of 1.2% in the eurozone in the current year and 1.3% for the EU.

Sources
European Commission, Fall Forecast 2023: Slight recovery after a difficult year, November 2023
International Monetary Fund (IMF), World Economic Outlook Update from January 2024

2. SECTOR DEVELOPMENTS

Sixt continues to expect challenging economic conditions for mobility services based on the macroeconomic forecast for 2024 as well as the increased interest rate environment and geopolitical uncertainties as a result of the war in Ukraine and the conflict in Israel. Sixt will therefore continue to monitor macroeconomic and sector-specific developments closely and analyse them carefully in 2024.

However, according to the World Travel & Tourism Council (WTTC), the long-term future prospects for the industry remain positive. Despite the current highly inflationary environment, the WTTC forecasts point to a strong growth decade. Accordingly, the travel and tourism industry will grow by an average of 6.1% per year through 2033. The outlook from the European Travel Commission (ETC) is also consistently optimistic. Contrary to the original forecast, the ETC expects the number of overnight stays in Europe to return to pre-coronavirus levels as early as 2024.

The aviation safety organisation Eurocontrol assumes that the number of flights in European airspace will continue to increase but will not return to the level of 2019 until 2025. IATA, the global umbrella organisation for airlines, is revising its forecast from last year in line with the ETC and expects passenger volumes on domestic flights and international connections to return to the pre-coronavirus level of 2019 as early as this year.

According to the WTTC, the coronavirus pandemic has changed the way we live, work and travel, and with it the demands, expectations and preferences of travellers. For example, following a period of closure and isolation, travellers preferred less crowded and even unknown destinations. They were also more committed to sustainability during the pandemic, which in turn had an impact on their travel decisions. From increased domestic travel to increased demand for longer stays, free cancellations and improved health and hygiene measures, consumers have made their new preferences clear through bookings, inquiries and surveys, according to the WTTC.

For the mobility industry as a whole, the geopolitical uncertainties and the persistently high costs of energy and living expenses due to the sharp rise in inflation and, as a result, a possible weakening of the willingness to spend on travel pose risks for future business development that are difficult to calculate.

After the prices for used cars stabilised at a high level in 2023, a further return to normality is expected in 2024. Due to the improved availability of new vehicles, the supply on the used car market will also increase. Prices on the European used car market are expected to decline slightly in 2024, while prices on the American market are expected to remain stable. Stronger price pressure is expected for the used EV sub-segment also in 2024 due to the strong oversupply.

Sources
World Travel & Tourism Council (WTTC), press release from 22 August 2023

European Travel Commission (ETC), European Tourism 2023: Trends & Prospects Quarterly Report (Q4/2023), February 2024
Aviation security organisation Eurocontrol, Eurocontrol Forecast 2024-2030, February 2024
International Air Transport Association (IATA), Global Outlook for Air Transport, December 2023
Cox Automotive Inc., press release from 3 January 2024

3. EXPECTED FUTURE DEVELOPMENT

Sixt's business model is characterised by huge growth potential due to dynamically changing mobility behaviour on the one hand and the ability to react quickly to changing conditions on the other. This enabled Sixt to expand its fleet to a record level despite challenging conditions. Thanks to the very solid financing and equity situation of the Group, Sixt was also able to limit the effects of the significant interest rate increases by the central banks and advance its internationalisation and digitalisation strategy through continued high investments. One important success factor for Sixt is its premium focus at all levels, from the range of vehicles to all services. The company is expanding both in the private customer business, with corporate customers and together with partner companies to tap additional growth potential.

Great additional market potential thanks to fundamental changes in mobility behaviour

According to experts, the mobility of the future will change massively over the next few decades. Sixt is taking this into account with its integrated mobility platform and the advanced digitalisation of all operational business processes. The company thus offers its customers maximum flexibility and freedom to shape their mobility – without having to own a vehicle. The expected increase in urbanisation is changing the individual requirements for the flexibility and availability of a vehicle. The resulting growth potential is reflected in Sixt's broadly diversified product range, which will increase the global market potential that Sixt can address many times over in the decades to come. In order to efficiently exploit this potential, Sixt is focusing primarily on the following growth initiatives, which can also be found in detail in the "Risk and Opportunity Report" section of this Annual Report:

Expansion of the range on a fully integrated and digitalised mobility platform

Sixt sees itself as a market and innovation leader for international mobility offerings due to its extensive investments. Thanks to the digitalisation of all business activities via the established mobility platform ONE and the SIXT App, customers can design their own mobility easily and flexibly. This includes all sales channels and business processes. In order to be able to leverage the growth and market share potential, Sixt will continue to consistently drive the further development of its digital services in the future. The focus here will be on the functionality of the applications in terms of their design and user-friendliness. In addition, Sixt will continuously optimise the successfully established integration of its offerings into the booking processes of its cooperation partners such as hotel chains, airlines, travel apps and others. The overriding goal is to increase the relevance of the SIXT App through inter-modal mobility solutions and to increase customer loyalty. Customised cross-selling measures between the different products in the SIXT App will be of major importance here.

Paving the way for sustainability in mobility

The topic of sustainability is also increasingly shaping the company's strategy and growth opportunities. In addition to the focus on climate neutrality of all its locations and branches, Sixt also considers itself a pioneer and trailblazer of electric mobility. The share of electric vehicles in Europe is set to increase in the medium-term. Sixt is monitoring the framework conditions closely and will take these conditions into account when purchasing electrified vehicles – without losing sight of its long-term strategy.

Internationalisation remains a key growth driver

The consistent expansion of its market positions both domestically and internationally is the basis for Sixt's success. The significant growth of the international business includes private customers and, to an increasing extent, corporate customers, but also the commercial vehicle business SIXT van & truck. As in the previous year, the focus in 2024 will be on expanding the business in North America. This includes the expansion of its network at airports, where Sixt aims to be present at the 50 most important airports by the end of 2024. In addition, Sixt also plans to establish branches in selected metropolitan (downtown) areas. Furthermore, Sixt expects to gain additional market share from a nationwide marketing campaign launched at the end of 2022. The market entry in Canada in 2022 will also create additional growth opportunities for the future.

Besides strong organic growth, Sixt is also constantly examining opportunities for external growth from the international concentration process among car rental companies that has been taking place for years.

The gradual expansion and optimisation of the global franchise network is another focus of activities. Here, Sixt benefits from its cooperation with partners in around 100 countries worldwide, who are characterised by a relevant market position and comprehensive knowledge of the industry. This also applies to the collaboration with so-called General Sales Agents (GSAs), especially for offering Sixt products through B2B, B2C and B2P channels. In addition, booking partnerships are being established with important travel portals and customer service is provided in the local language to generate outbound business in Sixt corporate and franchise countries.

SIXT rent as the basis for the company's success
SIXT rent remains the foundation of Sixt Group's success. The focus is on tangible added value for customers in terms of flexibility, time savings and convenience of services across all sales channels. These will be continuously developed further in 2024 and expanded by integrating new partners into the mobility platform. Sixt's premium approach enables its customers worldwide to complete the entire rental process flexibly and easily via the SIXT App, from booking, vehicle use and drop-off to invoice processing.

SIXT van & truck to expand its international presence
SIXT van & truck is also one of Sixt's important future growth drivers. The medium-term goal is to achieve a leading market position in Europe with respect to light and medium-duty commercial vehicle rental and to establish an initial presence in the US. Sixt Group sees competitive advantages above all thanks to the high degree of digitalisation, functional synergies with the SIXT rent business, manufacturer independence in its vehicle offerings and adaptability to customer- and segment-specific product and process solutions. The number of Sixt Truck Competence Centres established since 2021 is to be expanded in the future in order to address the increased needs of demanding business customers more efficiently and to be able to offer the entire range of commercial vehicles up to 16 tonnes.

SIXT+ benefits from dynamically growing demand
SIXT+, Sixt's subscription offering since 2020, is now in operation successfully in 10 countries and already making a substantial contribution to revenue. In view of a strong increase in demand from business and private customers, Sixt will continue to consistently expand this offer as the most flexible subscription model on the market. Particular focus will be placed on the development of customer-oriented product features for business customers in order to accommodate the dynamisation of the demand trend in this area in the years to come.

SIXT share in the focus of sustainable mobility of the future
Modern car sharing in combination with intelligent micro-mobility solutions will become a key building block for sustainable mobility worldwide in the years and decades to come. We expect the positive trend in car sharing and micro-mobility to continue in 2024, driven by a growing awareness of sustainable and environmentally friendly transport solutions. Besides operating its own car sharing fleet in Germany and the Netherlands, SIXT share is expanding its presence in other European core markets. This is largely being achieved by integrating third-party mobility services into the mobility platform ONE.

SIXT ride offers flexible transfer services together with high-performance partners
The market for transfer services is expected to continue to grow in the next few years. SIXT ride has adapted to this and offers its customers digitally bookable transfer and premium chauffeur services via high-performance partners. The company is focussing on the markets in Germany, Switzerland, Austria, France, Italy, Spain, Benelux and the US. Another focus of SIXT ride is on the predicted growing share of business travellers in the market who require convenient and flexible booking of mobility services. Customers can manage all payment and billing issues digitally and conveniently via the SIXT App. SIXT ride plans to continue investing in its technology and offering to provide its customers with an even better experience. This includes optimising the booking platform of the SIXT App and the website. Sixt plans to expand its range of mobility services and enter into new partnerships with other companies to expand its business even further.

4. EXPECTED DEVELOPMENT OF THE EARNINGS SITUATION IN 2024

Despite the challenging economic conditions, particularly in Germany and the rest of the eurozone, Sixt is confident about the further development of the key financial performance indicators of revenue and earnings before taxes in financial year 2024.

This confidence is based on the expectation of continued high demand for mobility services and the ability to meet this demand comprehensively with a further expanded vehicle fleet and the appropriate services. With regard to the development of the geopolitical situation, in particular the war in Ukraine and the conflict in Israel, there are considerable uncertainties that could also have an impact on the global economy. Sixt believes to be well prepared due to its regional diversification, flexible business model and solid financing backed by an investment grade rating. With regard to deteriorations in the residual value of electric vehicles, which led to considerable burdens in 2023, Sixt expects significantly lower effects in the full year 2024 after subsequent burdens in the first quarter of 2024. Regarding market prices for mobility services, Sixt expects a further normalisation at a level above the pre-crisis level.

In order to be able to consistently realise growth potential, Sixt will continue its international and product-side expansion in reporting year 2024 by making significant and targeted investments in personnel development, the expansion of the vehicle fleet and infrastructure, the further development of software and in marketing activities. In addition to an overall improvement in vehicle availability, the expansion of the fleet is made possible by the very good and established business relationships with the major vehicle manufacturers, especially in the premium segment. Operational processes will also be continuously improved, through the further roll-out of Mobile Check-In to speed up vehicle pick-up and the installation of car gates to digitally record the external condition of vehicles. Sixt sees particular opportunities in the expansion of its US activities as well as the long-term business and the expansion of the van & truck business.

Based on these assumptions, the Management Board expects consolidated revenue to increase significantly in financial year 2024 compared to the previous year (2023: EUR 3.62 billion).

Sixt expects earnings before taxes for the Group in a range of EUR 400 million to EUR 520 million in 2024. This estimate is based on a consistently high level of market interest rates and continued inflationary pressure, which will be countered by exercising cost discipline.

Substantial medium and long-term growth potentials

Sixt is also optimistic that it will continue to grow profitably in the financial years after 2024 under the premises of a fundamentally positive economic development, easing inflationary pressure and no worsening of the geopolitical risks. The key factors here are major growth opportunities along the diversified business model through continued international growth in the most important core regions of the world, the sustainable expansion in the Sixt van & truck business, the great potential in the SIXT+ subscription offer and the additional growth opportunities along the value chain.

B.5 \\ REPORT ON RISKS AND OPPORTUNITIES

1. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM (INCLUDING DISCLOSURES IN ACCORDANCE WITH SECTIONS 289 (4) AND 315 (4) HGB)

Sixt SE has installed an internal control and risk management system to identify and actively cope with all developments that could lead to significant losses or endanger the existence of the company or the Group at an early stage. Sixt's risk management system covers all activities for the systematic handling of risks in the company, starting with risk identification and documentation, analysis and assessment up to monitoring and managing of material risks, coordinating and maintaining the internal control mechanisms and countermeasures as well as the continuous monitoring of risk exposure. This systematic way of managing risks is defined by a process into which all relevant Group divisions are firmly integrated. Active management of relevant risks is ensured by decentrally defined risk owners as well as through the coordination of the risk management measures and monitoring of these measures by central functions. Opportunity management is not part of the risk management system. The internal control and risk management systems cover all relevant business processes, including the accounting process.

Sixt Group has detailed planning, reporting, early warning and internal control systems in place, both centrally and decentrally, in the respective functional areas right down to the level of the individual rental branches, that have been tried and tested in practice over many years. They map the risk management system in its entirety and are constantly optimised. The risk management system is managed centrally by the Group divisions Risk Management and Internal Controls, which report directly to the Chief Financial Officer. The effectiveness of the risk management system is reviewed by Internal Audit. Internal Audit also reports directly to the Chief Financial Officer and informs the Co-CEOs regularly.

The definition of the decision-makers, communication and reporting channels, structures and risk owners involved in the risk management process is based on products and processes on the one hand, and on the Group's business and functional areas on the other. The risk owners at the level of the decentralised risk management organisations are equipped with adequate early-detection systems tailored to their areas, as well as analysis and reporting tools and monitoring systems. They are also responsible for implementing and executing appropriate controls and countermeasures.

All risks identified decentrally and the measures defined by the risk owners are also assessed at least on a quarterly basis at the level of the central risk management organisation according to defined key parameters and aggregated using simulation methods, taking interdependencies into account. The risk exposure determined in this way is reported to the Management Board and Supervisory Board to thus enable appropriate balancing of the risk situation and the earnings power and substance and liquidity of the company (risk-bearing capacity analysis). The implementation of agreed mitigation measures is monitored by carrying out the appropriate tests and audits by the internal controls and internal audit functions.

The accounting process within the Group and the company includes organisational provisions and technical requirements to manage risks and propriety associated with accounting. Key elements here are the clear and appropriate separation of functions with regard to the Management Board and leadership responsibilities including management control processes, formalised delegation of key responsibilities, the central accounting and reporting organisation for all consolidated companies, the technical stipulations in the form of guidelines, working instructions, manuals, process descriptions and Group guidelines, the guarantee of controls in accordance with the dual control principle, the implementation of quality assurance processes and control tests, effectiveness tests by internal auditing and external audit procedures and consulting, system-based security measures, manual control measures and regular comparisons with planning and controlling processes taking the form of target to actual comparisons and analyses of deviations. The Internal Controls department continuously monitors the adequacy and effective implementation of the main measures through regular walkthroughs and tests. To guarantee the security of the data, the accounting-related systems have access restrictions and functional access rules. Employees receive appropriate information and training on data protection rules and regulations as well as information security. In addition, general behavioural provisions for employees relating to compliance or to financial matters are part of the regulations of the Code of Conduct.

The Supervisory Board examines the Annual Financial Statements and the Consolidated Financial Statements together with the Combined Management Report as well as the Dependent Company Report and discusses these with the Management Board and the auditor.

2. IDENTIFICATION AND ASSESSMENT OF RISKS

Besides considering the risks in the installed planning, reporting, early warning and internal control systems, the organisational unit's risk owners record all business-relevant and significant risks within the entire Group by having a software-supported risk inventory carried out by the Risk Management department on a quarterly basis. The assessments of the defined risk owners and other relevant information are then collected, analysed, condensed and interdependencies are identified. The installed risk management system at Sixt thus records all relevant individual risks and their dependencies. Any significant changes in the risk assessment and major new risks are communicated immediately to the Management Board of Sixt SE.

The probability of occurrence of the individual risks is assessed on the basis of predefined classes ranging from "extremely unlikely" (one-time risk occurrence expected within 50 to 100 years) to "very likely" (risk occurrence expected within 1 to 2 years) and the potential loss is also assessed in monetary terms in damage categories (from insignificant to significant). Both the basic recording of risks and their evaluation are initially carried out before countermeasures are taken (gross) and, taking the mitigation measures that have been put in place into account, are then converted into a net assessment. The individual risks recorded decentrally in this manner are reviewed centrally by the Risk Management department at Group level, condensed into a risk inventory and classified into risk groups based on defined criteria, such as probability of occurrence, and placed in a risk map. In addition, the Risk Management department monitors the Group's risk-bearing capacity, as well as the effectiveness and adequacy of the established countermeasures. The risk portfolio determined on this basis and the Risk Report based on it are part of the reporting to the Management Board and Supervisory Board of Sixt SE.

3. RISK SITUATION

As a company that operates internationally, Sixt is exposed to a variety of different risks, which can have material effects on the Group's business, as well as its asset, financial and earnings position. The following provides an aggregate overview of the relevant risk factors. The structure of the risk categories outlined follows the categorisation in the reporting of the central risk management system.

The risk situation of the Sixt Group at the end of financial year 2023 is characterised in particular by macroeconomic uncertainties in the core markets and the declining price trends on the used car markets, especially for electric vehicles. The macroeconomic uncertainties result on the one hand from the uncertainty regarding the further development of inflation. On the other hand, the economic effects of geopolitical developments, especially the wars in Ukraine and the Middle East, are difficult to foresee. A negative impact on the overall economic development cannot be ruled out.

3.1 GENERAL EXTERNAL RISKS (ECONOMIC, SOCIAL, REGULATORY AND ENVIRONMENTAL RISKS)

Sixt Group offers private and corporate customers various international mobility services. Besides its business activities in Europe, its business activities in North America are of great importance as part of Sixt's increasing internationalisation.

The development of the business is dependent to a high degree on the general economic environment in these markets, as this has a major effect on the investment inclination and spending propensity of customers and thus on demand for and price sensitivity with regard to mobility services. The persistently high inflation rates in the core markets in 2023 are of particular relevance here. These could lead to higher general procurement costs, particularly in the event of a sustained price increase, in addition to a reluctance to spend on the part of customers. There is a risk that these cannot be fully compensated for by increasing the company's own prices.

During phases of economic weakness, demand for mobility services can decline due to cost-saving measures on the part of companies and private households. In addition, higher default risks (counterparty risks, industry risks and counterparty default risks, for example) can generally be expected in such phases. A weakening of the general economy can therefore have negative consequences for demand and the profitability of the services offered. In order to enable a rapid adjustment to economic conditions, Sixt relies on a structure of operating expenses that is as variable as possible.

Sixt estimates 75% (2022: 73%) of its operating expenses as variable and 25% (2022: 27%) as fixed. Fleet expenses are considered fully variable, as they are directly related to the size of the fleet and can be adjusted at short notice, considering the length of the vehicle holding period. Depreciation on rental vehicles is also classified as variable in the same way. The degree of variability of personnel expenses is based on an assessment of the cost responsiveness of the individual functional areas. Other operating expenses show different cost sensitivities. While fleet-related expenses, commissions and impairments of receivables are considered variable due to their dependence on the size of the fleet and revenue development, expenses such as buildings, IT and communication expenses are classified as fixed expense items. In addition, there are expense groups with mixed cost character (e.g., miscellaneous other expenses and sales and marketing expenses).

Sixt also depends on developments in the areas of tourism and personal transport. In turn, developments in the latter are dependent on a variety of factors that Sixt Group cannot influence. These include, for example, the consequences of political decisions, the expansion of the public transport infrastructure, improvements in traffic flow and the coordination of the combined use of various transport modes. Although the development of demand in financial year 2023 did not indicate any significant downstream effects of the coronavirus pandemic, it cannot be completely ruled out that the occurrence of new virus variants or regionally limited waves of infection and any resulting travel restrictions, disruptions to supply chains or political measures could have a negative impact on Sixt's earnings and business operations in the short term, both on the demand side and operationally.

Legal requirements relating to environmental protection, which are growing in importance in the European Union, in particular, but also in other regions of the world, could, if combined with widespread public debate, also bring about changes in mobility behaviour that could potentially have negative effects for Sixt.

So-called sustainability risks (ESG) are also gaining in importance, depending on the market. The demand for Sixt's products could be negatively affected in connection with increasing requirements from legislators or customers. On the other hand, direct inbound and outbound effects, e.g. of climate developments, must also be taken into account. Climate and environmental risks could also have a temporary and localised direct influence on demand and business operations, through the loss of vehicles or the failure of rental branches, for example. Sixt has implemented targeted measures to counteract these risks as far as possible and meet ESG requirements. The implementation of these sustainability strategies itself also involves a high initial investment, in the rollout of a suitable charging infrastructure, for example. In addition, there is a risk of investments in electric vehicles not meeting sufficient demand from customers. At the same time, alternative mobility solutions to traditional rental products, which are being promoted and brought to market maturity in the start-up environment in particular, but also by established car manufacturers' own business units, could have a lasting impact on demand. Sixt therefore strives to identify trends at an early stage and to become active itself with innovative products in promising market fields.

To take account of the rapidly changing market conditions and customer demands, Sixt develops new product ideas and business models, whose market launch and penetration, also at an international level, may require high up-front investments. Relevant market analyses and plans cannot guarantee that these products will meet with the expected acceptance and demand. This could negatively impact the Group's asset, financial and earnings position.

In addition, national and international developments such as political upheavals and revolutions, armed conflicts, as is currently the case in Ukraine and the Middle East, acts of terrorism, environmental disasters or even epidemics and pandemics could lead to a massive impairment of private and business travel and thus have a negative impact on the Group's business. Since the occurrence and effects of such events are difficult or even impossible to predict, consistently reliable forecasts regarding the development and demand for travel can only, if at all, be made to a very limited extent, even over the short term.

Sixt's business activities are also affected by specific tax or regulatory frameworks. These include the taxation of company cars, which has been the subject of political discussions for years. The taxation of fuels, emission-based vehicle taxes or other malus regulations or measures up to and including a possible complete ban on the registration of combustion engines could also have a material effect on customer demand behaviour. Sixt is also exposed to developments stemming from discussions on compliance with emission limits, climate protection measures, taxonomy requirements and local driving bans.

3.2 SPECIFIC RISKS OF THE MOBILITY INDUSTRY

The mobility industry continues to be dominated by intense predatory competition, both nationally and internationally. The trend in demand – mainly among corporate customers – towards large, mostly international vendors, continues. Due to the high share of business customers, it is crucial for Sixt to provide its customers with a global rental infrastructure of the highest possible standardised quality, especially at high-traffic locations such as airports and railway stations. Intense competition also creates the risk that individual market participants attempt to gain market share in the future by consciously implementing an aggressive pricing policy, in some cases even accepting operating losses.

General developments in the automotive industry are important to Sixt due to their effects on terms and conditions for purchasing vehicles and remarketing them. Sixt is highly dependent on the supply of popular vehicle models, to be able to purchase them on competitive terms and – for reasons of pricing certainty and the reduction of residual value risks – on buy-back agreements with manufacturers and dealers. These external factors influence both the purchase prices of vehicles and the revenue that can be generated when the vehicles are sold back.

By remaining vendor-neutral, Sixt can diversify risks when purchasing vehicles. The Group is usually in a position to select marketable models from many different manufacturers and dealers and to negotiate favourable conditions. The company tries to distribute the purchase quantities among several suppliers and to adjust the vehicle deliveries to the demand planning during the year. Flexible agreements with vehicle manufacturers and dealers enable the company to stagger vehicle orders over a period of time to a certain extent to meet the actual demand. This is especially important in times of great economic uncertainty and downturns, as well as in phases of increased demand, when the requirements for mobility services are even more difficult to predict. Although the availability of vehicles eased in financial year 2023, due to the complex supply chains and their dependence on geopolitical developments, there is still a risk that the timing of the provision of vehicles will not be optimally adapted to the demand situation, or that vehicles can only be procured at significantly less favourable conditions or from new sources of supply.

Furthermore, Sixt's international expansion changes its purchasing necessities. The company relies on having a broad supplier base in all corporate countries, whereby some vehicle fleets need to be tailored to specific regional needs. If Sixt would no longer be able to add a sufficient number of vehicles to the rental fleet to meet the respective demand or to offer enough vehicles with features that reflect the Group's premium orientation, this could adversely affect its revenue and earnings development. This would apply to an even greater extent if the Group's operating business were to expand dynamically, boosting demand for vehicles. In addition to any current supply bottlenecks at car manufacturers, such a bottleneck would also be conceivable in the event of adjustments to the sales strategies of car manufacturers or as a result of changes in customs law or other protectionist measures or, at least locally, due to registration restrictions.

Sixt is keeping a very close eye on the debate regarding emissions, local driving bans and fleet requirements. Thus, it is likely that requirements relating to the equipment of the rental fleet with low-emission or zero-emission drives will change. As a result, logistics and infrastructure must also be adapted accordingly, by expanding charging capacities at branches, for example. In the short term, supply bottlenecks for relevant vehicle models cannot be ruled out. In addition, the purchasing conditions for vehicles and the costs of owning them can be influenced directly or indirectly by government measures such as tax incentives or penalties depending on the emission level and pollutant emissions. However, the company believes it is in a position to adequately adjust the fleet mix. The short holding periods of the vehicles represents an important element of the business model. These are usually less than twelve months for passenger cars. In addition, as part of the defined sustainability strategy, the objective is to significantly increase the share of electrified vehicles in the medium term. Here, Sixt is closely monitoring the general conditions and – without losing sight of the long-term strategy – will take these conditions into account accordingly when purchasing electrified vehicles.

Besides the general economic conditions, demand in the vehicle rental and car sharing business is also dependent on many external, unforeseeable random influences such as weather conditions or short-term changes in customers' mobility requirements.

The combination of high economic capacity utilisation of the rental fleet and simultaneous availability of vehicles is of great importance to the Group's success. Availability not only relates to the absolute size of the rental fleet, but also to individual vehicle classes and models that meet customer wishes. Declining demand can result in a lower-than-expected utilisation of the rental fleet that is provided up-front, which in turn can affect the profitability of rental products adversely. This makes it all the more important to have sophisticated, reliable, error-free instruments that have been tested in practice for efficient and flexible fleet management and pricing. Sixt's internal yield management system, a sophisticated management and IT system that has been constantly developed further over the years and is tailored to the various requirements of the rental business, enables the company to align its purchasing activities with demand and to manage the availability of vehicles at the individual rental branches. The yield management system is constantly optimised based on the volume of historic data generated from the rental activities that has constantly grown over the years. Systematic fleet and supply management achieves the highest possible level of fleet utilisation while at the same time maintaining a sufficient price level. Through the increasing integration of car sharing and traditional rentals, Sixt will be able to further optimise the profit-oriented management of its fleet in the future.

Sixt is also highly dependent on the development of the national used car markets. The developments on the used car markets, especially in Germany and the US, are important for the prices Sixt generates from selling rental vehicles on the used car market. Marketing takes place both via the company's own stationary dealership (Sixt Car Sales) and via auction platforms and used car dealers. In the course of 2023, a declining price level was observed in the US and Europe to varying degrees. If prices continue to fall, which typically depends on the manufacturer, drive type, vehicle model and country, negative effects cannot be ruled out.

To mitigate the risks involved in the sale of vehicles, Sixt strives to cover the marketing of rental vehicles in line with the opportunities available on the market as far as possible by concluding buy-back agreements with manufacturers or dealers. This means that buy-back conditions for these vehicles are already fixed at the time of purchase. The company therefore has a more reliable basis for calculating the development of its fleet costs and planning its liquidity. By reducing the resale risk, Sixt is to a large extent independent of the situation on the used car market. However, market-specific aspects and a possibly necessary adjustment of the purchasing strategy due to possible supply bottlenecks could lead to repurchase agreements not being enforceable to the desired extent. This is particularly true for the US growth market, where buy-back agreements are less common than in Europe. Around 73% (2022: 72%) of all vehicles added to the rental fleet in the financial year were secured by means of buy-back agreements in the case of purchased vehicles or under operating lease agreements. At the end of the year, the balance sheet value of vehicles without buy-back agreements totalled EUR 2.3 billion (2022: EUR 1.8 billion). Sixt monitors the development of market values on an ongoing basis through a so-called Residual Value Committee and constantly works on optimising the marketing processes and channels.

In this context, however, it cannot be completely ruled out that contractual partners may not be able to comply with the buy-back agreements and that Sixt is thus forced to market the vehicles itself. In this connection, as for all freely marketed vehicles, there is a risk that Sixt could generate lower incomes than expected due to economic risks or a possible deterioration of the used car markets.

For this reason, Sixt regularly assesses the creditworthiness of its contractual partners on the basis of strict standards. This is especially important when the automobile trading markets are tense, so that the risk of contractual partners not meeting their buy-back agreements can be detected early on and to provide for the risk appropriately.

3.3 FINANCIAL RISKS

The operating business, especially the rental assets, is financed mainly through bonds, borrower's note loans, a syndicated loan, short-term financing facilities from several banks, short-term debentures (so-called commercial papers) and, especially for vehicles, by concluding leasing contracts. Sixt has maintained close business relationships with many different banks for many years. Sixt Group continues to have a broad and solid financing structure with an adequate financing framework. The Group's credit lines were only partially utilised in the reporting year.

Sixt Group is exposed to various financing risks. These include interest rate risks and exchange rate risks, which can be limited to a certain extent by using derivative financial instruments, among other means.

Due to the changes in the credit industry that continue to be seen, as a result of increasing capital requirements in the lending business or changed risk weightings, for example, the financing behaviour of banks could change permanently. Sixt Group is exposed to the risk of not being able to obtain financing from banks or other creditors (e.g., by placing borrower's note loans, bonds or short-term commercial papers) at commercially reasonable terms or at all considering the current or future market uncertainties. It could become more expensive, more difficult or even impossible for Sixt Group to enter into financing arrangements (including those mentioned above), depending on, among other factors, general market conditions and the assessment and evaluation of the creditworthiness of Sixt SE and its subsidiaries. The same applies to the receptiveness and willingness of the capital markets, which can be temporarily or permanently restricted, perhaps only in sub-segments. There is also a risk if existing, uncommitted credit lines (uncommited or b.a.W. lines) are cancelled or not granted by lenders, as a result of market uncertainties, for example.

Sixt SE currently has a BBB stable outlook rating from S&P Global Ratings. In the event of a deterioration in the rating, there is a risk of a significant deterioration in the financing conditions.

The further rise in key interest rates over the course of 2023 leads to significantly higher interest charges for financing with variable interest rates and a corresponding increase in the cost of new and follow-up financing. A further rise in interest rates due to sustained inflation, for example, and thus further increases in interest charges cannot be ruled out as a risk.

The vast majority of trade receivables and payables are due in local currency in the country that the respective Group company is based in. As a result, Sixt Group is able to neutralise the exchange rate risk in part by using natural hedges. However, the Group's external financing is mainly in euros, therefore exchange rate risks arise primarily from receivables and liabilities for the financing of subsidiaries in non-euro countries. Currency swaps or other currency derivatives are used in particular to limit these exchange rate risks within the Group. The Group does not hedge equity positions against exchange rate risks, consequently, currency fluctuations, especially of the US dollar and the pound sterling, have an impact on Group equity.

Sixt is subject to counterparty default risk in the corporate customer segment and, to a limited extent for some products, also in the private customer segment. This occurs if invoice customers are unable to meet their payment obligations or credit card payments are not received. Insofar as customers are provided with a rental contingent on account, their creditworthiness is checked and monitored on the basis of internal guidelines. Furthermore, when investing bank balances, Sixt is subject to the respective counterparty risk of the account-holding bank or the counterparty of the investment transaction.

Considering the high price level and persistently high inflation rates, the insolvency rates of customers and business partners of the Sixt Group could increase in 2024. Sixt is monitoring the related risks closely.

3.4 INVESTMENT RISKS AND TRADEMARK RIGHTS

Due to its shareholdings in various subsidiaries, Sixt SE is subject to investment risk in Germany and abroad.

Allane SE (formerly Sixt Leasing SE) was granted the use of trademark rights for a limited period of time as part of the sale to Hyundai Capital Bank Europe GmbH. There is therefore a potential risk that the customer or supplier perception of the Sixt brand could be influenced by disadvantageous communication without the direct influence of Sixt Group.

3.5 STRATEGIC RISKS

Sixt intends to continuously increase both its revenue and its market share through expansion, particularly in the US and in important Western European countries. This goal is to be achieved primarily through organic growth. Moderate acquisitions cannot be ruled out, especially to achieve growth abroad, however.

All potential acquisition candidates and all companies to be considered for potential partnerships must meet very strict criteria with regard to their earnings situation, their risk profile, the quality of their management, their company culture and their compatibility with Sixt's business model and premium strategy.

Such transactions or market entries are associated with greater uncertainties due to the necessary investments, marketing and sales expenses, but also due to deviating constellations on procurement and sales markets. Despite the potential analyses carried out, it cannot be completely ruled out that such transactions could result in misjudgements that could have a negative impact on the Group's asset, financial and earnings position.

The internationalisation strategy also involves various risks, including market-specific, political, legal, fraud, financial and personnel risks. These include possible misjudgements of the market conditions in the respective countries, changes to national legal or tax frameworks, the costs of building up an efficient business organisation and the need to find qualified management personnel and employees. In addition, there are the usual transaction-related risks in the case of acquisitions. The establishment and expansion of foreign activities can lead to a deterioration in the Group's asset, financial and earnings position. The failure or delay of foreign expansion could also have a negative impact on existing customer relationships, as business and corporate customers are increasingly demanding mobility services with an international scope.

Sixt has a global network of franchisees. Customers are also referred to Sixt corporate countries via this network. As a franchisor, Sixt maintains intensive, generally long-standing and trusting relationships with its franchisees. Nevertheless, it cannot be completely ruled out that the termination of such contractual relationships would temporarily or permanently change the geographical coverage of the Sixt range in a particular region and limit the attractiveness of the offering for customers. There is also a potential risk that customer or supplier perceptions of the Sixt brand could be influenced by adverse communications without direct influence from the Sixt Group.

3.6 OPERATIONAL RISKS

Operational risks are understood as the risk of a loss caused by human behaviour, individual mistakes, technological failure, inappropriate or faulty processes or external occurrences, for instance. Such a definition of operational risks involves regulatory, legal and tax-related risks. In addition to direct financial damage, this could also result in the loss of customers due to a negative perception.

Despite a return to a more normal situation, the coronavirus pandemic poses risks for the operation of the branch network and for central functions. It still cannot be completely ruled out that local or national sites will have to be closed at least temporarily due to the infection or to political decisions.

High-performance IT systems are crucial for processing rental transactions. Hardware and software-related system malfunctions and failures can considerably affect operating processes and, in serious cases, even bring them to a standstill. When implementing new, replacement or supplementary software, the high complexity of the IT systems places high demands on compatibility to existing systems so as to guarantee smooth continuation of the operating business. Besides these internal operational risks, there is also the risk of targeted external attacks on Sixt's IT infrastructure and the company's inventory of data (ransomware, hacking, DDoS attacks, etc.). To counter these risks, Sixt commissions its own IT department with carrying out ongoing monitoring, servicing and further developments, and with protecting the availability of all of the Group's IT systems and data. This also includes the creation and implementation of employee training programmes to prevent the outflow of sensitive data, particularly personal information. Such an outflow of sensitive data could have a negative impact on the Sixt brand and thus on demand, and possibly result in fines.

As in the past, Sixt Group intends to continue investing in Internet-based as well as mobile services for smartphones, tablet PCs and other devices as a sales and communications channel for its mobility products and as a basis for further business models. A number of risks associated with this (e.g., uncertainty regarding the protection of intellectual property or registered domains, possible violation of data protection, dependence on technological conditions, system failures, viruses, spyware, etc.), could affect the use of the Internet or mobile services as independent and cost-effective sales and communications channels.

However, general usage of such systems is constantly increasing and thereby fundamentally changes consumer behaviour. Accordingly, it should be noted that customer use of such offerings and products from Sixt Group has been continually increasing for years. Against the backdrop of media convergence, in particular, i.e. the convergence of different technical devices and services and the ever-increasing presence of online services in everyday life, one may safely assume that the utilisation of such offers is set to continue in the future.

As Sixt continues its efforts to further expand its position as an innovative mobility service provider, more and more established business processes will gradually be digitalised and automated. This technological development generally entails increased risks, such as temporary system failures or increased external attacks. Sixt has therefore implemented an information security function, which together with the operating IT departments, is tasked with ensuring the protection and security of the technological platforms and Internet-based sales channels.

The rental business also involves risks of loss and the resulting financial losses, e.g. due to the destruction of assets and vehicles as a result of accidents or disasters. This also includes the theft or misappropriation of vehicles. This risk could increase due to the expansion and development of new markets. In addition, the increase in theft, which is partially covered by insurance policies, could lead to an increase in insurance premiums. Attempts are being made to reduce this risk through organisational preventive measures when renting and through technological measures.

In addition to the risk of vehicle theft, every business operation is subject to internal and external fraud risks that could cause damage to the company. These include so-called presidential fraud attempts. Sixt has implemented a number of functions and mitigating mechanisms for this purpose but cannot completely rule out fraudulent transactions.

Some of the vehicles in Sixt Group's fleet may be subject to manufacturer recalls. In particular, if a large number of vehicles were to be affected at the same time, this could lead to a limitation or inefficiency of Sixt Group's fleet and, as a result, to adverse effects on Sixt Group's earnings. The company could also face liability claims if it is unable to comply with such recalls.

Sixt's activities involve entering into many different contractual agreements. This is only possible by using standardised agreements that must be matched to the operational processing systems accordingly. Consequently, even minor inaccuracies in the wording or changes in the legal framework could have a material effect on its business activities. Sixt counteracts the resulting risks via contract management by also involving legal experts and using various system controls.

Sixt Group also relies on intellectual property rights to protect its business activities. Preserving these rights at both the national and the international level is one important precondition to remaining competitive.

The personal know-how and skills of the Group's employees constitute an important success factor. Particularly in times of expanding business operations and the associated recruitment of new staff, Sixt depends on having a sufficient number of qualified and motivated employees who are able to perform the required work to the required quantitative and qualitative standard. Due to the shortage of skilled labour in certain markets and for individual areas of activity, which manifested itself in connection with the corona pandemic, there is a risk that the service quality in the car rental business or the effectiveness of operational or administrative processes could be impaired. The same applies in the event that there is also increased fluctuation and thus a loss of know-how. Sixt guards against these risks through increased involvement in training and professional development by firmly establishing staff development as part of its company culture and by offering incentive systems.

Strategic partnerships and cooperative ties with airlines, hotel chains, booking portals and other key players in the mobility and tourism industry represent an important factor in Sixt Group's success. The contracts with these partners often contain short notice periods and are – with a few exceptions – non-exclusive. Therefore, it cannot be ruled out that current cooperative ties will be terminated or cannot be expanded due to changes in market conditions or to the partners' marketing or business strategies. In addition, there is a risk that more unfavourable conditions could arise for Sixt due to concentration risks.

As an international company, Sixt's business activities are generally subject to a broad range of legal, tax and official provisions and regulations as well as individual agreements with business partners. Operational errors could result in punishable violations, regulatory audits or disputed matters that may have to be settled by a court of law. At the same time, Sixt Group is subject to a wide range of different legal constellations and consumer protection regulations, also as a result of its international expansion. There is a risk that it could fail to meet all regulatory requirements or to react to changes in the regulatory environment in time. In addition to concrete penalties or contractual risks due to non-compliance with specifications and agreements, image damage and thus an influence on demand cannot be ruled out. The Compliance and Tax functions monitor the legal, tax and regulatory requirements and are responsible for ensuring compliance with these requirements.

3.7 RISKS IN CONNECTION WITH GEOPOLITICAL CONFLICTS

At the time of preparing this Annual Report, the war between Russia and Ukraine is still ongoing. In addition, the Hamas terrorist attack in Israel on 7 October 2023 has escalated the underlying conflict into a war in the Gaza Strip.

Sixt is represented in Ukraine with a development centre and operationally via a franchise partner. The company is also represented operationally in Israel via a franchise partner. In both Ukraine and Israel, the risk of direct economic effects due to potentially prolonged and locally expanding military conflicts is limited, as are the direct effects of sanctions and embargo measures.

However, there is a risk that the possible indirect consequences could have a negative impact on the Group's asset, financial and earnings position. Further resulting price increases for energy, but also for all energy-intensive products, as well as political and social developments could have a negative impact on the macroeconomic situation in the markets relevant to Sixt Group. Possible inflationary effects could lead to a lower willingness to spend among private and business customers and also have a negative impact on customers' ability to pay. Similarly, a sustained disruption of global supply chains, which could result from the recent attacks on merchant ships in the Red Sea, could have inflationary effects and negatively impact vehicle availability and procurement. Geopolitical conflicts could also have a negative impact on travel behaviour and thus on demand for mobility products.

Overall, Sixt is well prepared for crisis situations thanks to the high flexibility and resilience of its business model, solid financing and long-term partnerships.

4. MANAGEMENT BOARD'S ASSESSMENT OF THE OVERALL RISK PROFILE

Sixt SE has installed a Group-wide internal control and risk management system designed to identify all developments that could lead to significant losses or endanger the continued existence of the Group at an early stage. All of the risks listed here are reviewed regularly as part of the established risk management system, analysed, assessed in terms of their probability of occurrence and impact and aggregated into an overall risk profile. The Management Board and Supervisory Board are informed of the results so that any necessary countermeasures can be initiated if necessary.

Both the overall risk and the risk profile of Sixt Group as well as Sixt SE have not changed much compared to the previous year, apart from certain risks that are influenced by macroeconomic uncertainty and price fluctuations on the used car markets. At present, no risks have been identified, which individually or in their entirety, could endanger the company as a going concern.

5. OPPORTUNITY REPORT

As an international mobility service provider, Sixt Group pursues a consistent premium strategy. This means it offers high-quality products and services, such as those related to the vehicle fleet, or flexible bookability to meet the various requirements of its customers in around 100 countries of the world. A number of strategic and operational opportunities are open to Sixt given its solid competitive position, broad range of services, industry environment and in-house power of innovation, all of which can have a positive effect on its business development.

Sixt defines opportunities as the possibility of achieving and/or exceeding the company's intended objectives through events, developments or actions. It remains an ongoing undertaking to identify these opportunities for the individual operational areas and to utilise them in line with the company's strategy.

5.1 MARKET OPPORTUNITIES

Economic development
The development of Sixt Group's business is influenced by the overall economic conditions. This holds true in particular for the economic situation in the Sixt corporate countries. Since increasing economic dynamism generally leads to both a higher willingness to invest on the part of companies and a larger spending propensity on the part of private individuals, there is a chance in both cases that the demand for high-quality mobility solutions will rise.

In its plans for the current financial year 2024, Sixt Group makes due allowance for the economic analysts' expectations for general economic developments, as outlined in the Forecast Report. In the event that the course of the pandemic and the economy develop worldwide or in key individual markets as forecast or even better, this could lead to higher demand for Sixt's products and services.

Furthermore, a higher than expected level of market prices and sales volumes for vehicle rental could also continue to have a beneficial effect on the Group's revenue and earnings development. The continued high demand due to customers' strong travelling activities could be a key driver of this.

Growing popularity of shared mobility
As a result of advancing climate change and the global trend towards urbanisation, however, mobility is currently in a state of upheaval. More and more municipalities are adapting their mobility plans and increasingly focusing on a reduction of individual car traffic in favour of solutions from the area of micro-mobility, i.e. getting around with non-motorised or electrically powered micro and light vehicles or the area of so-called shared mobility. This term covers all publicly accessible means of transport that are used jointly and are available at short notice and as needed, usually for a fee, without being owned by a user. Sixt is active in this area with a broad portfolio as a car rental and car sharing provider and can expect to benefit from the expected strong growth of the shared mobility market in the future. For instance, Oliver Wyman's study assumes an annual growth rate of 6.5% between 2023 and 2030 and expects the global shared mobility market to be worth USD 401 billion in 2030. The SIXT App and the mobility platform ONE combine a number of products with which mobility can be made as sustainable as possible. For example, a single shared vehicle can replace a large number of privately owned cars due to optimised utilisation and reduce the amount of parking space required. Greater awareness of this could have a positive impact on demand for Sixt products. In the area of shared mobility, there is also increased potential for the effective use of electrified vehicles due to the driving profiles, which mainly involve shorter distances in urban areas.

Opportunities through vehicle procurement and marketing
The Sixt Group is dependent on the prevailing market conditions for vehicle procurement and vehicle utilisation. These market conditions are influenced by a variety of factors - such as general demand, availability or tax incentives - and usually fluctuate over the course of the year. There is an opportunity here for market conditions to develop favourably for Sixt Group. In order to realise these opportunities as effectively as possible, Sixt Group constantly optimises its procurement and marketing processes.

Source
Oliver Wyman, Shared mobility's global impact, October 2023

5.2 COMPETITIVE OPPORTUNITIES

Value-creating acquisitions
Sixt Group's expansion into relevant markets is generally based on achieving organic growth. This does not preclude the acquisition of local and regional competitors, however, should the conditions prove to be favourable. To this end, Sixt constantly reviews relevant market opportunities to accelerate the Group's growth.

From a strategic point of view, opportunities from acquisitions consist of an expansion of the customer base and the acquisition of attractive market segments, by acquiring airport concessions, for example. From a technological perspective, the focus is on innovation potential, primarily with a view to the further digitalisation of Sixt's business model.

Opportunities thanks to a tense competitive situation
Sixt is active in international markets that have been dominated by intense predatory competition for years. In the past, one has often seen competitors pursue an aggressive pricing strategy, which only covers operating costs to a limited extent or not at all in the long term and leads to losses, especially in economically difficult situations.

The end of the low interest rate policy due to the restrictive fiscal policy of global central banks is significantly increasing the cost of financing vehicle fleets for mobility providers. The resulting increase in interest expenses coupled with a potentially weak equity base and declining prices on the used vehicle markets could lead to financial problems for some competitors. Should competitors be forced to discontinue or reduce their business operations, Sixt Group could close possible supply gaps and secure targeted market access and quotas.

Growing customer demands on mobility
Sixt has been pursuing its premium strategy already for many years, thus underscoring its claim of offering its customers top-quality products and services. An important component of this is a vehicle fleet comprising a high share of well-known premium manufacturers with extensive special equipment. The premium approach to rental stations is yet another important aspect. In the past financial year, Sixt already spent a double-digit million euro amount on renovations and new buildings, and many more renovation and construction projects are planned for 2024 in order to continue to ensure a holistic premium customer experience and thus retain customers for the long term and generate higher revenues. Provided that the economic situation of companies and private households develops better than expected and customers' demands on their mobility continue to rise, premium quality vehicles and services could be in great demand. Sixt Group in particular would benefit from such a development. In the United States, as well, Sixt is consistently pursuing its goal of occupying the premium segment, which is still strongly underrepresented there overall and thus offers a great opportunity.

Demand-generating marketing

The term "Sixt ads" has become a concept in its own right in the advertising industry. This is due to marketing campaigns that have been causing a sensation for decades, lending the brand high recognition value and conveying its values.

Increasing brand awareness is a key component of Sixt's future and growth strategy. In this way, the company aims to continue to increase the perception of the SIXT brand by various stakeholders, including shareholders, customers and potential employees. This includes targeted communication of corporate values, innovations and social responsibility in order to establish a positive image of Sixt as a leading and future-orientated mobility solution.

Wide-reaching advertising and marketing campaigns will continue to be the key means to raise awareness of the Sixt brand in the future, especially on an international scale and thus support the economic growth of the Group. To this end, Sixt is deploying a wide range of media with a special focus on social media channels that enable direct and very timely addressing of target audiences and direct interaction with customers. In addition, the company also uses other communication and advertising channels, depending on the objective of the advertising.

This offers opportunities in particular through investments to increase brand awareness in the US growth market. While the focus was previously more on targeted, locally limited advertising activities, December 2022 saw the launch of the integrated "Rent THE Car" marketing campaign, a broader and more comprehensive advertising offensive than ever before that supported Sixt's growth course in the US. The "Rent THE Car" campaign was continued with a second phase in September 2023. In addition, a sports sponsorship agreement was concluded with each of the two well-known US basketball teams, the Los Angeles Lakers and the Chicago Bulls, in order to further strengthen the visibility of and trust in the SIXT brand in the US. The development of the booking figures confirms the success and shows the potential of Sixt Group's marketing activities.

Ongoing internationalisation

Sixt Group is pursuing its objective of expanding its international presence and gaining additional market shares in the respective countries. To this end, the company collaborates with franchise partners in many national markets. At the same time, the Group permanently reviews measures to increase market shares in existing countries, either by changing the network of franchise partners, setting up its own structures or by tailoring specific mobility offers for certain markets.

Further growth opportunities are associated specifically with the US market – especially in the business customer segment and in the medium term also in the commercial vehicle market (Vans & Trucks). In addition, marketing activities offer Sixt Group the chance to decisively increase brand awareness in the US. As the world's largest car rental market, the US also offers Sixt significant growth potential through increasing consolidation.

In the course of expansion into Canada, synergies with the US growth market will be leveraged and Sixt's presence in North America will be significantly expanded. The company is pursuing a similar expansion strategy as in the US, with the medium-term goal of being present at half of the nation's top ten airports. According to data from Euromonitor, the Canadian car rental market has a total potential of around EUR 1.4 billion. Sixt's medium-term goal is to achieve a three to five percent market share in Canada by 2025/2026. After the opening of the first Canadian station in Downtown Vancouver in July 2022, additional stations in Vancouver (Airport) and Toronto (Downtown, Airport) are expected to follow over the course of financial year 2023, which would enable Sixt to cover the two top-selling destinations in the country. Together they account for the majority of the Canadian car rental market and have a potential market volume of EUR 400 million. By tapping into the two Canadian metropolises, Sixt will be able to offer its service and premium fleet for business and leisure travel between the US and Canada in the future.

Further growth opportunities for Sixt could also arise from an expansion of the franchise network as part of the internationalisation strategy.

5.3 OPPORTUNITIES FROM INNOVATION

SIXT App as preferred mobility tool

By combining the offers of various mobility services via the mobility platform ONE developed in-house with the SIXT App, Sixt has gained a competitive advantage with great appeal for third-party providers and potential partners. There is a chance that yet other mobility partners will want to integrate their products and services into the platform and thereby make the SIXT App an even more sought-after tool for customers when they plan and organise their trips and mobility in general. This in turn would increase the Group's growth and increase awareness of the Sixt brand.

Increasing app usage is a central component of Sixt's strategy to ensure long-term customer loyalty. Through continuous improvements in user-friendliness, exclusive offers and innovative functions, Sixt wants to ensure that customers use the SIXT App as an indispensable companion in their everyday mobility. This not only enables more direct customer communication, but also a personalised approach to better meet individual needs.

Integrated mobility services

With its mobility platform ONE and the SIXT App, the company is able to offer customers tailor-made one-stop mobility solutions that cover an entire area, are suited for every situation and are independent of time and location. By integrating several products into only one app, the traffic is fundamentally increased and the attention that all products receive is increased. With its integrated solutions, Sixt is also taking due account of individual and contemporary mobility. At the same time, Sixt is strengthening its position as the mobility industry's innovation leader and at the same time generating countless opportunities such as increased cross-selling opportunities and the expansion of its target audiences: for example, customers who have only used SIXT rent via the SIXT App so far can now use the same tool to access the services of SIXT share for short-term mobility needs or SIXT+ for their longer-term mobility needs. This constitutes a significant advantage over the still very fragmented offers of the competitors for car rental, car sharing, transfer services and car subscriptions.

Services offered online and via mobile channels

The main tools for planning and booking both business and private trips are technical interfaces such as computers, tablets or smartphones. Customers receive easy and flexible access to flights, hotels, taxis, rental cars and car sharing via these devices and the respective websites and applications. This is why Sixt developed user-friendly online and mobile solutions early on that are continually upgraded and enhanced by adding practical new features. Moreover, the company integrates its various products and services into the platforms of strategic partners and into the booking procedures of hotels and airlines and thereby extends the reach of its services. Examples in the reporting period include the newly concluded strategic partnerships with Hommage Luxury Hotels (September 2023), John Paul (October 2023) and Preferred Travel Group (November 2023). The continuous improvement of the user-friendliness of Sixt's online and mobile solutions, especially compared to the competition, also creates opportunities for further market share gains.

Sixt uses its own channels, such as the SIXT App, the SIXT blog or its extensive social media presence, as well as various online and offline marketing channels for international communication and promotion of its many different services. Against the backdrop of event-driven communication and marketing opportunities, the company is testing new potentially suitable platforms and working together regularly with influencers. These activities offer the opportunity of addressing target audiences in a highly targeted manner and further raising Sixt's popularity.

SIXT rent

Advancing digitalisation is also opening up further significant opportunities in the area of short-term rentals. The introduction of digital check-out processes not only enables smooth processing for Sixt's customers, but also provides the basis for improved efficiency in business processes. For example, the automation of routine tasks helps to shorten processing times and increase productivity.

The implementation of digital processes extends across all areas of car rental and opens up the opportunity to improve Sixt's margins in the medium and long term. More efficient and effective booking, billing and customer management processes, coupled with optimised vehicle fleet management, will enable the company to reduce costs while making its services more competitive. This contributes directly to increasing profitability and strengthens Sixt's position in the market.

The continuous training of employees is one key aspect of Sixt's digitalisation strategy. Regular training ensures that teams are familiar with the latest technologies and processes to provide seamless and digitally enabled premium service. This leads to higher customer satisfaction as employees are able to effectively respond to customers' needs and communicate the benefits of digital innovations to them.

As part of the endeavour to continuously improve the customer experience, the highest standards of design, equipment and functionality are applied to both the review of current stations and the design of new stations. A contemporary and appealing design not only creates a pleasant atmosphere for Sixt customers, but also underscores the company's commitment to innovation and progress.

SIXT share

In order to fully exploit the potential of the growing mobility market, Sixt plans to further expand and target specific customer segments, especially young and female target audiences.

Through targeted marketing campaigns and innovative offers as part of Sixt share, Sixt wants to inspire these target audiences for all Sixt services. This approach is intended not only to expand customer diversity, but also to strengthen Sixt's image as a contemporary and appealing brand.

Thanks to the SIXT share product, it is possible to bring customers into contact with the SIXT app and the Sixt product portfolio for the first time, thereby acquiring and retaining new customers in the long term.Convincing and successfully transferring on-demand customers to the services of SIXT rent is a major focus. Through targeted marketing strategies and a seamless transition, Sixt seeks to ensure that customers who initially use other services within the mobility ecosystem, such as Sixt share, are convinced of the benefits of SIXT rent.

By creating customer loyalty based on the Sixt platform and the Sixt premium strategy as well as the products offered on it, Sixt wants to ensure that customers rely on Sixt in the long term and thus maximise the overall value of each customer. To this end, the SIXT share products can act as a door opener and generate long-term added value for the company.

This not only enables an increase in revenue and earnings, but also promotes greater customer loyalty to the company. In addition, SIXT share can help to further increase Sixt's brand awareness in the future and thus help to make the company more successful.

SIXT+

Given the cost benefits and the trend towards using instead of owning a vehicle, the market for car subscriptions is expected to see substantial growth. According to forecasts, the car subscription model could achieve a market share of 16% in the core European markets by 2035. A study by Oliver Wyman predicts that car subscriptions will have a market share of up to 30% of new car registrations in Germany by 2030. By integrating SIXT+ into the SIXT App, the company is creating an opportunity to benefit from this growth far more than average, and to reach customer groups that can also be introduced to additional services and offers from the Group. In order to take the desire for synchronisation of usage and pricing of modern mobility customers into account, Sixt supplemented the monthly cancellable subscription offer with further term options of 6 and 12 months at the end of December 2022. This means that customers who already have concretely plannable mobility needs can benefit from even less expensive offers. For Sixt, this will result in potential savings through more efficient fleet utilisation and planning. Due to the short cancellation periods, Sixt sees the greatest growth opportunities for the SIXT+ product, particularly in the area of electric car subscriptions, as it enables customers to test electric mobility without making a long-term commitment.

Source
Deloitte, Discontinued car purchase model: pressure on manufacturers to change is growing, 24 February 2023

SIXT ride

Sixt expects the demand for driving and transfer services to increase dynamically in the medium and long term. Strong growth is expected especially in large cities and metropolitan areas. Sixt has responded to the growing demand with SIXT ride and offers its customers digitally bookable transfer and premium chauffeur services from high-performance partners. The platform ONE is designed to make the integration of additional partners as swift and uncomplicated as possible. This provides an opportunity to make new products available to customers and to achieve continually higher market penetration. The product portfolio has been significantly expanded since the beginning of 2024 through the partnership with Blacklane. Blacklane's chauffeur services will be available as an additional premium mobility service via the SIXT App in the US and other international markets in 2024. The partnership will also enable Sixt to optimise the use of its fleet and the associated offers, for example. This will give guests and chauffeur partners an even greater choice of vehicles and services.

SIXT van & truck

Sixt considers the Vans & Trucks rental market to be another attractive growth area, particularly in the area of light and medium commercial vehicle rental. In times of low economic growth, high interest rates, the risk of vehicle supply bottlenecks and more difficult forecasting of how demand will develop, the rental market for Vans & Trucks holds enormous potential because companies with commercial vehicle fleets need more flexible, fast and efficient ways of procuring and using fleets.

Sixt has experienced profitable growth in this market segment in previous years and established itself according to own assessment as one of the leading providers of Vans & Trucks in the German-speaking region in the weight category below 16 tonnes. A noticeable increase in demand for these vehicles is still expected, due to the penetration of profitable business customer segments and their continuous professionalisation of fleet management, for example. Sixt plans to improve the customer experience in terms of service and flexibility by consistently digitalising the fleet, adapting service processes and product specifications to specific customer requirements and connecting the product area to the mobility platform ONE.

Since Sixt is currently still a niche player in this market segment in many European countries and the local markets are often highly fragmented, there are considerable growth opportunities. Sixt has set itself the goal of gaining further market share in Europe and significantly expanding the Vans & Trucks fleet in Europe – also across a wider range of vehicle types and specifications. In the medium term, Sixt intends to expand its network and extend its Vans & Trucks business to the US. According to the company's estimates, the Vans & Trucks rental market has a significant market potential of over USD 33 billion and thus offers considerable medium and long-term growth opportunities.

Special services for corporate customers

Sixt already offers corporate customers solutions developed specifically to meet their requirements and tailored to their needs. Besides SIXT+ unlimited, this includes other individual mobility concepts such as SIXT+ flex. These products take the "pay-as-you-use" idea as well as the factors of cost control, flexibility, individuality, sustainability and digitalisation into account. Sixt is thus expanding its product portfolio to include an innovative and sustainable mobility solution. Several major customers have already been signed up for the product. Sixt assumes that the acceptance of products tailored to the needs of special target audiences will continue to increase. This will offer the opportunity to convince corporate customers of Sixt Group's services in the long term and thus to also arouse interest in the Group's other offers.

B.6 \\ COMBINED NON-FINANCIAL DECLARATION PURSUANT TO SECTIONS 315B AND C IN CONJUNCTION WITH 289B TO E OF THE GERMAN COMMERCIAL CODE (HGB)

1. SUSTAINABILITY AT SIXT

Thinking and acting sustainably are important success factors for Sixt. Doing business sustainably means doing business in a way that seeks to balance the interests of all stakeholders involved in and affected by the business process. In this way, Sixt assumes responsibility towards society and contributes toward ensuring that future generations can also live in an intact social, economic and ecological environment. Sixt's main contribution to this is the qualitative development and quantitative expansion of so-called Shared Mobility, i.e. the shared use of vehicles or vehicle fleets (see section 3.1). The Regine Sixt Children's Aid Foundation is the company's official Corporate Social Responsibility programme and underscores Sixt SE's social responsibility. (see section 3.6).

1.1 ENTREPRENEURIAL SELF-IMAGE

Sixt Group is a global provider of high-quality mobility solutions. Through its customised products and services, Sixt provides private and business customers with mobility tailored to their individual needs, with the idea of Shared Mobility at the heart of the product offering. Besides the rental of premium vehicles, the products and services also include car sharing offers, car subscriptions, chauffeur services and other integrated offers from third-party vendors via the mobility platform ONE and the related SIXT App.

Holistic mobility concepts, a high level of service and technological innovations combined with a premium fleet are important distinguishing features of Sixt in competing (please refer to the section entitled "Principles of the Group" in the Combined Management Report for a detailed description of the business model and company structure).

The harmonisation of social mobility needs and a contribution to the fulfilment of global sustainability goals are the principles of Sixt Group. The commitment to limiting climate change is a priority. Priority is also given to reducing the greenhouse gas emissions, in particular the emission of carbon dioxide (CO_2).

1.2 PRINCIPLES OF REPORTING

The Combined Non-Financial Declaration of Sixt for financial year 2023 included in the Combined Management Report of Sixt has been prepared in accordance with the disclosures required by sections 315b and c in conjunction with sections 289b to e of the German Commercial Code (HGB) and Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the EU Taxonomy Regulation). The Non-Financial Declaration contains the information required by the CSR Directive Implementation Act on material environmental, employee and social matters, respect for human rights and the fight against corruption and bribery. The reporting on other material fields of action and topics results from their materiality for Sixt Group.

Due to the broad range of sustainability measures at Sixt Group, the respective results are not reported in full, but rather only in selected form. In accordance with section 315b (1) sentence 3 of the German Commercial Code (HGB), reference is also made to non-financial disclosures on individual aspects covered elsewhere in this report. The Combined Non-Financial Declaration also reports material risks in accordance with section 289c (3) 3 and 4 HGB, insofar as the disclosures are necessary for an understanding of the course of business, the business results, the position of the Group and the company and the effects of their activities on non-financial matters.

In accordance with section 289c (3) no. 5 HGB, there are no non-financial performance indicators that are of material importance to the business activities of Sixt Group. Sixt Group is currently managed primarily by means of financial key figures and performance indicators. Key performance indicators are listed in the section "Principles of the Group" in the Management Report. There is no direct connection between the figures reported in the Consolidated Financial Statements of Sixt SE pursuant to section 289c (3) no. 6 HGB and the five non-financial aspects pursuant to section 289c (2) 1 to 5 HGB.

Pursuant to section 171 (1) sentence 4 of the German Stock Corporation Act (AktG), the Combined Non-Financial

Declaration contained in this Combined Management Report was reviewed by the Supervisory Board for its legality, correctness and appropriateness. In accordance with section 317 (2) sentence 4 of the German Commercial Code (HGB), it was submitted to the auditor, but not subjected to a substantive audit.

Sixt is committed to transparency towards its stakeholders and reports on all sustainability-relevant aspects of the business and the company's environment. Sixt bases its reporting on the criteria of the Global Reporting Initiative (GRI). The reporting scope covers the Sixt Group, i.e. Sixt SE as parent company and all subsidiaries consolidated in the Consolidated Financial Statements.

2. BASIS FOR ACTING SUSTAINABLY

Sixt is a premium provider and one of the innovation leaders in the mobility industry. Its range of services is continuously enhanced by adding new products and services. Technologies that meet the increasing demands of customers for flexible, contemporary and sustainable mobility are of importance here. Sixt constantly develops its broad range of products and services further in line with demand and responds directly to emerging new trends. The company's range of services is discussed in more detail in the chapter entitled "Principles of the Group."

Sixt strives for responsible and sustainable value creation across the entire business spectrum. The mobility platform ONE and the related SIXT App serve the (further) development of the sustainable customer-oriented business model related to the topics of Shared Mobility. Besides the offers provided by Sixt this platform enables the integration of partner offers. Customers can thus make use of services for example in the area of micromobility or driving services such as taxis and transfer services in an uncomplicated manner and at standardised conditions.

The goal is to design a service that offers customers a sustainable, convincing and attractive mobility solution. The optimised mobility mix thus reduces greenhouse gas emissions (see section 3.2).

2.1 STRATEGY AND MANAGEMENT APPROACH

The business model of Sixt is inherently oriented towards promoting sustainability, as all offers ultimately follow the shared mobility concept and thus make a contribution to the optimal use of resources within the society and the establishment of attractive alternatives to car ownership. The focal points of its current sustainability program are fleet, charging infrastructure, the diversity of offers on the mobility platform ONE, as well as emissions at its own stations and locations.

Fleet: Since pre-corona, Sixt has significantly expanded the proportion of electrified vehicles in its rental fleet – and electric vehicles will of course continue to be part of the offering in the future. The further development of the topic is strongly influenced by customer demand, as well as the long-term strategies and offers of car manufacturers, to which Sixt is ultimately a follower as a car rental company. In addition, it is relevant that the average age of vehicles in the Sixt fleet is significantly less than a year. This way, Sixt makes a contribution to ensuring that the youngest possible vehicles are on the road, including vehicles that are technologically state of the art – especially with regard to their emissions.

Charging infrastructure – investments and partnerships: As a further component of the sustainability programme, Sixt had already announced last year that it would invest significantly in its own charging infrastructure at the stations over the next few years. The company is thus creating the prerequisites for charging an increasingly large electric fleet fast and flexible after the vehicles are returned. Additionally in the end of 2023 Sixt has started the roll out of the new product SIXT charge, with which customers with a single sign on have access to hundreds of thousands of publicly available charging points in Europe.

Mobility platform ONE – ecosystem for climate-friendly mobility: Today, the SIXT App and the underlying mobility platform ONE are already the linchpin for the simple and flexible use of the company's mobility offerings. With car and commercial vehicle rental, car sharing, driving services and car subscriptions, it combines several products with which mobility can be made as sustainable as possible. For example, a single shared vehicle can replace a large number of privately owned cars as a result of optimized utilisation and reduce the amount of parking space required. With the integration of SIXT charge into the ONE platform, the company is now also providing a strong additional incentive for the use of climate-friendly e-vehicles because, in addition to vehicle booking in one and the same ecosystem, the app will also allow users to find and use charging points not only during a rental with Sixt but whenever an e-vehicle needs to be charged.

CO2 emissions – maximal reduction at own locations and stations: In addition, Sixt also plans to reduce the CO_2 emissions generated in the operation of its own stations and locations as quickly and as far as possible – through the large-scale installation of its own photovoltaic systems, for example. The estimated remaining emissions, that Sixt cannot save locally, are fully offset by compensation projects since 2023 (carbon removal). The four compensation projects supported by Sixt are externally certified and meet the high-quality standards (at least Oxford category IV).

In the coming years in accordance with the current political requirements until presumably 2040, CO_2 neutrality is to be achieved in the procurement and use of the rental fleet (Scope 3 emissions in the sense of vehicle procurement and customer use of the vehicles). Achievement of the target is basically dependent on the regulatory developments, the availability of CO_2-neutral vehicles as well as the availability and customer use of sustainably generated energy during the rental.

The Group uses its organisational structures and governance processes to manage and promote responsible company behaviour – from strategy to implementation. In addition, Sixt has implemented management systems in accordance with the international standards for quality (DIN EN ISO 9001:2015) and environmental protection (DIN EN ISO 14001:2015). This is how Sixt systematically and consistently takes sustainability issues into account in all of its business activities and across all hierarchical levels.

Overall responsibility for sustainability management lies with the Management Board, which aligns business policy with the requirements of socially responsible business and defines the corresponding strategies and programmes. The Code of Conduct serves employees of Sixt Group as a guideline for acting sustainably during everyday business.

The CFO is responsible for the ESG transformation and the development of an ESG strategy. The Sixt ESG department supports the CFO in the management and coordination of the transformation, including sustainability reporting, and drives the operationalisation of the ESG strategy in divisions and corporate countries. An ESG Board serves as an information and (preparatory) decision-making body. Two meetings per year are attended by members of the Supervisory Board, members of the Management Board as well as the head of the ESG department. The implementation and management of sustainability activities as well as the reporting of sustainability data is carried out in the various business units. The monitoring of targets and activities is carried out by the People Management department, the Operations department and the functions Compliance and Risk Management and is constantly optimised. The Combined Non-Financial Declaration is prepared by the Finance department. Regular activities include, in particular, the tracking and monitoring of sustainability goals in the relevant departments as well as the preparation of relevant topics and analyses for the Management Board.

The Supervisory Board is responsible for monitoring the overall success of the ESG transformation and ensures its consistency with Sixt's overall strategy. The member of the Supervisory Board responsible for ESG topics is Dr. Julian zu Putlitz. The Management Board reports to the Supervisory Board on important issues, including sustainability, at least on a quarterly basis.

In order to also be able to objectively assess the development of sustainability activities, Sixt works together with rating agencies on sustainability performance. From the external feedback determined in this manner, Sixt derives targets and measures for further optimisation of this performance. Sixt's sustainability management is supported by the company's own guidelines, which extend beyond the legal requirements. A Code of Conduct that is valid for Sixt worldwide and provides the ethical framework for daily business activities is of overriding importance. This Code of Conduct has been supplemented by a separate Code of Conduct for suppliers and service providers since the end of 2022.

2.2 MATERIALITY

Motivation and background

The Combined Non-Financial Declaration is based on the principle of materiality in the selection and weighting of topics. Sixt regularly conducts a materiality analysis to determine the most important topics.

Three perspectives ("dimensions") are of relevance in assessing issues in terms of their importance for the company.

- Impact: How strongly does Sixt's (business) activity affect the environment and stakeholders with regard to the respective aspect?
- Business relevance: How significant is the effect of the respective aspect on the part of the market and/or the stakeholders on the development of Sixt's business?

- Stakeholder relevance: How significant is Sixt's behaviour in terms of the respective aspects for the formation of stakeholder expectations and decision-making towards Sixt?

The answers to these questions provide information on the significance and thus the materiality of the individual aspects and topics relating to Sixt's business activities and actions from a sustainability perspective.

Procedure
In 2021 as part of an extensive project, Sixt identified and prioritised the main topics of relevance to the company by holding structured workshops and by querying the specialist departments. The results of the analysis were translated into key areas for action and finally validated by the CFO as the Management Board member responsible for ESG. Internal contacts from different areas of the company and external contacts from five stakeholder groups (private customers, business customers, investors, automobile manufacturers and other suppliers) were selected for the materiality analysis. For the survey, 20 particularly relevant topics were pre-selected from a holistic list consisting of around 100 sustainability-related topics and presented to the contacts for discussion. The results of the discussion of the 14 most important topics were presented clearly in a materiality matrix.

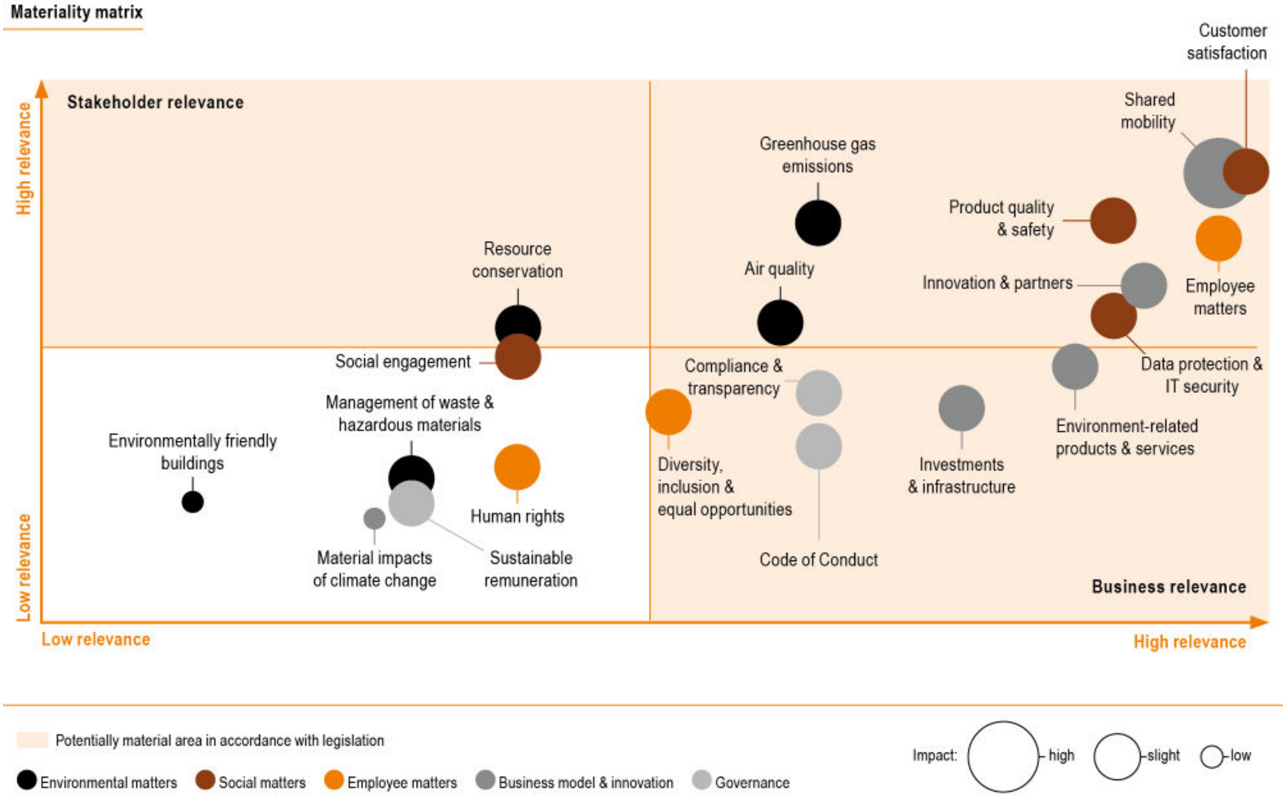
Neither the dialogue with stakeholders nor our own market observations revealed any indications in the financial year that would necessitate a significant change to the materiality matrix. Sixt has therefore also adopted the matrix for 2023. A comprehensive new materiality analysis is currently being prepared in the switch to sustainability reporting in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) in 2024.

Material fields of action are of particular importance for the business development and show what areas Sixt sees focal points in. The materiality analysis determined that the non-financial aspect of “respect for human rights” does not represent a material field of action for Sixt within the meaning of the CSR Directive Implementation Act due to the activity characteristics and business segments of the Group. Nevertheless, Sixt is expressly committed to respecting human rights. Further information on human rights compliance at Sixt Group can be found in the section “Corporate Governance and Compliance” in this Combined Non-Financial Declaration.

Overall, Sixt has identified seven main fields of action, which include all 14 prioritised topics from the materiality matrix: (1) Shared Mobility, (2) greenhouse gas emissions & air quality, (3) resource conservation, (4) customer satisfaction, (5) data protection and IT security, (6) employee concerns, (7) Corporate Governance, compliance and transparency. These fields of action were assigned to the five non-financial aspects of the CSR Directive Implementation Act.

Results and implications of the materiality analysis for Sixt

Materiality matrix



These top matters can be derived from the materiality matrix:

- Customer satisfaction
- Shared mobility
- Employee matters
- Product quality & safety
- Greenhouse gas emissions
- Innovation & partners
- Data protection & IT security
- Air quality
- Environment-related products & services
- Resource conservation
- Investments & infrastructure
- Compliance & transparency
- Code of Conduct
- Diversity, inclusion & equal opportunities

3. MATERIAL FIELDS OF ACTION

Sixt's sustainability management seeks to harmonise the Group's business activities with ecological, social and ethical aspects. It is operationalised through fields of action, goals and measures and integrated into the company processes. In addition, sustainability management builds on the requirements and interests of stakeholders. Customers, employees, suppliers and investors are of particular importance here. In addition to the overarching areas of "Sustainability at Sixt" and "Strategy and Management," the Group's sustainability management is divided into seven material fields of action that cover the results of the materiality analysis. These are described in more detail below.

Non-financial aspect	HGB	Material fields of action	Section
Environmental matters	§ 289c para. 2 no. 1	**Shared Mobility**	3.1
		- Environment-related products & services	
		- Innovation & Partners	
		- Investments & Infrastructure	
		Greenhouse gas emissions & air quality	3.2
		Resource conservation	3.3
Social matters	§ 289c paragraph 2 no. 3	**Customer satisfaction**	3.4
		- Product quality & safety	
		Data protection & IT security	3.5
Employee matters	§ 289c paragraph 2 no. 2	**Employee matters**	3.7
		- Diversity, inclusion and equal opportunities	
Combating corruption and bribery	§ 289c paragraph 2 no. 5	**Corporate Governance, Compliance & Transparency**	3.8
		- Code of Conduct	
Respect for human rights	§ 289c paragraph 2 no. 4	Formally not a material field of action for Sixt in terms of the CSR Directive Implementation Act	–

3.1 SHARED MOBILITY

The future of climate-friendly and resource-saving mobility lies in Shared Mobility. Sixt understands this term to mean both the more shared use of means of transport and the optimised combination of means of transport for a certain route. Shared Mobility will become sufficiently attractive when the economic and ecological advantages on the one hand and largely preserved individual mobility on the other hand balance each other out.

In this scenario, Sixt understands Shared Mobility as the guiding idea of offering its customers the freedom to be flexibly mobile worldwide. Sixt is convinced that Shared Mobility concepts will become increasingly important in the future. The mobility platform ONE already enables the implementation of such concepts today through the flexible use of vehicles across a diversified product range.

Environmentally friendly products and services

In 2023, Sixt's vehicle fleet comprised an average of around 169,100 vehicles. Of these, 17.9% were purely electrically powered vehicles (e-vehicles), plug-in hybrids and mild hybrids, after a share of 11.2% in the previous year. Sixt is thus continuing its strategy of acting as a trendsetter and always being able to fully serve a growing interest in environmentally friendly vehicles. In the densely populated Netherlands, the entire rental fleet for SIXT share is already operated by e-vehicles. At the same time, Sixt is closely monitoring the framework conditions and – without losing sight of the long-term strategy – will take these conditions into account when purchasing electrified vehicles. On the one hand, residual values for purely battery-electric vehicles have come under significant pressure by 2023, which, in combination with the high acquisition costs and high interest rates, leads to significantly higher operating costs. Repair costs are also regularly higher than for combustion-engine vehicles. In addition, demand is also still at a lower level than for combustion vehicles.

Fleet size	2023	2022	2021	2020	2019
Average number of vehicles from Sixt	169,100	138,400	125,300	113,800	150,700
Share of all-electric vehicles, plug-in hybrids and mild hybrids	17.9%	11.2%	8.8%	3.3%	1.4%
Share of all-electric vehicles, plug-in hybrids and mild hybrids in Europe	23.8%	14.4%	10.7%	3.9%	1.7%

Sixt also gradually expanded its infrastructure for e-vehicles in 2023. The focus of this expansion was on Germany and France. As soon as an increased demand for e-vehicles becomes clear, Sixt will accompany this development with appropriate measures in the infrastructure.

The development of demand and the expansion of the electric infrastructure needs to be closely interlinked; otherwise, there is a risk of misallocation of resources if the infrastructure is expanded at great expense and the corresponding demand fails to materialise.

Sixt will develop the offer of low-emission and zero-emission vehicles depending on the future development of battery and charging technology. However, the concrete fleet share also depends to a considerable extent on technical progress and the corresponding change in customer preferences and wishes. If customer demand for this vehicle category increases, Sixt will react quickly by increasing the corresponding range of vehicles on offer. Against the backdrop of this market development, which is difficult to forecast, Sixt cannot currently set any concrete reduction targets because the achievement of these goals could only be influenced by Sixt to a limited extent. However, the company will implement various measures to steadily reduce the average standard consumption of the fleet.

Innovation and partners

Sixt invests in innovative business models and approaches to e-mobility and Shared Mobility. For example, Sixt holds a stake in Axilion (Israel), a developer of artificial intelligence for predicting traffic flows, since 2019. In September 2023, the partnership with Blacklane was announced. As part of this, Sixt became an investor in Blacklane GmbH, Berlin. Blacklanes's chauffeur services will be available as an additional mobility option via the SIXT App in the US from 2024.

Investments and infrastructure

In order to offer customers the highest level of service and to simplify the administrative processes surrounding the use of Sixt services as much as possible in the sense of Shared Mobility, a double-digit million-euro amount was invested in the further development of customer-oriented information technology (especially applications) also in the reporting year 2023. Sixt invests in the digitalisation of business processes, i.e. wherever processes become more efficient, cost-effective and customer friendly as a result of these investments and support business development.

3.2 GREENHOUSE GAS EMISSIONS & AIR QUALITY

As a provider of mobility solutions, Sixt is aware of its responsibility for climate protection and has set itself the goal of not only continuously reducing the average CO_2 emissions of its fleet, but also to reduce overall greenhouse gas emissions and the emission of other substances that impair air quality as much as possible. Sixt will achieve this through a combination of different measures, such as the continued use of new vehicles with the latest drive.

Emissions Objective	Activities	Performance indicator
Reduction of the average CO_2 emissions of the fleet Reduction of average air pollutants Expansion of the electrically powered fleet	Renewal of the vehicle fleet with a focus on vehicles with the lowest possible emissions	▪ Emissions (direct and indirect) ▪ CO_2 emissions (Scope 1-3) ▪ Ø CO_2 emissions of the fleet

All vehicles in the Sixt rental fleet are state-of-the-art in terms of resource efficiency, CO_2 emissions and safety systems. Passenger cars are usually kept in the fleet for about six months before they are replaced by the latest models available on the market. The average CO_2 emissions per vehicle internationally (measured in g CO_2/km) in Sixt Group decreased in the reporting year 2023 from 162 g CO_2/km in 2022 to recently 156 g CO_2/km. The average CO_2 emissions is thus below the previous year despite the expansion of the fleet in North America and in the Van & Truck business. CO_2 emissions for passenger cars in Europe were 127 g CO_2/km (2022: 130 g CO_2/km).

CO_2 emissions of all vehicles according to standard consumption in Sixt corporate countries	**2023**	2022	2021	2020
Ø Greenhouse gas emissions of the Sixt vehicle fleet	156 g CO_2/km	162 g CO_2/km	150 g CO_2/km	152 g CO_2/km

3.3 RESOURCE CONSERVATION

The protection of the environment and the responsible use of resources are a matter of course for Sixt. The Group keeps energy and water consumption in its sphere of influence as low as possible. With the help of its environmental management systems, which are certified in accordance with the international standard DIN EN ISO 14001:2015 at Group headquarters and other key locations, Sixt regularly monitors its resource consumption and strives to achieve continuous efficiency improvements.

Sixt pursues the goal of constantly improving its energy efficiency and reducing its energy consumption. In addition to the implementation and monitoring of concrete energy efficiency measures, energy audits and the sensitisation of employees are also part of the measures aimed at the resource-saving use of energy. Measures to increase energy efficiency are particularly easy to implement at Sixt's corporate headquarters, as the Group bears direct responsibility for the planning, construction and operation of the buildings, technical infrastructure and IT there. According to the energy audit in accordance with DIN EN 16247-1, which was carried out for the last time in financial year 2021 for calendar year 2020 and has to be renewed every four years, the consumption values for corporate headquarters are within normal parameters, and the heating requirement is below average.

The total energy consumption of the Sixt Group in Germany in 2020 was 19.1 gigawatt hours (GWh) according to the TÜV Süd energy audit. This is a significant improvement compared to 2016 (penultimate complete survey), when Sixt consumed 26.3 GWh of energy in Germany; this corresponds to an average annual improvement of 7.7 %.

Sixt SE's corporate headquarters has been connected to geothermal energy since 2018. This reduces gas consumption at the Pullach site by 95 kWh natural gas/m²a. As part of further modernisation measures, energy efficiency was significantly improved, among other measures. One area of this is the increased use of LED lighting. According to the most recent energy audit, this can result in savings of 50% in the area of electricity for lighting. In addition, Sixt purchases electricity from renewable energy sources (green electricity) for all its sites in Germany where Sixt is responsible for purchasing. The properties at other locations are rented, therefore Sixt's influence on energy efficiency there is comparatively low. Nevertheless, the company pays attention to the use of sustainable technologies in the ongoing renewal, expansion and new establishment of locations. For example, almost exclusively energy-saving LED lighting is used when setting up Sixt stations.

Energy Objective	Activities	Performance indicator
Continuous improvement of energy efficiency	Implementation of measures and monitoring of energy efficiency measures Implementation of energy audits Raising awareness of energy-saving measures among employees	Total energy consumption

In addition to improving energy efficiency, Sixt has set itself the goal of continuously optimising its water consumption. This affects both administration and operations. Despite more employees returning to the office, the company headquarters achieved water consumption of around 3.8 m^3 per employee in 2023, which was well below the 7.9 m^3 per employee in 2019.

Sixt washes its vehicles at its own car washes at the airports in Frankfurt and Cologne, for example. By using water recovery systems, up to 85% of the wash water can be reused. The average amount of (fresh) water used for vehicle cleaning is about 150 litres per wash. By using water reclamation, the amount of fresh water used can be reduced to about 25 litres, and about 125 litres are recycled. Likewise, dry washing already saves up to 150 litres of water per vehicle cleaning at many Sixt locations.

Water consumption per employee at company headquarters in m^3	**2023**	2022	2021	2020	2019
	3.8	3.0	3.5	3.6	7.9

Sixt is also consistently converting the printing and dispatch of rental agreements and invoices to electronic document dispatch. For example, Sixt had already largely discontinued the printing and dispatch of paper rental agreements in Germany in financial year 2019.

Regular monitoring of resource consumption takes place with the ISO environmental management system DIN EN ISO 14001:2015.

3.4 CUSTOMER SATISFACTION

Sixt permanently analyses customer satisfaction. After each use of a product or service, customers are asked by e-mail to assess the service provided and to give a quantitative evaluation. The two questions "How satisfied were you with the rental?" and "Would you recommend Sixt?" are of great importance to the result?" Customers can rate their satisfaction on a scale from one (dissatisfied) to five (very satisfied). Supplementary and explanatory information is also possible. Sixt derives optimisation measures from this information, such as changing the staffing of work shifts to reduce waiting times for customers, or targeted training measures for employees.

The global customer satisfaction score for Sixt's car rental business, the Customer Excitement Score (CES), reached an average of 4.50 points on the one to five scale in 2023.

Customer satisfaction	**2022**	2022	2021	2020	2019
Customer Excitement Score (CES) 1 = dissatisfied, 5 = very satisfied	4.50	4.42	4.38	4.40	4.42

The highest satisfaction score of 4.64 points was achieved by Sixt in Spain. The satisfaction scores increased compared to the previous year, reflecting Sixt's ambition to get as close to the highest score of 5.0 as possible.

Product quality and safety

The Sixt vehicle fleet is comprised of high-quality vehicles of all categories. Safety aspects play a very important role in the selection of manufacturers and models. During operations, the vehicles are permanently subjected to visual inspections and undergo scheduled maintenance. The vehicles are also checked for possible damage after each return. In addition, time-based, kilometre-based maintenance and ad-hoc recalls (e.g. recall by the manufacturer) ensure the safety and high quality of the vehicles. Sixt is not aware of any cases of health or safety impairments in which the company was accused of disregarding compliance with safety standards.

Depending on the vehicle type, the vehicles are equipped with modern assistance systems such as automatic distance and lane keeping functions, blind spot warning or a rear view camera. A personal handover usually takes place with trucks, during which the special dimensions of the vehicles are specifically pointed out. In addition to this, Sixt offers a range of protection services for all aspects of driving.

3.5 DATA PROTECTION & IT SECURITY

Networking and digitalisation play an important role in future mobility. The advantages are offset by increased risks for the protection of personal rights and data security. Minimising such risks for customers and business partners as well as the operating business is extremely important to Sixt. To ensure the responsible use of the opportunities offered by digitalisation Sixt therefore has a comprehensive concept of IT security and data protection measures oriented to the relevant industry standards. As part of this, Sixt has established organisational and technical measures to comprehensively protect the operational security of its information technology (IT) systems, products and processes as well as customer data.

The information security organisation, consisting of a Chief Information Security Officer (CISO), information security managers and security specialists in IT, is constantly working to improve protective measures, to ward off cyber-attacks, for example. The organisational measures implemented include company-wide information security policies, regular audits and security awareness training for employees. The technical measures implemented include regular so-called penetration tests (simulated attacks on IT systems to discover vulnerabilities), "bug bounty programmes" for external hackers (identification of security gaps), the monitoring of IT processes and data processing and the use of powerful security software in the working and development environment of the IT systems. Across industries, the number of cyber-attacks by third parties on companies' IT systems, with the goal of causing damage or spying on data to monetise it, sees an increase since years.

With regard to data protection, Sixt takes the utmost care and fulfils its responsibility with regard to the protection of customer and business partner data without restrictions. For this purpose, Sixt has established a data protection management system with dedicated functions. These include, in addition to the legally required data protection officer, so-called data protection coordinators who are responsible for implementing the corresponding requirements for products and processes. In addition, employees received continuous activity-related training with regard to data protection regulations.

3.6 SOCIAL ENGAGEMENT

The Regine Sixt Children's Aid Foundation is the official Corporate Social Responsibility (CSR) programme of Sixt SE worldwide.

Not every child has the privilege of starting the day with hope and confidence. For more than 20 years, the Regine Sixt Children's Aid Foundation has been acting under the motto DRYING LITTLE TEARS to improve the living conditions of needy children around the world. Since it was founded, more than 350 children's aid projects have been realised in over 65 countries in the areas of education, welfare, health and emergency aid. Founded in 2000 as Regine Sixt Kinderhilfe e.V., the organisation was converted into a charitable foundation in 2010.

Regine Sixt is supported on the Foundation's Management Board by her sons Alexander Sixt and Konstantin Sixt as well as Dr. Julian zu Putlitz and Dr. Andrew Mountstephens. On the Advisory Board of the Regine Sixt Children's Aid Foundation, Prof. Dr. Marcus Englert, Dr. Brigitte Mohn and Dr. Daniel Terberger as well as Prof. Dr. Peter Biberthaler support the work of the foundation.

The Regine Sixt Children's Aid Foundation is the official Corporate Social Responsibility (CSR) programme of Sixt SE and an integral part of the company culture. Sixt employees are actively involved in the charitable commitment. Every employee has the opportunity to participate in the annual DRYING LITTLE TEARS Day, on which they can actively support a charitable organisation that is committed to the well-being of children. The commitment ranges from excursions with the children to active support in the institutions concerned. During the Easter and Christmas season, Sixt employees around the world traditionally visit children in hospitals, children's homes and care facilities, bringing joy to the little patients and residents and giving them their time and attention. This year, "Regines Kinderwiesn" took place for the 22nd time at the Oktoberfest in Munich. Here, too, the Sixt employees accompany the little guests and give them a special day at the Oktoberfest.

Relevant projects were completed again last year, including the extensive renovation of the gymnastics room at an orphanage in Munich. The orphanage in Munich can now teach the children the fun of exercising again inside the four walls of the gymnastics room and train their motor and social skills. The gymnastics room was officially opened for the children at a sports festival.

The newly established special school classes at the Centro Mater Misericordiae in Palma de Mallorca were supported in their care of children with intellectual disabilities by equipping the outdoor area. The support included the adaptation of the playground, which enables the children in their care to engage in physical activities that suit their disabilities.

The construction of the protection centre in Bamenda, Cameroon, which was financed by the Regine Sixt Children's Aid Foundation, was also completed this year. It now serves as a safe haven for up to 500 children a year who are fleeing the violent conflicts in the region and as a place where they can process their traumatic experiences and continue their school education.

The Kinakoni Project in Kenya was also completed: The Regine Sixt Children's Aid Foundation supported the complete renovation of the dilapidated primary school. Thanks to this measure, 250 children can now continue their education, which is an important cornerstone in the fight against hunger. The grand opening took place in September 2023. Here, too, the Regine Sixt Children's Aid Foundation places great importance on sustainable cooperation with the project partners and follow-up projects in Kinakoni are already being discussed.

In Israel, the Gonenim Day Care Centre in Jerusalem is being supported with renovation measures. The centre looks after children aged 0-3, many of whom have a migrant background. The donation will enable the day care centre's premises to be renovated and official safety standards to be met.

The Regine Sixt Children's Aid Foundation works in close partnership with renowned aid organisations to realise its projects. These include Malteser Hilfsdienst, Johanniter Unfallhilfe, the Jerusalem Foundation and many other valuable cooperation partners.

3.7 EMPLOYEE MATTERS

Sixt places great importance on being an attractive employer for its employees. To achieve this, the company wants to offer the entire workforce the most pleasant working environment possible and strengthen cohesion to a great extent. This is achieved with an attractive and authentic company culture, which is not only important for current employees, but also in dealing with the shortage of skilled labour.

Attracting talent remains a challenge, particularly with regard to professions with direct customer contact. For this reason, many proven and new recruitment initiatives were carried out both locally and globally in the reporting year in order to inspire and attract potential employees to the company.

In order to organise the personnel processes – both in recruitment and in the remaining personnel work – as efficiently as possible, Sixt relies on internationally coordinated and modern standards and focuses on digital solutions.

3.7.1 ATTRACTIVE EMPLOYER

The demands of skilled workers are high. In order to attract and, above all, retain them – especially in times of company growth and a shortage of skilled labour – Sixt must be an attractive employer. To achieve this, the company relies on a strong and open culture, puts the employee at the centre and ensures attractive remuneration as well as an inclusive and diverse working environment.

Employer attractiveness target	Activities	Performance indicator
Increase attractiveness of Sixt as an employer and employer of choice	Continuous further development of a global employer branding concept Expansion and digitalisation of People Experience department	Satisfaction measure in surveying employees Fluctuation rate Number of areas with People experience support
Increasing the work-life balance of employees	Expansion of programmes to strengthen the work-life balance	Ratio of employees on a trust-based working time basis
Maintain a high level of employee satisfaction	Regularly conducting and evaluating employee satisfaction surveys and deriving potential need for action from the results of the survey	Satisfaction measure in surveying employees Fluctuation rate

Promotion of a strong company culture

A strong company culture is essential for Sixt. It defines the collective goal and common values and thus creates orientation, stability and cohesion. The pillars of Sixt's company culture were revised in 2023. For this purpose, the points that make Sixt unique as a company were consolidated in discussions with employees, the Management Board and the HR department and set out in six new values (BIG SIXT) and six new leadership principles (SIXT Leadership Principles).

These new behavioural anchors transparently describe which competencies, behaviours and leadership styles are required at Sixt. In the future, the values and leadership principles will serve as anchor points for assessing employees both in the recruitment process and in employee appraisals.

In order to communicate the adapted company values and new management principles to all employees and subsequently enable them to identify with them, the introduction of the new values began with a major internal campaign at the end of May 2023. To this end, an image video was made with six employees, screensavers were installed on all laptops and employees were initially introduced to the new values and principles through e-learning. 75% of employees completed the e-learning for BIG SIXT and 87% of managers completed the e-learning for the SIXT Leadership Principles. Each team was then asked to hold a workshop on the new values in order to gain a shared and, above all, in-depth understanding of BIG SIXT and to embed these in all future decisions and actions.

Employee satisfaction

Employees are at the centre of Sixt's focus, as employees who feel good and enjoy going to work are more successful and stay with the company. For this reason, the company has a People Experience department that is specifically responsible for employee satisfaction and for planning and coordinating events that are organised globally but held locally.

For example, International Women's Day was celebrated at Sixt in March and a global health week was organised in October. This involved various digital and physical events such as having breakfast together, meditation sessions, sports programmes, yoga classes and small surprises for our branch employees. In order to strengthen team cohesion and the exchange between departments, various initiatives were also made possible in the countries. In Germany, for example, there are various sports offerings such as football and running groups, while in India there is a cultural and community club and a Sixt sports league.

The success of an authentic culture is also reflected in the figures: Stern magazine recognised Sixt as a "Company with a Future" by giving it a score of 4.4 and thus four (out of five) stars in the "Large Companies" category. The key topics of structural organisation and empowerment each stood out by receiving the full score (5 points).

Italy, the UK and the United States also successfully participated as pilot countries in the "Great Place to Work" certification programme. In the US, 78% of team members said that SIXT USA is a "Great Place to Work," which is 21 percentage points higher than the benchmark. In the UK, 74% agreed with this statement and in Italy the figure was 76%.

Overall, the above-mentioned initiatives have contributed to retaining employees at the company and increased the "retention rate" – which shows how many employees stay with Sixt – by four percentage points in the reporting year.

Excellent workplace culture

As also laid down in the management principles, it is important to Sixt to promote the personal responsibility of employees and to allow them freedom in order to encourage them to remain loyal to the company. This includes giving employees the confidence to organise their working hours flexibly where the job profile allows. For this reason, corresponding mobile work regulations will also be in place in the company's respective countries in 2023.

Employees with a German employment contract are also still allowed to work from other European countries, Switzerland and the UK for up to 30 days a year.

Managers and employees are instructed and trained in order to comply with the statutory working time regulations in each country, despite the flexibility available. In Germany, for example, there are work instructions in the operational area that every new station employee must sign. In addition, managers receive e-learning on the subject of recording working hours and dealing with employees' time accounts.

Besides offering a certain amount of freedom, the company is convinced that a company culture can only thrive through personal interaction and that the regular physical presence of employees is therefore essential. In order to promote this personal communication and cohesion, the "Kitchen connection" series of events is held regularly at the head office. Here, a department invites employees to exchange ideas in its "office kitchen" after work and presents its projects and topics in a relaxed atmosphere while having drinks and listening to music.

Such events, the newly designed headquarters and a fitness centre create an additional incentive to come to the office and bring the company culture to life.

Employee surveys & feedback culture

The open feedback culture is one important element of our company culture and therefore also anchored in the management principles. Sixt places great importance on actively involving employees in strategic decisions and obtaining input from the workforce. For this reason, the SIXTpulse employee survey is conducted twice a year, and important measures to promote employee satisfaction are derived from the feedback.

In 2023, the surveys were conducted in June and December, with an average participation rate of 69% (2022: average 64%) of all employees worldwide. The survey provides information on employees' intention to continue their employment relationship with Sixt in the future (Retention Score), their willingness to recommend their area of work at Sixt to friends and acquaintances (Recommendation Score) and their satisfaction with their manager (Leader Score). The average results for the year under review indicate a consistently high level of employee satisfaction and hardly any change compared to the previous year. On a scale of 1-4, the following average results were achieved for the three areas: Retention Score 3.50 (2022: 3.50), Recommendation Score 3.24 (2022: 3.37) and Leader Score 3.58 (2022: 3.60).

Three global focus topics were derived from the results of the SIXTpulse survey: For example, one of the employees' wishes was to anchor the value-driven management culture more deeply in the company in accordance with the SIXT Leadership Principles. A training course, which has already been attended by 87% of our managers, contributes to this goal. The second focus topic was communication. In order to strengthen transparency and the exchange of information across hierarchical levels, the company has developed measures worldwide such as strategy videos from the Management Board, branch visits and meetings with the relevant management in the countries. In addition, the company pursues a consistent "internal first" approach. This means that Sixt strives to communicate important news to employees first before it is published in the media. Last, but not least, the topic of remuneration and employee benefits was derived as a focus topic. As a result, the travel allowance was extended to all employees with a German contract and other corporate countries also introduced attractive new benefits.

Health and safety

Our main goal is to ensure the well-being and safety of all employees at Sixt. To this end, EHS (Employee Health and Security) management continued to focus on prevention in the reporting year. In order to minimise the risk of fire, the German testing company tested 29,074 electrical devices in the German office locations and branches. In addition, 87 new fire safety assistants were trained throughout Germany and fire safety and evacuation drills were organised for all German office locations.

Digitalisation continues to play a role in EHS management. For example, a new first-aid hotline was introduced, which can be reached via a printed QR code on the emergency plans in the office locations.

The company also offers online medical consultations every Friday afternoon via an occupational health service provider and German employees can book an on-site medical check-up once a year.

Career and family

The compatibility of work and family is very important to Sixt. In 2023, the share of women on parental leave in Europe was 5.2% (2022: 5.5%) and the share of men on parental leave was 2.2% (2022: 1.8%) of all employees. Furthermore, Sixt also enables managers to work part-time in order to manage their career and family obligations well. In the reporting year 2023, 4% (2022: 4%) of managers continued to work part-time.

Following the great success of Children's Day in December 2022, Sixt also invited employed parents to bring their children to the administrative locations in Pullach, Rostock, Milan and Fort Lauderdale in 2023 and show them their workplace. Employees on parental leave were also invited to exchange ideas with their colleagues and to revive old contacts.

Diversity, inclusion and equal opportunities

Sixt attaches great importance to supporting its employees regardless of gender, age, religion or origin. For the further development of diversity, Sixt had already committed itself to the "Diversity Charter" in the past. This charter is a voluntary commitment published in 2006 by major German companies that advocates a prejudice-free working environment. In the reporting year, more than 110 (2022: 110) different nationalities worked for Sixt.

Personnel structure at Sixt worldwide in 2023		
Gender ratio	Women: 42 %	Men: 58%
Age of managers	up to 30 years	38%
	31 to 50 years	54%
	over 50 years	8%
Average age		34.8 years
Number of nationalities of Sixt employees (recording nationalities is restricted for legal reasons in the US)		110

Personnel structure at Sixt worldwide as at 31 December 2023	Women	Men	Total
by working time models[1]	**3,604**	**5,387**	**8,991**
Full-time	2,972	5,025	7,997
Part-time	632	362	994
by contract type[2]	**3,788**	**5,438**	**9,226**
Permanent	3,629	5,098	8,727
Temporary	159	340	499
by region (yearly average)	**3,591**	**5,144**	**8,735**
Germany	1,471	1,929	3,400
Europe	1,302	1,828	3,130
North America	729	1,020	1,749
Other	89	367	456

1 *Values refer to all employees with active employment status*
2 *Values refer to all employees with existing employment contract*

The gender structure at Sixt worldwide is almost balanced, with 42% women (2022: 43%) and 58% men (2022: 57%). The share of women worldwide in management positions with first and second-degree reporting lines to the Management Board is stable at 29% (2022: 29%). Details on the management structure of the first two management levels below the Management Board (C-level) are presented below:

Management structure at Sixt worldwide		
Gender quota	Women: 29 %	Men: 71%
Age of managers	up to 30 years	2%
	31 to 50 years	83%
	over 50 years	15%
Average age		42.3 years
Number of nationalities of Sixt executives (recording nationalities is restricted for legal reasons in the US)		14

Special mentoring and development programmes are in place to further promote female talent within the company. Networking initiatives such as the monthly "Female Lunch" or the Women's Affinity Group (W(i)NGS) set up in India also contribute to this.

An important tool for promoting employee diversity is the DiverSIXTy initiative, which has been in place at Sixt for several years and operates globally. In reporting year 2023, this area was strategically expanded and a global DiverSIXTy committee was formed. This committee consists of 13 employees from 10 different countries. The committee meets virtually every two months to exchange ideas and roll out initiatives such as "Pride Week" globally. For example, "Pride Month" was celebrated globally in June to celebrate diversity and freedom and to protest against discrimination against LGBTQIA+ people. Branches and head offices around the world were decorated in rainbow colours, and Sixt also took part in the Christopher Street Day Parade at several locations. Furthermore, recruiters received training on "unconscious bias" as part of a recruiting training programme in the reporting year in order to raise awareness in this area. Managers are also to be trained in this area in the future.

In October, the "Pink October" initiative drew attention to the risks of breast cancer, and in November the "Movember" movement drew attention to prostate cancer.

Anti-discrimination has been enshrined in the company-wide Code of Conduct – which is the minimum requirement for all countries – for years. In the reporting year, as part of the new edition of the Code, various more detailed information was also published on the intranet – including against harassment in the workplace. In addition, a hotline was set up so that any concerns or violations can be reported anonymously.

3.7.2 RECRUITMENT STRATEGY

The shortage of skilled labour is omnipresent, especially in professions with direct customer contact and shift work, as benefits such as mobile working cannot be offered in these professions. Sixt also felt the challenges of the shortage of skilled labour in the reporting year, particularly in the recruitment of branch staff. Nevertheless, Sixt was able to close vacancies as far as possible in the reporting year.

Talent Marketing

In order to give potential new employees an insight into the mindset and culture of Sixt and to encourage them to apply, the new employer branding video "We are Sixt" was produced with employees in the reporting year. The short video was published on the website and in job advertisements, among other places. In addition, it was successfully played out both organically and as paid advertising via various social media channels, including in the UK and the US. The paid campaign in the UK for the employer branding video on YouTube achieved over 400,000 impressions in only four weeks and in the third quarter, the campaign achieved 7.8 million impressions on Meta in Germany alone.

Due to the noticeable shortage of skilled labour in the branches, this area was particularly focused on in the talent marketing measures. Online marketing, especially social media, is becoming increasingly relevant for employer marketing compared to offline marketing.

In order to target potential rental sales agents, for example, testimonial videos were created with branch employees in Germany to share authentic insights and success stories of a rental sales agent. These videos were then published on social media channels such as YouTube, LinkedIn and Instagram, in job advertisements and on the website, as well as in 42 fitness studios in three cities. 10 million impressions were achieved on Meta in the third quarter. The campaign was also received quite positively on YouTube and delivered a viewing rate (what percentage of people watch the video until the end) of 88% and 2.3 million impressions.

In total, 32 million contacts were generated in 2023 through targeted marketing campaigns on Meta and Google.

Nevertheless, the company has also relied on proven offline recruitment measures. Among other activities, foil advertising for the job of rental sales agent was applied to vans and trucks in Munich as a pilot project. Selected recruitment fairs were also attended, such as hercareer in Munich, the Top Women Tech IT Summit in Brussels and the London Job Fair, the largest careers fair in the UK. The company also organised its own events, such as "open houses" for those interested – including in the office buildings in Rostock and Berlin. In addition, a Java Meetup for potential applicants in the tech industry was organised at the company's headquarters in Pullach. The goal of the event is networking, professional exchange and, at the same time, positioning Sixt as a relevant employer in the Java sector. The company was able to register 45 participants at this specialised event. The target audience of potential employees in the tech sector can also be found in Portugal, which is why events were organised here for this target audience, including guest speakers from other tech companies.

The internal "Employees recruit employees" referral programme remains one of the most successful initiatives. More than 8% of recruitments in Germany were made on the basis of this programme. For this reason, the "Employees recruit employees" bonus of EUR 2,000, or EUR 3,000 for management roles, continued to be paid out to employees.

Sixt received 308,537 job applications in the year under review.

Recruitment in the area of branches

In the reporting year, 3,350 new employees (2022: 2,561) joined the branch network. Recruitment focussed on the profiles of rental sales agents.

In order to bundle resources and increase the speed of the process, which is extremely important for the target audience of rental sales agents, Sixt introduced digital applicant rounds on a weekly basis from July of the reporting year. In order to give the applicant an even better picture of the role of the rental sales agents and thus preventively reduce voluntary fluctuation, familiarisation hours are offered in the potential branch.

In order to fill all positions at our major European airports in particular, Sixt has decided to recruit seasonal specialists from all over Europe. In the first three months, the candidates are supported with a comprehensive support programme in the form of travel, accommodations and assistance with all of the necessary formalities.

Another initiative to counter the shortage of skilled labour is the retention of seasonal specialists beyond the season. For example, 13 employees from Italy and Spain supported their colleagues in other major European cities from November on, with the goal of being deployed in Spain or Italy again at the start of the season. With this measure, seasonal employees can also be tied to Sixt for the long term.

Sixt University, which was launched in Italy, is a global recruitment initiative for the recruitment of rental sales agents. Potential rental sales agents are trained for their new role for a total of 90 hours in Italy at Sixt University. This preparation usually takes place on a part-time basis over two to three weeks. A career as a rental sales agent at Sixt can begin after they have successfully completed this training. Here, the rental sales agent is assigned to a preferred work location within Europe that is specified at the beginning. A total of 73 people were trained as rental sales agents at Sixt University in the year under review.

Recruitment in the administrative and tech locations

Sixt has set itself the goal of focussing on cultural fit in addition to professional qualifications when recruiting talent. For this reason, the interview process has been expanded to include an interview that focusses exclusively on this aspect, especially for positions in the head offices and for managers. This ensures that the new employees also fit in with the Sixt culture and thus feel comfortable at Sixt.

The Lisbon location, which was opened in 2022, will be expanded in order to be able to expand the search for talent for service-oriented positions and areas in addition to the tech sector and thus utilise a larger talent pool. This will give Sixt access to highly qualified international specialists. Furthermore, the team there can take on tasks centrally for the whole of Europe and thus avoid redundancies in the individual countries.

One instrument to enable employees with a cultural fit to re-enter the company is the "Orange Return Ticket," which was introduced in the last quarter of 2023 for top performers throughout Germany. On the one hand, it serves as a sign of appreciation for these talented individuals who were cultural ambassadors before leaving the company, achieved great results and made a significant contribution to the company's success. Secondly, by issuing the ticket, the company has the opportunity to remain in contact with the former employee. A potential re-entry of such a high performer after an experience outside of Sixt is easier and more likely thanks to this measure. Worldwide introduction is planned after the pilot project has been completed in Germany.

3.7.3 EMPLOYEE PROMOTION AND DEVELOPMENT

Sixt expects its managers to promote and develop their team members. This is why the company has enshrined this in its management principles and provides comprehensive programmes for this purpose. To this end, the employee's development needs and opportunities are first determined by conducting a comprehensive employee evaluation and then addressed with coordinated development programmes and digital training offers.

Employee promotion and development	Activities	Performance indicator
Further development of the professional expertise of employees and managers	Demand-oriented, target audience-specific, digital and analogue learning formats	Number of training courses and number of participants
Further development of remuneration models	Regular evaluation and improvement of the employee participation programmes	./.

Employee evaluation
The new employee evaluation called "Perform.Grow.Excite!" was introduced at the end of 2022 to replace the previous annual employee appraisal. The goal of the new employee evaluation is not only to look back at performance, but also to look ahead and discuss career development with the employee by focussing on their individual strengths and areas for development. With "Perform.Grow.Excite!," the employee receives feedback not only from the manager alone, but also from colleagues as part of the further development planning process.

The employee is then further supported with targeted measures, such as development plans, regular meetings with a mentor or a targeted development programme. These measures are not only discussed in the one-time evaluation meeting, but also in an ongoing dialogue between the employee and manager. At least three such meetings were mandatory in reporting year 2023.

Feedback from managers and employees was already conceptually incorporated into the "Perform.Grow.Excite!" process in this reporting year. In addition, the evaluation matrix was adapted to the defined cultural behavioural anchors of BIG SIXT and management principles. This is intended to ensure that the cultural behaviour of employees and managers is included in the evaluation in 2024 alongside the results achieved and professional skills.

Talent programme
199 employees who were classified as high performers – known as "Accelerators" – in the previous "Perform.Grow.Excite!" started a special training and career development programme in reporting year 2023. Depending on the career level the candidates are currently at, this includes personality tests, mentoring programmes, career-related web content and training.

"Accelerators" with a specifically defined career step in senior management in the next 18 months also take part in a so-called "Business Athlete Program." Here, participants learn methods from competitive sports that help them to maximise their performance and support them in their next career step. In addition, they are prepared to become leading cultural ambassadors within and outside the company in order to make a significant contribution to ensuring that the new values are lived by all employees worldwide.

Binding programme
There is a dedicated loyalty programme for the 500 best performers in the branches. These are characterised by their unique sales and service strength and are determined on the basis of customer satisfaction and sales figures. Among other features, these employees receive additional benefits, networking opportunities with managers at headquarters, workshops and exchange sessions or 1:1 coaching sessions. In addition, a few top performers become mentors for other branch employees who have high potential to soon become top performers.

Development programme
The "Performance Success Program" introduced globally is available for branch employees who need support in sales or service. By offering a customised e-learning path, regular short management meetings, specific online and offline workshops, 1:1 coaching sessions with our trainers and monthly progress reviews, this program helps employees to improve their performance and, ideally, to develop into top performers.

Trainee programmes
In order to further counteract the shortage of skilled workers, one focus of personnel work is the expansion and standardisation of trainee programmes. Especially in the operational area and in strong growth markets where new branches are opened, Sixt relies on young talent from within the company.

The company had a total of 156 branch trainees in the reporting year (2022: 233). The comparatively high number from the previous reporting year is due to the fact that Sixt provided more training in 2022, as it was the first year after the coronavirus pandemic. The trainees are trained as Branch Managers or Supervisors in 9-12-month trainee programmes. They go through various phases in which they are taught the knowledge, tools, programmes and leadership skills they need to manage a branch. Since April 2023 – for the first time since the coronavirus

– the interim and final examinations for German trainees have once again been held exclusively in person at company headquarters in Pullach.

In a joint project between the German corporate headquarters and Sixt in the US, work is currently underway on an “Ops Career Model” career path to develop trainees to the level of regional manager or country manager. Part of this pathway will be a standardised trainee programme that prepares high potentials from the ranks of rental sales agents or external applicants for a branch manager role. After successfully taking over a smaller branch, standardised criteria (performance KPIs) will determine the next career steps up to taking over a large branch at an airport. An additional programme to prepare for a divisional manager position is also part of the project. The “Ops Career Model” thus creates attractive prospects for employees in the operational area, increases the quality of managers and enables synergies between the countries through standardisation.

The trainee programme also took place again in the central division in 2023. 27 central administration trainees (2022: 12) started their trainee programme in the reporting year. In this 18-month programme, the trainees rotate through various departments in their area, spend time in related areas, visit other Sixt locations and get to know the branch business. They spend up to four weeks in a branch and, since 2023, can also combine this with a stay abroad in one of the corporate countries.

Management development

Good managers empower employees to give their best every day and create a trusting and appreciative working environment. The new management principles were introduced in 2023 to provide support and guidance. Comprehensive e-learning was offered to help managers gain a deep understanding and embed them in their daily leadership role. In addition, the new requirements and resulting training topics arising from the new leadership principles were developed together with the training team and representatives from the US. The introduction of the new training courses is planned for 2024.

In order to support new managers in their role and pass on the basics of leadership to them, they are offered a training programme consisting of five different modules with content such as goal setting, effective and constructive feedback, communication, delegation and employee development. These modules are covered in e-learning courses, web sessions and a transfer session. 75 new managers (2022: 67) took part in this training programme in the reporting year.

The company also offers needs-based training opportunities for experienced managers. For example, following the introduction of the new employee evaluation programme “Perform.Grow.Excite!,” two modules were offered to support managers. On the one hand, they were able to receive training for the upcoming feedback meeting after the evaluation, and on the other hand, training was offered to learn different leadership styles so that they could apply them depending on the situation.

For managers in Germany and the US, there is also an offer for individual coaching. Here, managers can choose an external coach if they need coaching in order to work on individual topics such as leadership style, stress or resource management, decision-making power or conducting feedback discussions.

Customer centricity – also in administration

Customer centricity is another important component of our company culture. We want to inspire our customers and offer them a unique, convenient and sustainable mobility experience. For this reason, the motto throughout the company is that all activities and projects are geared towards this goal. This is obvious in the day-to-day work in the branch business. To ensure that employees at headquarters are also able to focus their daily work on this, we started revising the induction process in the reporting year. The goal is for all new employees to familiarise themselves with and understand Sixt products, operational processes and customers. As a first step, in the second half of the reporting year, new senior managers were given up to four weeks of induction training in the branch area to familiarise them with the company’s core business. The company is working on an induction programme for all other new managers, which is to be rolled out in 2024. This will involve them working in the branch for up to a week after they have completed all training similar to a rental sales agent.

Digital training programmes

To protect the company and its employees from cyber-attacks, Sixt offers online training courses on information security awareness. This increases employees’ awareness of attempted attacks via e-mail, telephone and social networks, thus significantly reducing the risk of “social engineering” – a method of gaining access to information through manipulation. The security training programme comprises 47 modules that are accessible to all Sixt employees in their respective languages via an external platform and are carried out via several campaigns throughout the year. The modules cover topics such as preventing dangers on the Internet, e.g. phishing and social engineering, mobile working, software and much more. Learning success is tested via quizzes on the platform and phishing simulations by e-mail.

In addition to further training in information security, the company offers opportunities for professional and personal development with its digital learning platform Sixt Campus. This was structurally revised in 2023 and made even more user-friendly. This gives all learners a better overview of their learning history and a significantly improved search function to find the training courses relevant to them. In addition, an expanded information page for managers, the "Team Leader Cockpit," has been introduced. This allows all managers to gain a comprehensive overview of their employees' further development. This places a stronger focus on continuous learning and allows easy planning of each employee's individual development. The expansion of internationally standardised training courses for the professional and personal development of employees was also a focus in the reporting year.

As with the digital training programmes, the focus was on training specialists in the operational area. A corresponding global training campaign focusing on premium service was therefore launched in the fourth quarter and will be continued in 2024. 1,500 employees were already trained in the fourth quarter of 2023. This equates to 44% of the employees relevant to the campaign participating in the stations.

In 2023, the training programmes were specifically divided into face-to-face and digital training. The aspects of sustainability and effort for the learner were taken into account here. In 2023, a total of 5,688 employees (2022: 948) were trained in 754 classroom training sessions (2022: 228). At the same time, 3,381 digital training sessions (2022: 1,963) were held with a total of 12,001 participants (2022: 11,540).

In total, the Sixt Campus offered 1,595 (2022: 1,358) web-based training courses in various languages, more than 586 (2022: 423) knowledge tests, 296 digital and face-to-face events (2022: 323) and around 91 (2022: 68) training plans tailored to the needs of employees in the reporting year.

Employee feedback is also of vital importance in the area of the Sixt Campus in order to constantly improve the offers. A short survey is therefore an integral part of the respective formats. In 2023, a quality index of 4.84 stars (maximum 5 stars possible) was achieved with 20,996 ratings submitted.

Attractive remuneration & benefits

The remuneration structure also plays an important role in employee recruitment and retention and was identified as the third global focus topic in the employee survey.

Inflation was still very noticeable in reporting year 2023. In order to provide financial support to employees during this period, Sixt – following the tax-free bonus per full-time employee in all countries in 2022 – distributed another tax-free bonus to full-time employees (part-time pro rata) with a German employment contract in June 2023.

In addition, regular benchmarks are carried out in order to adjust remuneration packages or other allowances and benefits if necessary.

The travel allowance has been extended to all employees with a German contract. All eligible employees – and therefore also employees in the operational area – now automatically receive EUR 20 net with their monthly pay cheque, regardless of how far they live from their first place of work or which means of transport they use to get to work.

Other benefits that have been introduced include EUR 250 in Italy, which employees were able to use tax-free on an online platform, legal expense insurance and free therapy sessions offered in the US, and new insurance coverage in India that applies to both employees and up to five family members.

Our employees continue to profit from various benefits that are exclusively available to them. These include discounts on the rental of Sixt vehicles, discounted use of SIXT share cars and the opportunity to give discounts on the company's own products to family and friends. In addition, most countries have access to the Corporate Benefits platform, which offers a wide range of benefits in areas such as travel, technology and fashion.

In addition, the company has opened its own fitness studio in the respective head offices in both Germany and Italy. Employees can use an endurance and strength training area free of charge. There is also a training room for courses such as yoga, as well as showers.

3.7.4 DIGITALISATION

The global standardisation of the system and process landscape at Sixt is progressing in order to standardise processes internationally and thus make them measurable and comparable.

Digitalisation in the recruiting sector
Sixt works with SmartRecruiters as its applicant management system. The system is used worldwide and is linked to the career website *sixt.jobs.* SmartRecruiters is used to integrate relevant job boards globally (e.g. Indeed, Indeed Apply and LinkedIn) and in local markets (Ziprecruiter in the US, Hippolyte in France). Further job boards are currently in the implementation phase.

In order to expand internal recruiting, an internal global job portal was also introduced. All Sixt employees worldwide can access this internal job portal via the intranet and view the jobs that are currently advertised – including those that are only available internally.

Two digitalisation initiatives were implemented to make the recruitment process for rental sales agents more efficient and easier with the help of digital systems and thus counteract the shortage of specialists in the operational area.

The test phase of the "Easy apply" programme began in the fourth quarter of the reporting year. This is intended to enable a target audience-oriented start to the recruitment process for rental sales agent positions in the branches. Potential candidates can apply in less than five minutes on a mobile device – during their lunch break or on the train. This works in a similar way to online shopping with just a few clicks and initial screening questions as well as the provision of contact details. This eliminates the need for a written application with a cover letter or CV on the computer. The link (or optional QR code) to the questions can be embedded via social media campaigns, on the career website or in job portals, for example. The candidate profiles are then automatically uploaded to the applicant management system. As the first component to be integrated into the overall recruitment process, this innovation enables a faster, automated and more efficient process for filling vacancies. In the future, this concept will also be extended to other locations and vacancies.

In addition to the "Easy-Apply" initiative, the ChatAssess assessment tool for the selection of rental sales agents was also developed at the end of the fourth quarter. ChatAssess is a customisable psychometric online process that supports the recruiter in screening and pre-selecting applicants. ChatAssess also works on mobile devices, giving applicants the greatest possible flexibility. This online process will be integrated into the recruiting process in the first quarter of 2024.

Digitalisation in the People core area
A major focus in reporting year 2023 was on implementing the new Workday HR information system. It will replace the previous internally developed system SIXTforce. Workday electronically maps all global HR processes from recruitment to contract termination. The personnel planning process will also be significantly more professionalised and made more efficient with the help of Workday. The Group-wide rollout took place in the first quarter of 2024.

The "People Support Portal" was introduced in September 2023 as a service portal for employees in Germany for all operational and administrative HR issues in order to simplify the day-to-day work of the workforce and employees in the area of People. Employees can now use the service portal to ask questions about payroll accounting or request certificates. Employees can also track the status of their inquiry. Over 12,000 inquiries have already been processed via the system since its launch. Germany is the pilot country here, with the other corporate countries to gradually follow.

In November 2023, Sixt also introduced a new travel expense tool (Chrome River). This digital platform significantly standardises and simplifies the accounting of travel expenses and replaces most of the previous travel expense accounting tools, which differed from country to country.

3.8 CORPORATE GOVERNANCE, COMPLIANCE & TRANSPARENCY

The success of Sixt Group is based not only on its strong business policies, but also on the economic integrity and trust that customers, suppliers, shareholders and business partners place in the Group. To win and retain this trust, it is a precondition that the Management Board and the employees comply with the high standards of legislation, ethics and social skills in every situation and constantly. 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. The Management Board of Sixt SE defines its clear expectations of ethical and lawful conduct by all employees and business partners in this Code of Conduct and thereby establishes the so-called "Tone from the Top."

The Code of Conduct is agreed upon with all employees when they first join the company as a binding element of the employment relationship and can also be accessed at any time via the

Intranet as well as on the Sixt SE website at *about.sixt.com* under the heading “Responsibility.”

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 areas of compliance. These refer in particular to anti-corruption regulations, the 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 (tax compliance, data protection and supply chain compliance, for example).

A Group-wide compliance organisation under supervision of the Chief Compliance Officer has been established to ensure that all ethical and legal requirements adopted by the Management 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: besides the operational departments that are primarily responsible for implementation, the Compliance Officer with the area Compliance & Integrity in a controlling function, the Legal, Tax and Internal Controls departments are responsible for the effectiveness of the compliance processes in a coordinating or advisory capacity. As an independent auditing instance, the Group’s Internal Audit body verifies the 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 defined in this manner, special training seminars on specific topics are held on sensitive areas. In selecting its business partners, Sixt pays close attention to whether its partners comply with the same standards as defined in Sixt’s Code of Conduct and has developed a separate Code of Conduct for suppliers and service providers for this purpose.

To be made aware of potential compliance violations, Sixt provides different reporting channels. Information can be brought to the compliance organization via the supervisor, the internal Compliance Office, the external ombudsman or a platform accessible to internal and external stakeholders (whistleblower system in the Sixt intranet (“Sixtbook”) and on the Sixt SE website at *about.sixt.com* in the “Responsibility” section). 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 the reporting persons and thus lower the reporting threshold. In the event of relevant notifications, the Compliance Officer decides on the measures to be taken. In addition, the Compliance Officer is in regular contact with the Management Board, reports to the respective departments on the current compliance situation or individual transactions and coordinates and accompanies the developing and implementing preventive measures.

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

Relevant business transactions are investigated regularly for possible suspicions of bribery and corruption.

All Sixt companies and business areas are audited regularly and based on the risks by the internal auditors as part of audits. All particularly sensitive functions are trained in relation to corruption risks. As part of the risk assessment, no significant risks were identified that go beyond the usual risks associated with B2B business.

Corporate Governance and Compliance Objective	Activities	Performance indicator
Sensitisation of employees to compliance issues	Regular review of the Code of Conduct Integration of further compliance requirements into the Code of Conduct as required Obligation of employees, franchise and agency partners to comply with the Code of Conduct, extended behavioural guidelines in particularly sensitive business areas	Certified environmental responsibility Compliance audits Compliance
Compliance organisation	Implementation of an internal governance structure based on the Three Lines of Defence model Compliance audits by the internal audit department, among others	Supplier audit Supply chain transparency Anti-corruption measures Whistleblowing Stand-alone programme Whistleblower Protection Anti-corruption programme Communication Ombudsperson

Supply chain

External service providers and suppliers also make an important contribution to Sixt's value creation. They are carefully selected according to commercial and ecological aspects as well as compliance with legal requirements and social standards. As an internationally active company, Sixt is fully committed to respecting human rights and corresponding legal regulations at home and abroad. The Group is committed to respecting and promoting human rights in accordance with the wording of the UN Global Compact and to reporting transparently on the results of its actions.

Furthermore, Sixt contractually obliges its suppliers, franchise and agency partners to comply with high social standards and to act with integrity in accordance with ethical principles. In Germany, among other topics, compliance with the Minimum Wage Act and the application of collective agreements for temporary employment are selection criteria for employing temporary workers.

The most important purchasing item at Sixt is vehicles, which account for the vast majority of the goods and services purchased. With regard to these manufacturers, Sixt has analysed the possible risks from a sustainability perspective in the value chain. The respective information and statements are included in the selection of purchased products. Thus, Sixt decides not only based on the criteria of safety, price, quality and delivery reliability, but also takes the results of the risk analysis, in particular on human rights and labour rights, at the respective suppliers into account.

In 2023, Sixt sourced close to three-quarters of its vehicles from European (environmentally certified) manufacturers. These companies subject their upstream supply chain to extensive auditing and monitoring. This also includes preventive measures such as contractual obligations to comply with environmental and social standards, human rights as well as management systems for occupational health and safety and environmental protection. The basic prerequisite for awarding any contract is compliance with the specified sustainability requirements. These requirements are verified through various measures such as audits. The above-mentioned manufacturers have had their (production) sites certified according to the environmental management standard ISO 14001:15.

With regard to the purchase of other products and services, around 80% (2022: 82%) of suppliers were based in the European Union, another 3% (2022: 6%) in European non-EU countries and 16% (2022: 10%) in non-European industrialised countries in 2023.

Only 1% (2022: 2%) of Sixt's purchases came from non-European, non-industrialised countries. As part of the annual risk analysis under the Supply Chain Due Diligence Act for the year 2023, no violations of environmental, human rights, or labour rights were found.

Sixt developed suitable programs and took all necessary measures to fully comply with the Supply Chain Due Diligence Act (LkSG), which has been in force since January 1, 2023.

Sixt takes social and ecological concerns into account when monitoring the supply chain. The suppliers' handling of human rights and the environment is evaluated; Sixt makes selection decisions accordingly. A key tool for making supply chains more sustainable is Sixt's Code of Conduct for suppliers and service providers. The goal is to oblige all business partners to comply with it. Sixt expects that the obligations and standards from the Code of Conduct will also be passed on to the business partner's suppliers. By raising awareness and committing the contractual partners, specific rules are created to implement human rights and relevant environmental concerns throughout the supply chain. To this end, Sixt checks its suppliers on a risk-based basis and will make use of appropriate control mechanisms such as the right to information or on-site inspections. Depending on the risk identified, further measures are applied, such as agreeing special rights of termination, regular exchange with suppliers, agreeing special action plans or conducting individual training courses.

Sixt measures its entrepreneurial actions with regard to the protection of human and labour rights against central agreements such as the International Human Rights Charter, the UN Guiding Principles for Business and Human Rights, the ten principles of the UN Global Compact, and the ILO Declaration on Fundamental Principles and Rights at work and its follow-up, the ILO core labour standards or the OECD guidelines for multinational companies.

Codes of Conduct
In order to ensure compliance with legal requirements as well as moral and ethical standards, the Management Board of Sixt SE has adopted a number of behavioural guidelines and standards. Since franchise and agency partners are perceived as representatives of Sixt, the company regularly sensitises its own employees as well as franchise and agency partners to the topic of compliance.

Against this backdrop, the Group-wide Code of Conduct plays an important role. Employees and key business partners (franchisees, agency partners) have undertaken to comply with this Code of Conduct. The Code of Conduct regulates behaviour internally and towards business partners and third parties, the principles of the working environment, the handling of conflicts of interest, assets and facilities of Sixt, the handling of intellectual property of third parties and the handling of confidential information as well as a clear commitment to human rights, environmental protection and social responsibility. The Code of Conduct is agreed upon as a binding part of the employment relationship with all employees upon joining the company and is also available on the company's intranet and on the Sixt SE website under ***about.sixt.com*** in the section "Responsibility".

To ensure the implementation of its own standards throughout the supply chain, Sixt has developed and published a "Supplier Code of Conduct" that all suppliers must abide by, which defines a minimum standard for working with Sixt.

Both Code of Conducts also describes various, also anonymous, reporting channels for whistleblowers with regard to violations of rules. These general rules are operationalised by specific instructions and further specified by extended behavioural instructions for particularly sensitive areas.

Anti-corruption rules
Sixt formulates clear expectations regarding the correct behaviour of its employees and ensures that business relationships are only maintained with those customers and business partners whose business activities are in accordance with legal regulations and whose financial resources are of legal origin. At the same time, Sixt obliges and trains its employees and business partners with regard to strict compliance with anti-corruption requirements. The same applies to ensuring behaviour with integrity with regard to competition agreements. Both the management and Sixt employees are trained regularly and sensitised with regard to these requirements.

Governmental funding measures
Standard subsidy programmes (e.g. the BAFA bonus in Germany) were used for electrified vehicles and charging infrastructure.

4. EU TAXONOMY

4.1 BACKGROUND AND OBJECTIVES OF THE REGULATION

A key objective of the European Union's Sustainable Growth Financing Action Plan is to redirect capital flows towards sustainable investments and ensure market transparency. To achieve this goal, the Commission called for the creation of an EU classification system for sustainable economic activities (EU Taxonomy).

Regulation (EU) 2020/852 (hereinafter the Taxonomy Regulation, EU Taxonomy or Taxonomy) was published in the Official Journal of the European Union on 22 June 2020 and entered into force on 12 July 2020. It aims to define which economic activities are to be considered environmentally sustainable. It is an important legal instrument to enable and expand sustainable investments and thus implement the European Green Deal. The

Taxonomy Regulation classifies environmentally sustainable economic activities on the basis of technical assessment criteria set out in the Commission's delegated acts to this Regulation. The first delegated act establishing the technical assessment criteria for economic activities that make a significant contribution to climate change mitigation (CCM) and adaptation (CCA) was adopted on 4 June 2021 (Climate Delegated Act). Another delegated act on the further environmental objectives, sustainable use and protection of water and marine resources (WTR), transition to a circular economy (CE), pollution prevention and control (PPC), as well as protection and restoration of biodiversity and ecosystems (BIO), was enacted on 13 June 2023 (Environmental Delegated Act).

As a company that is required to issue a Non-Financial (Group) Declaration pursuant to section 289b (3) and section 315b (3) of the German Commercial Code (HGB), Sixt must disclose information on how and to what extent its activities are linked to economic activities that are to be classified as environmentally sustainable economic activities under the EU Taxonomy in accordance with Article 8 (1) of the Taxonomy Regulation.

Article 8 (2) sets out the key performance indicators ("KPIs") in relation to revenues, capital expenditure ("CapEx") and operating expenditure ("OpEx") that Sixt must disclose. The disclosure requirements are specified in another delegated act.

4.2 TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES

In the financial year, Sixt identified the following economic activities as Taxonomy-eligible and aligned within the meaning of the Taxonomy Regulation in connection with the environmental goal of climate protection:

- CCM 6.5 Transport by motorbikes, passenger cars and light commercial vehicles
- CCM 6.6 Freight transport services by road

Other economic activities related to individual investments were considered separately.

An economic activity is Taxonomy-eligible if it is covered by the Delegated Acts. For the consideration of Taxonomy eligibility, it doesn't matter whether the economic activity fulfils all technical assessment criteria set out in the Delegated Acts.

4.3 TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

In order for an economic activity to be classified as ecologically sustainable or as "taxonomy-aligned," the activity must meet all the technical evaluation criteria in addition to the description. These evaluation criteria consist of the criteria for a significant contribution and the DNSH criteria ("do no significant harm"). Furthermore, the minimum protection criteria specified in the EU Taxonomy Regulation must be observed. Only the "climate protection" environmental target was identified as relevant. The further analyses presented below were therefore limited to Annex I of the Climate Delegated Act.

Significant contribution

In order to evaluate whether the economic activities identified as Taxonomy-eligible make a significant contribution, Sixt looked at the criteria within Annex I and analysed which vehicles met the listed criteria.

Certain emission limit values must be complied with as part of the fulfilment of the essential contribution. 13.3% (2022: 11.2%) of Sixt's vehicles already comply with this limit.

Do no significant harm

In order to achieve Taxonomy alignment, economic activities must not only make a significant contribution to at least one of the environmental goals but must also not significantly impair the other five environmental goals. Depending on the respective economic activity, there are criteria for the other five environmental goals that must be met. For the economic activities relevant to Sixt "CCM 6.5 Transport by motorbikes, passenger cars and light commercial vehicles" and "CCM 6.6 Freight transport services by road," there are criteria for the environmental goals "Adaptation to climate change," "Transition to a circular economy" and "Avoidance and reduction of environmental pollution."

The following checks were carried out in connection with the environmental goals:

A climate risk and vulnerability analysis in accordance with Appendix A of Annex I was carried out for the relevant regions for the environmental goal of "adapting to climate change." To assess the climate risks, the various climate scenarios (RCP scenarios) 2.6, 4.5 and 8.5 were analysed and evaluated with reference to the years 2030, 2050 and 2100. Taking adjustment solutions into account, Sixt is not left with any significant risk that could negatively affect the economic activities identified.

The recyclability and reusability of the vehicles were considered and analysed for the environmental goal “transition to a circular economy.” Since Sixt does not manufacture the vehicles itself, there is no influence on reusability, recyclability and usability. The Taxonomy requires waste management measures to be consistent with the waste hierarchy. Since the average holding period is generally less than twelve months for cars and most of the vehicles are resold or returned to the manufacturer, it can be assumed that this DNSH criterion is met.

In order to meet the requirements of the environmental target “Avoidance and reduction of environmental pollution,” analyses were carried out with regard to the emission limit values of the vehicles and a detailed analysis of the tyres. The vehicles are delivered to Sixt with tyres and the decision on the tyres for the vehicles lies with the respective supplier (OEM). Processes to systematically collect detailed information about the respective tyres on the vehicles have been developed and implemented during the year 2023. As Sixt does not have detailed, complete data about the respective tyres, an analysis of the rental fleet was carried out based on the data collected and was compared with the information from the European Product Database for Energy Consumption Labelling (EPREL). The analysis revealed that all the criteria for Taxonomy alignment mentioned in Annex I were only met in few cases. It remains to be seen how the availability of Taxonomy-aligned tyres will develop on the market and what influence Sixt will be able to exert on vehicle tyres in the future. Converting the tyres to this extent does not currently make ecological or economic sense.

Compliance with minimum safeguards

Compliance with the minimum safeguards (Article 18 of the Taxonomy Regulation) is another prerequisite for an economic activity to be able to be Taxonomy-aligned. In this context, companies must implement appropriate processes and procedures that avoid negative influences on or violations of the following four subject areas in particular: Human rights (incl. labour and consumer rights), taxation, corruption and bribery and (fair) competition. As part of the review at Group level, there were no indications of a violation or non-compliance.

To this end, Sixt has set up processes and procedures that ensure compliance with these requirements through an appropriate risk assessment and the definition of specific countermeasures. In addition to internal guidelines and systems and a corresponding supplier selection process, this also includes the commitment of suppliers and relevant partners to recognised standards, the introduction of a complaint procedure and regular checks.

4.4 DETERMINATION OF THE TAXONOMY KEY FIGURES

The determination of the Taxonomy key figures and the reporting on Sixt’s Taxonomy-eligible and -aligned economic activities takes place in accordance with the Delegated Act on the disclosure requirements. The ratios to be determined are the shares of Taxonomy-eligible and -aligned revenue, capital expenditure and operating expenditure.

Double counting is avoided when determining the revenue, investment and operating expenditure ratios by using accounting data. For data that could not be clearly assigned, suitable allocation keys were used to include them appropriately in the calculation.

4.5 SALES REVENUES

The revenue share referred to in Article 8 (2) (a) of Regulation (EU) 2020/852 is calculated as the part of net revenue in goods or services, including intangibles, linked to Taxonomy-eligible and -aligned economic activities (numerator) divided by net revenue (denominator) within the meaning of point 5 of Article 2 of Directive 2013/34/EU.

In order to determine the revenues that Sixt generates with Taxonomy-eligible and -aligned economic activities, the consolidated revenues were analysed in an initial step to determine which of the economic activities covered by the Taxonomy are relevant for Sixt. These are the activities CCM 6.5 and CCM 6.6. and in each case the rental of vehicles. For the economic activities identified, the net sales revenues for financial year 2023 (numerator) were determined and set in relation to the sales revenues of Sixt reported in the income statement (denominator).

See Notes: revenue (note 4.1)

4.6 CAPITAL EXPENDITURE

Capital expenditure (CapEx) within the meaning of the EU Taxonomy comprises additions to property, plant and equipment and intangible assets during the financial year under review before depreciation and revaluations, including those resulting from revaluations and impairments for the financial year in question and excluding changes in fair value. This also includes additions to property, plant and equipment and intangible assets resulting from business combinations. Capital expenditure includes costs incurred on the basis of IFRS Standards IAS 16 Property, Plant and Equipment, paragraph 73, subparagraph (e), item (i) and item (iii), IAS 38 Intangible Assets, paragraph 118, subparagraph (e), item (i), IAS 40 Investment Property, paragraph 79(d), items (i) and (ii) (for the cost model), and IFRS 16 Leases, paragraph 53, item (h).

Taxonomy-eligible and -aligned investment expenditure can relate to assets or processes associated with Taxonomy-eligible and -aligned economic activities, or be part of a plan to expand Taxonomy-eligible and -aligned economic activities or transform Taxonomy-eligible economic activities into Taxonomy-aligned economic activities, or relate to the purchase of products from Taxonomy-eligible and -aligned economic activities and individual measures that carry out the target activities in a low-carbon manner or reduce greenhouse gas emissions.

In order to determine Sixt's Taxonomy-eligible and -aligned capital expenditures, the additions to intangible assets (excluding goodwill), property and equipment as well as rental vehicles including right of use assets in the reporting year were analysed in a first step to determine what portion of them is related to the Taxonomy-eligible and -aligned economic activities CCM 6.5 and CCM 6.6. The major part of the rental fleet is reported under current assets (see 4.15 in the Notes to the Consolidated Financial Statements) due to the average holding period of less than one year under IFRS. Due to the direct economic connection with the Taxonomy-eligible revenue, the investments in the rental fleet were included in the analysis.

In the case of investments that cannot be clearly allocated (e.g. buildings), the Taxonomy-eligible and -aligned capital expenditure was determined using appropriate allocation keys based on cost centres. Investment expenditures assigned to assets that are directly related to the provisioning of the Taxonomy-eligible and -aligned economic activities CCM 6.5 and CCM 6.6, were attributed to these activities. The Taxonomy-eligible capital expenditures (numerator) determined in this manner were set in relation to the total capital expenditures (denominator) shown in the notes.

See Notes: Fixed assets movement schedule (additions) + additions of rental vehicles (note 4.15)

In addition, capital expenditures from the purchase of products from Taxonomy-eligible economic activities and the implementation of individual measures to reduce greenhouse gas emissions were taken into account, in particular the installation of charging stations for electric and hybrid vehicles in buildings in connection with economic activity CCM 7.4. The Taxonomy alignment of these investments could not be analysed conclusively, as the relevant evidence from the manufacturer was not available.

There were no capital expenditures that are part of a plan to expand Taxonomy-eligible economic activities or to convert Taxonomy-eligible economic activities into Taxonomy-aligned economic activities in the reporting year.

4.7 OPERATING EXPENSES

Operating Expenditure (OpEx) for the purposes of the EU Taxonomy includes direct, non-capitalised costs relating to research and development, building refurbishment, short-term leasing, maintenance and repair, and any other direct expenditure associated with the day-to-day maintenance of tangible fixed assets that is necessary to ensure their functionality. The Taxonomy-eligible and -aligned operating expenditure can relate to assets or processes associated with taxonomy-eligible and aligned economic activities, or be part of a plan to expand Taxonomy-eligible economic activities or to transform Taxonomy-eligible economic activities into Taxonomy-aligned economic activities, or relate to the purchase of products from taxonomy-eligible and -aligned economic activities and to individual measures that carry out the target activities in a low-carbon manner or reduce greenhouse gas emissions, as well as to individual building renovation measures.

In order to determine Sixt's Taxonomy-eligible and -aligned operating expenses, the expenses in the reporting year were analysed to determine what share of them related to assets or processes associated with Taxonomy-eligible and -aligned economic activities CCM 6.5 and CCM 6.6 (numerator). These were mainly expenses for maintenance and repair as well as leasing expenses. For expenses that cannot be clearly allocated, the Taxonomy-eligible and -aligned operating expenses were determined on a cost centre basis using appropriate allocation keys. The Taxonomy-eligible and -aligned operating expenses thus determined were set in relation to the total operating expenses covered by the Taxonomy (denominator). The taxonomy does not provide for direct allocation to operating expenses in the Consolidated Financial Statements.

There were no operating expenses that are part of a plan to expand Taxonomy-aligned economic activities or to transform

Taxonomy-eligible economic activities into taxonomy-aligned economic activities or that relate to the purchase of products from taxonomy-eligible and aligned economic activities and individual measures through which the target activities are carried out in a low-carbon manner or the emission of greenhouse gases is reduced in the reporting year.

4.8 REPORTING OF THE TAXONOMY INDICATORS

Share of revenue from goods or services associated with Taxonomy-aligned economic activities. Disclosure for the year 2023.

Key figures for the EU Taxonomy: Turnover	Code	Absolute turnover	Proportion of turnover	Substantial contribution criteria: Climate change mitigation	Climate change adaption	Water	Pollution	Circular Eonomy	Biodiversity	DNSH criteria ("Does Not Significantly Harm"): Climate change mitigation	Climate change adaption	Water	Pollution	Circular Eonomy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned or -eligible turnover 2022	Category "Enabling activities"	Category "Transitional activities"
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		
Of which enabling																			
Of which transitional																			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	3,248.8	90	EL	N/EL	N/EL	N/EL	N/EL	N/EL								90		
Freight transport services by road	CCM 6.6	261.4	7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								7		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**3,510.2**	**97**	**97**	**97**	**-**	**-**	**-**	**-**								**97**		
Total (A.1 + A.2)		**3,510.2**	**97**																
B. Taxonomy-non-eligible activities																			
Turnover of Taxonomy-non-eligible activities (B)		**110.3**	**3**																
Total (A + B)		**3,620.5**	**100**																

Share of capital expenditures (CapEx) from goods or services that are associated with Taxonomy-aligned economic activities. Disclosure for the year 2023.

Key figures for the EU Taxonomy: Capital expenditore	Code	Absolute CapEx	Propor-tion of CapEx	Substantial contribution criteria: Climate change mitigation	Climate change adaption	Water	Pollution	Circular Eonomy	Biodiversity	DNSH criteria ("Does Not Significantly Harm"): Climate change mitigation	Climate change adaption	Water	Pollution	Circular Eonomy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned or -eligible CapEx 2022	Category "Enabling activities"	Category "Transi-tional activities"
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Of which enabling																			
Of which transitional																			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	5,095.0	93	EL	N/EL	N/EL	N/EL	N/EL	N/EL								95		
Freight transport services by road	CCM 6.6	377.5	7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**5,472.5**	**99**	**99**	**99**	**-**	**-**	**-**	**-**								**99**		
Total (A.1 + A.2)		**5,472.5**	**99**																
B. Taxonomy-non-eligible activities																			
CapEx of Taxonomy-non-eligible activities (B)		**25.2**	**1**																
Total (A + B)		**5,497.8**	**100**																

Due to the direct economic connection with the Taxonomy-eligible sales revenues, the investments in the rental fleet were included in the analysis

Percentage of operating expenses (OpEx) from goods or services associated with Taxonomy-aligned economic activities. Disclosure for the year 2023.

Key figures for the EU Taxonomy: Operating expenses	Code	Absolute OpEx	Proportion of OpEx	Substantial contribution criteria: Climate change mitigation	Climate change adaption	Water	Pollution	Circular Eonomy	Biodiversity	DNSH criteria ("Does Not Significantly Harm"): Climate change mitigation	Climate change adaption	Water	Pollution	Circular Eonomy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned or -eligible OpEx 2022	Category "Enabling activities"	Category "Transitional activities"
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		
Of which enabling																			
Of which transitional																			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	411.2	87	EL	N/EL	N/EL	N/EL	N/EL	N/EL								86		
Freight transport services by road	CCM 6.6	33.1	7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								7		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**444.3**	**94**	**94**	**94**	**-**	**-**	**-**	**-**								**93**		
Total (A.1 + A.2)		**444.3**	**94**																
B. Taxonomy-non-eligible activities																			
OpEx of Taxonomy-non-eligible activities (B)		**29.2**	**6**																
Total (A + B)		**473.5**	**100**																

B.7 \\ DEPENDENT COMPANY REPORT

In accordance with section 17 of the AktG, Sixt SE is a dependent company of Erich Sixt Vermögensverwaltung GmbH, Pullach, as well as ES Asset Management and Services GmbH & Co. KG, Pullach. According to article 9 (1) lit. c) (ii) of the SE regulation, section 49 (1) SEAG in conjunction with section 312 of the AktG a report on the related party transactions in financial year 2023 is therefore prepared containing the following concluding declaration by the Management Board:

"There were no legal transactions or measures subject to disclosure requirements in the financial year."

B.8 \\ CORPORATE GOVERNANCE DECLARATION IN ACCORDANCE WITH SECTIONS 289F AND 315D HGB

In accordance with the provisions of sections 289f and 315d of the German Commercial Code (Handelsgesetzbuch – HGB), the company is obliged to include a Corporate Governance Declaration in its Management Report. Pursuant to section 317 (2) 6 HGB, the audit of the disclosures made in accordance with sections 289f and 315d 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*** under "Corporate Governance."

Corporate Governance

For Sixt SE, good and responsible corporate management and supervision (Corporate Governance) is an important way of ensuring and enhancing the confidence of customers, business partners and the capital market in the company. Responsible management that focuses on long-term value creation is therefore of great importance to the company. The basic hallmarks of good Corporate Governance are efficient and trusting collaboration between the Management Board and the Supervisory Board, upholding shareholders' interests and transparency in the company's communication, both externally and internally.

With the German Corporate Governance Code, the Government Commission on the German Corporate Governance Code makes recommendations regarding the management of listed German companies. Apart from the exceptions listed in the Declaration of Conformity of December 2023, the Management 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 German Stock Corporation Act (Aktiengesetz – AktG)

The Management Board and Supervisory Board of Sixt SE declare:

The recommendations of the "German Corporate Governance Code" in the version of 28 April 2022 (hereinafter referred to as "the Code") announced by the Federal Ministry of Justice in the official section of the Federal Gazette (Bundesanzeiger) on 27 June 2022 has been and will be complied with, with the following exceptions:

Recommendation C.10 with respect to the Chairman of the Supervisory Board: In C.7, the Code contains a list of criteria that are suitable for denying the independence of Supervisory Board members, but do not necessarily exclude it. Two of these criteria apply to the Chairman of the Supervisory Board, Mr. Erich Sixt. The Supervisory Board is of the opinion that Mr. Erich Sixt will exercise the function as Chairman of the Supervisory Board in the best interests of Sixt SE, regardless of his previous position as member of the Management Board and his family relationships with two members of the Management Board.

Recommendations G.1 and G.2.: The Supervisory Board believes that the determination of individual target total compensation in addition to a maximum compensation neither provide an additional incentive for the Management 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 financial year.

Recommendation G.10: The contracts of the Management 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 the sustainable and long-term success of the company.

Deviations from the aforementioned recommendations G.1., G.2, G.7 and G.10 will be made for the Management Board service contracts for which the remuneration system approved by the Annual General Meeting on 21 April 2021 applies. Under the current remuneration system approved by the company's Annual General Meeting on 23 May 2023 (Remuneration System 2023), there will no longer be any deviations from the aforementioned recommendations. The 2023 remuneration system applies to all members of the Management Board whose service contracts are newly concluded or extended.

Pullach, 19 December 2023

The Management Board **The Supervisory Board**

Remuneration System / Remuneration Report
The revised remuneration system for the members of the Management Board pursuant to section 87a (1) and (2) sentence 1 of the German Stock Corporation Act (AktG), which was approved by the Annual General Meeting on 23 May 2023, and the resolution on the remuneration of the members of the Supervisory Board adopted by the Annual General Meeting on 25 May 2022 are publicly available on the Sixt SE website at ir.sixt.eu under the heading "Corporate Governance." The revised remuneration system will apply with effect from 1 January 2024 to all members of the Management Board whose service contracts are newly concluded or extended after the approval of the 2023 remuneration system.

The Remuneration Report, the previous remuneration system for the Management Board and the auditor's report pursuant to section 162 AktG are made publicly available at the same Internet address.

Relevant disclosures on Corporate Governance practices

Risk management and the control system
The practices used for managing Sixt SE and Sixt Group fully comply with the statutory provisions. The Management Board of Sixt SE ensures that the Group's control instruments and management systems are continuously developed and that planning follows proven approaches.

In addition to comprehensive control systems and reporting, strategic and operational management is characterised by an effective internal governance structure. Besides adequate establishment and staffing of organ functions, this includes the risk management system, the internal control system, compliance management and internal audit.

The established risk management system serves the management as an integral part of Corporate Governance to identify and control risks in a responsible, timely and sustainable manner. Its functionality and scope are documented in the risk manual and it provides for comprehensive tools and measures to support and monitor the management in identifying, assessing and controlling risks, following up on countermeasures and implementing a sustainable risk strategy.

The definition of clear responsibilities, the provision of a technical platform and the defined reporting obligations ensure that the management of Sixt SE receives a comprehensive and up-to-date status on all risks of the Group. The risk management system takes into account all risks relevant to the Group, including operational risks and risk areas that could have a direct impact on the sustainability goals of Sixt Group or the implementation of the sustainability strategy. In addition to quarterly risk surveys, the Management Board is informed on an ad hoc as well as an ongoing basis by the company's functional units about market trends and relevant topics in order to be able to react to a change in risk exposure at an early stage. The Management Board and the Audit Committee of the Supervisory Board also receive a comprehensive risk report at least once a year, detailing significant risks and their mitigation measures.

The "Risk Management" and "Internal Controls" functions were set up to ensure the correctness of accounting processes and all relevant business processes as well as compliance with all legal requirements and the effectiveness and appropriateness of countermeasures. Based on the aforementioned comprehensive risk survey, these departments maintain a risk-control matrix and ensure, through consultation, documentation and the performance of regular tests, that the most important controls and management measures are implemented in accordance with management decisions and remain appropriate. The controls recorded and tested in this way include both process-immanent operational controls such as approval procedures and dual control principles as well as organisational risk mitigation measures such as steering committees, planning committees or management meetings. Both the Management Board and the Audit Committee of the Supervisory Board are informed about the results of the tests performed and thus the maturity of the internal control system at least twice a year, or on an ad hoc basis if necessary. In order to ensure the completeness of the controls and tests to be set up, there is a regular exchange between the specialist departments, in particular with the ESG, Tax, Legal and Compliance functions.

The structure of governance in Sixt Group basically follows the proven Three-lines-of-defence model, i.e. the clear allocation and separation of responsibilities for the implementation, consultation, approval and monitoring of measures.

This also includes the establishment of an internal audit system and, if necessary, involving external experts. The internal audit department carries out risk-oriented plan audits, event-related individual audits as well as audits of management systems, the standard content of which also includes an audit of the risk management measures and the identification of possible control gaps. The results of these audits are communicated to the Management Board in audit reports and regular meetings and discussed by the Audit Committee.

Based on its examination of the internal control and risk management system and the reporting by the Risk Management, Internal Controls and Internal Audit functions, the Management Board is not aware of any circumstances that speak against the appropriateness and effectiveness of these systems as a whole.

Compliance at Sixt Group

The success of Sixt Group is based not only on its strong business policies, but also on the economic integrity and trust that customers, suppliers, shareholders and business partners place in the Group. To win and retain this trust, it is a precondition that the Management Board and the employees comply with the high standards of legislation, ethics and social skills in every situation and constantly. These standards of behaviour towards third parties and within the company are laid down in the Code of Conduct of Sixt SE and its affiliated companies and are binding for all employees. In this Code of Conduct, the Management 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 they first join the company as a binding element of the employment relationship and can also be accessed at any time via the central Intranet as well as on the website of Sixt SE at about.sixt.com under the heading "Responsibility."

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 areas of compliance. These refer in particular to anti-corruption regulations, granting of advantages, donations and sponsoring, questions on anti-trust legislation and 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 (tax compliance, data protection, supply chain compliance, for example).

A Group-wide compliance organisation under the direction of the Chief Compliance Officer has been established to ensure that all ethical and legal requirements adopted by the Management Board are known and implemented within the Group. These comprise various individual functions and are also based on the well-known Three-lines-of-defence-model: Besides the operational departments that are primarily responsible for implementation, the Compliance Officer with the Compliance & Integrity department in a controlling function as well as the Legal, Tax and Internal Controls departments are responsible for the effectiveness of the compliance processes in a coordinating or advisory capacity. As an independent auditing instance, the Group's internal audit body verifies the 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 defined in this manner, special training seminars on specific topics are held for such sensitive areas. In selecting its business partners, Sixt pays close attention to whether its partners comply with the same standards as defined in Sixt's Code of Conduct and has developed a separate Code of Conduct for suppliers and service providers for this purpose.

To become aware of potential compliance violations, Sixt provides different reporting channels. Thus, information can be brought to the attention of the compliance organisation via the supervisor, the internal Compliance Office, the external Ombudsman or a platform accessible to internal and external stakeholders (whistleblowing system in the Sixt Intranet ("Sixtbook") and on the Sixt SE website at ***about.sixt.com*** under the heading "Responsibility"). Sixt has taken precautions to ensure that notifications can be made anonymously and that the anonymity of whistleblowers can be strictly preserved in order to reduce the fear of repression for the reporting persons and thus lower the reporting threshold. In the event of relevant notifications, the Compliance Officer decides on the measures to be taken. In addition, the Compliance Officer is in regular contact with the Management Board, reports to the respective departments on the current compliance situation or individual transactions and steers and accompanies the development and implementation of preventive measures.

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

Working practices of the Management Board and Supervisory Board

As a 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 (Management 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 Management 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 Management 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. The members of the Management Board are responsible for the basic strategic orientation, the day-to-day operational business and the monitoring of the risk management of Sixt SE and Sixt Group. Sixt SE acts as the strategic and financial holding company for the Group and performs central administrative functions for various Group companies. The Management Board of Sixt SE comprised the following members in financial year 2023: Mr. Alexander Sixt and Mr. Konstantin Sixt (Co-Chairmen), Mr. James Adams, Prof. Dr. Kai Andrejewski, Mr. Nico Gabriel and Mr. Vinzenz Pflanz. Mr. James Adams left the Management Board by mutual agreement with the company on 15 February 2024. Further information on the members of the Management Board and their memberships to be disclosed in accordance with section 285 (10) of the German Commercial Code (HGB) can be found in the Notes to the Consolidated Financial Statements of the 2023 Annual Report in the section "Supervisory Board and Management Board of Sixt SE."

The members of the Management Board carry out the tasks assigned to them with clear departmental responsibility in accordance with the schedule of responsibilities and the rules of procedure adopted by the Supervisory Board.

The two Co-Chairmen of the Management Board are jointly responsible for the overall management and business policies of the company as well as in matters relating to the shareholders, the Annual General Meeting, the Supervisory Board and Management Board. In addition, the Co-Chairman of the Management Board, Mr. Alexander Sixt, is responsible for the areas of Group Strategy, Global Human Resources, IT (Soft- and Hardware), PR & Communication and the management of all Global Business Services. The Co-Chairman of the Management Board, Mr. Konstantin Sixt, is responsible for Brand & Digital Marketing, SIXT+, International Franchise Development & Business to Partners as well as Marketing – in addition to his joint responsibilities with Mr. Alexander Sixt. Mr. James Adams was responsible for Consumer Products and Price & Capacity Management until his departure at the beginning of financial year 2024. This responsibility was subsequently taken over by Mr. Konstantin Sixt. Chief Financial Officer Prof. Dr. Kai Andrejewski is responsible for the areas Corporate Finance, Accounting, Group Controlling, Legal, Taxes, Internal Audit, Risk Management, Compliance, Financial Projects / M&A, Investor Relations and ESG (Environmental, Social and Governance). The member of the Management Board responsible for Operations, Mr. Nico Gabriel, is responsible for the operational business, including Group-wide compliance with all public and other legal requirements for operating and holding motor vehicles and ensuring the traffic and operational safety of Sixt Group's rental vehicles. In addition, he is responsible for the areas of Global Customer Operations, Quality Management, Global Fleet Management, E-Mobility, Mobility Projects, Corporate Development, SIXT Vans & Trucks, SIXT share, Used Car Sales, International Franchise Operations and SIXT ride. Vinzenz Pflanz is responsible for national and international sales as well as vehicle purchasing.

Management Board meetings, at which cross-portfolio issues are discussed, are held as and when necessary. The Management Board has not established any committees.

The Supervisory Board of Sixt SE has four members in accordance with Article 10 (1) of the Articles of Association. Three members are elected by the Annual General Meeting in accordance with legal provisions and the provisions of the Articles of Association. One further member 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). The Supervisory Board of Sixt SE has four members. Further information on the members of the Supervisory Board and their memberships, which must be disclosed in accordance with section 285 (10) of the German Commercial Code (HGB), can be found in the Notes to the Consolidated Financial Statements in the 2023 Annual Report section "Supervisory Board and Management Board of Sixt SE."

The Supervisory Board's main responsibilities include the appointment of Management Board members and monitoring of the Management Board. As a general rule, the Supervisory Board adopts its resolutions at meetings. If instructed by 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 German Civil Code (Bürgerliches Gesetzbuch)) and/or by using other means of telecommunication or electronic media (Article 14 (2) Articles of Association). Moreover, a resolution may also be validly adopted by aforementioned means without any instructions from the Chairman of the Supervisory Board if no member objects (Article 14 (3) Articles of Association). Resolutions of the Supervisory Board require a simple majority of the votes cast, unless otherwise mandatorily required by law (Article 14 (7) 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 in financial year 2023. The current Rules of Procedure of the Supervisory Board of Sixt SE are available on the company's website at ***ir.sixt.eu*** under the header "Corporate Governance."

The Management Board and Supervisory Board cooperate closely for the benefit of Sixt Group. The Management 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 Management Board arranges for the company's strategic orientation to be approved by the Supervisory Board and discusses its strategy implementation 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 auditor's reports, are forwarded to the members of the Supervisory Board in good time before the respective meeting.

Committees of the Supervisory Board

The Supervisory Board established an Audit Committee, a Nomination Committee and a Remuneration Committee in financial year 2023. Their tasks, responsibilities and work processes comply with the requirements of the German Stock Corporation Act and the German Corporate Governance Code.

The Audit Committee deals in particular with the audit of the accounting, the monitoring of the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, the audit of the financial statements and their quality and compliance, as well as the internal procedure for transactions with related parties (section 111a (2) 2 AktG) and the approval of such transactions pursuant to section 111b (1) AktG. The details of the working methods and responsibilities of the Audit Committee are defined in the Rules of Procedure for the Audit Committee, which the Supervisory Board has issued.

The members of the Audit Committee are Dr. Julian zu Putlitz (Chairman), Dr. Daniel Terberger and Mrs. Anna Magdalena Kamenetzky-Wetzel. The members of the Audit Committee are, as a whole, familiar with the industry in which the company operates. At least one member of the Audit Committee must have expertise in the field of accounting and at least one other member must have expertise in the field of auditing (sections 100 (5) and 107 (4) 3 AktG). According to the Code, expertise in the field of accounting should consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and expertise in the field of auditing should consist of special knowledge and experience in the auditing of financial statements. Accounting and auditing also include sustainability reporting and its audit. The Chairman of the Audit Committee thus needs to be an expert in at least one of the two areas.

The Chairman of the Audit Committee, Dr. Julian zu Putlitz, was the member of the Management Board of Sixt SE responsible for finance from 2009 until the end of 2018 and has been Chief Financial Officer of the IFCO Group since 2019. Before joining Sixt SE, he worked for the management consultancy Roland Berger in the Restructuring & Corporate Finance division. In particular, during his many years as Chief Financial Officer of Sixt SE, Dr. zu Putlitz acquired the expertise in the field of auditing and accounting required by the Code. Dr. zu Putlitz was also appointed the member of the Supervisory Board responsible for ESG issues in December 2021.

Mrs. Kamenetzky-Wetzel has a university degree with a focus on external accounting, controlling and finance. Due to her many years of experience in the financial sector, among other positions at Goldman Sachs in investment banking, as Managing Director of Ripplewood Holdings Japan International S.A. for restructuring issues, and as Co-Head of the external fund business at JAB Holding Company LLC, as well as her experience on the boards of listed companies, she also has the expertise in the field of auditing and accounting required by the Code.

Dr. Daniel Terberger studied business administration in St. Gallen and began his professional career at Deutsche Bank in Hong Kong and New York, among other places. He has been active in the textile and fashion industry for more than twenty years as Chairman of the Management Board of KATAG AG and was previously Chief Financial Officer there for several years. In his work, he has been dealing with sustainability in supply chains and the creation of the necessary transparency in the textile industry, among other topics, for several years. Thanks to his educational background and his professional work, Dr. Terberger also has expertise in the fields of accounting and auditing.

The Nomination Committee is responsible for proposing qualified candidates to the Supervisory Board for the election of Supervisory Board members by the Annual General Meeting. In addition to the necessary skills and professional experience of the proposed candidates, the objectives specified by the Supervisory Board for its composition, the competence profile and the diversity concept are also to be taken into account.

The members of the Nomination Committee are Mr. Erich Sixt and Dr. Daniel Terberger.

The Remuneration Committee supports the Supervisory Board in the appropriate structuring of the Management Board remuneration and, in particular, prepares the remuneration system for the members of the Management Board and reviews the appropriateness of the total remuneration of the Management Board members. The members of the Remuneration Committee are: Mrs. Anna Magdalena Kamenetzky-Wetzel (Chairwoman), Dr. Julian zu Putlitz and Dr. Daniel Terberger.

Target figures for equal participation of women in leadership positions

The following target figures have been set for Sixt SE for the share of female members on the Supervisory Board and the Management Board as well the first two management levels below the Management Board.

The Supervisory Board last set the target figure for the share of women on the Supervisory Board at 25% and the target figure for the share of women on the Management Board of Sixt SE at 0% on 27 June 2022. The deadline for achieving the targets is 27 June 2027.

The reasons for setting the target figure at 0% for the Management Board at the time the target was set on 27 June 2022 were as follows:

On the day of the resolution was passed on (27 June 2022), no women was on the four-member Management Board of Sixt SE (current quota: 0%). Sixt SE has always been a family-run company. Since Mr. Erich Sixt stepped down as Chairman of the Management Board and joined the Supervisory Board in 2021, the company has been successfully managed at the top by his sons, Mr. Alexander and Mr. Konstantin Sixt, as Co-Chairmen of the Management Board. The terms of office of Mr. Alexander Sixt and Mr. Konstantin Sixt were extended when they assumed their new roles as Co-Chairmen of the Management Board and Prof. Dr. Kai Andrejewski and Mr. Nico Gabriel were appointed as two further members of the Management Board for the first time. The term of office of the Management Board members appointed at the time of the resolution on 27 June 2022 ran until 2024. In the opinion of the Supervisory Board, gender is an important element of the diversity concept for the staffing of all management levels as well as all other positions with the company. Nevertheless, the Supervisory Board has no intention of assigning priority decision-making relevance to gender for future appointments to the Management Board. The Supervisory Board would like to reserve the right to extend the terms of office of the current Board members. Therefore, in the interest of continuity in the management of the company and confidence in the current composition of the Management Board, it does not wish to bind itself in its personnel decisions in advance by setting a higher target figure or to create the impression of such a self-binding commitment over the next five years.

As at 31 December 2023, the target figures were met. The Supervisory Board consisted of four members, one of whom was a woman, which corresponds to a share of 25%. The Management Board was comprised of six members on 31 December 2023. As at 31 December 2023, the share of women on the Management Board was therefore 0%.

On 27 June 2022, the Management Board determined that the share of women serving at the first executive level below the Management Board should be 17% and at the second executive level below the Management Board 30%, both in accordance with an implementation period up until 27 June 2027. As at 31 December 2023, the share of women serving at the first executive level below the Management Board was 20% and at the second executive level below the Management Board 31%. Consequently, the targets for both levels were met. This takes due account of the German consolidated companies of Sixt SE.

Diversity concept for the Management Board and long-term succession planning

The Management 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 Sixt Group.

In the opinion of the Supervisory Board, a wide range of professional expertise and views among the members of the Management Board facilitates a good understanding of the organisational and business affairs of Sixt Group and enables the members of the Management 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 Management Board are crucial for analysing current challenges, problems and strategies from different viewpoints and then making the best possible decisions for the company.

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

The Supervisory Board considers management experience and intercultural skills for the successful leadership and motivation of global teams gained in an internationally active company, if possible, to be essential elements of modern management. In addition, the Management Board also needs to have in-depth knowledge of accounting, finance management and the capital market.

The Supervisory Board has set an age limit for the members of the Management Board in accordance with the recommendation of the German Corporate Governance Code. Only persons who have not yet reached the age of 67 at the time of their first or repeated appointment to the Management Board may be appointed members of the Management Board. With regard to gender-specific aspects of the diversity concept, the Supervisory Board has defined the target figure outlined in the above paragraph.

The Supervisory Board takes the diversity aspects described above into account when appointing Management Board members.

The current composition of the Management Board complies with the aspects of the diversity concept. Further details on the careers and qualifications of the Management Board members can be obtained from the company's website at ***ir.sixt.eu***.

Together with the Management Board, the Supervisory Board takes care of the long-term succession plan for the Management Board. The Supervisory and Management Board are in regular communication regarding qualified 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 planning takes into account, among other factors, the requirements of the German Stock Corporation Act and the Corporate Governance Code as well as the aspects of the diversity concept for the Management Board. Taking into consideration the specific qualification requirements, there is a regular exchange between the Supervisory Board, the Management Board and the management of Human Resources regarding potential candidates. Structured interviews are conducted with the candidates. Subsequently, a recommendation is submitted to the Supervisory Board.

Objectives for the composition, competence profile and diversity concept of the Supervisory Board
The Supervisory Board strives for a composition that ensures qualified supervision and advice to the Management Board of Sixt SE and takes the special needs of the company into account. For the election of Supervisory Board members, candidates are proposed to the Annual General Meeting who, due to their professional expertise and experience, their integrity, their willingness to perform, their independence and their personality, contribute to the Supervisory Board fulfilling the defined competence profile in its entirety. The proposals to the Annual General Meeting also take the diversity concept and the objectives for the composition of the Supervisory Board into account.

Competence profile and diversity concept
The Supervisory Board has developed a competence profile for the entire Board. According to it, the members of the Supervisory Board as a whole must be familiar with the industries in which the company operates and cover the following professional competencies in their entirety:

- Work experience in at least one of the following industries: Car rental, mobility services, motor vehicle leasing, motor vehicle industry, motor vehicle trade or travel and tourism.
- Knowledge of IT and software development.
- At least one member must have expertise in the field of accounting and at least one other member must have expertise in the field of auditing. Expertise in the field of accounting consists of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and expertise in the field of auditing consists of special knowledge and experience in the auditing of financial statements. Accounting and auditing also include sustainability reporting and its audit.
- At least one member should have expertise in sustainability issues relevant to the company. In the area of environmental concerns, these are in particular the reduction of greenhouse gas emissions and resource-saving business practices, and in the area of social concerns, diversity, inclusion and equal opportunities for employees as well as customer satisfaction.
- At least one member should have experience as a member of supervisory or administrative boards.
- Experience in personnel matters with regard to board matters.

The Supervisory Board strives to achieve an appropriate level of diversity in terms of personality and experience, professional expertise, age, gender and internationality. Overall, the members of the Supervisory Board should complement each other in terms of their professional profiles, professional and life experience in such a way that the Board can draw on a diverse pool of experience and different specialised knowledge.

The Supervisory Board will consider the following criteria in particular:

- At least 50% of the members have different educational and professional backgrounds.
- At least 50% of members have international experience due to their origin or activity.

The Supervisory Board has set a target figure for the share of women on the Supervisory Board and a deadline for its implementation to which reference is made.

Further targets for composition

Every member of the Supervisory Board must ensure that he or she has sufficient time to perform the Supervisory Board mandate and that he or she can perform the mandate with due regularity and diligence. When accepting further mandates, the statutory restrictions on mandates and the recommendations of the German Corporate Governance Code must be complied with.

The members must be personally reliable and have the knowledge and experience required for the conscientious and independent performance of the duties of a member of the Supervisory Board.

No member of the Supervisory Board may have any executive or advisory functions with any significant competitor or any personal relationship with a significant competitor. The Supervisory Board may not include more than two former members of the Management Board.

At least three members must be independent of the company and its Management Board and independent of a controlling shareholder. The Supervisory Board uses the assessment criteria of the current German Corporate Governance Code in its assessment.

The Supervisory Board has also set a standard age limit for the members of the Supervisory Board. As a rule, i.e. subject to special reasons, only candidates who are not older than 72 years at the time of election may be proposed for election as members of the Supervisory Board for a full term of office.

According to recommendation C.6 of the German Corporate Governance Code, the Supervisory Board should include what it considers to be an appropriate number of independent members, taking the ownership structure into account. With Dr. Julian zu Putlitz, Dr. Daniel Terberger and Mrs. Anna Magdalena Kamenetzky-Wetzel, the Supervisory Board, which consists of four persons, includes what it considers to be an appropriate number of members who are independent of the company and its Management Board and independent of a controlling shareholder, also taking the ownership structure of Sixt SE into account.

The Supervisory Board takes the aforementioned objectives into account regarding the composition, competence profile and diversity aspects when proposing the election or appointment of Supervisory Board members and, in each individual case, recognises the extent to which different, mutually complementary professional profiles as well as professional and life experience benefit the work of the Supervisory Board.

The current composition of the Supervisory Board complies with the composition objectives and fills out the competence profile and diversity concept.

The following overview presents the competence profile of the Supervisory Board as well as the independence of the Supervisory Board members.

	Erich Sixt	Dr. Julian zu Putlitz	Dr. Daniel Terberger	Anna Magdalena Kamenetzky-Wetzel
Industry knowledge	✓	✓		
Knowledge in IT and software development	✓	✓		
Accounting expertise		✓	✓	✓
Audit expertise		✓	✓	✓
Sustainability matters		✓	✓	✓
Experience as a member of supervisory and administrative boards	✓	✓	✓	✓
Experience in personnel matters with regard to board matters	✓	✓	✓	✓
Independence		✓	✓	✓

Further details on the careers and qualifications of the Supervisory Board members can be obtained from the company's website at *ir.sixt.eu*.

Moreover, the Supervisory Board subjects itself to a regular efficiency review. This review is aimed at monitoring 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 Supervisory Board's work. The last review took place in December 2023. For this purpose, a questionnaire was used in which the members of the Supervisory Board gave their assessment of the effectiveness of the working methods of the Supervisory Board and were invited to suggest possible improvements. The questionnaire contained questions on the following topics, among others: the preparation of Supervisory Board meetings, the conducting of Supervisory Board meetings, the reporting and information provided by the Management Board, risk management and accounting. The evaluation of the questionnaires also took into account changes from the last review in December 2022. The results of the evaluation of the questionnaires were discussed in the following regular meeting of the Supervisory Board and possibilities for improvement were discussed.

Employee participation programme (Stock Performance Programme)
Details of the current employee participation programme is set out in the Notes to the Consolidated Financial Statements under "Share-based payments."

Notification of managers' transactions
In accordance with Article 19 of the Regulation (EU) no. 596/2014 of the European Parliament and the Council on market abuse (European Market Abuse Directive), members of the Management 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 German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht), 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 are duly published and can be retrieved on the website of Sixt SE at *ir.sixt.eu* under the header "Corporate Governance – Managers' Transactions."

Disclosures relating to the auditor
On 23 May 2023, the Annual General Meeting adopted the proposal of the Supervisory Board elected Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, for the last time as the auditor for Sixt SE and Sixt Group for financial year 2023 and as the auditor for any review of financial reports/financial information of Sixt SE for financial year 2023. Auditing companies from the Deloitte Group are auditing the majority of the companies included in the Consolidated Financial Statements that require such audits. Deloitte GmbH Wirtschaftsprüfungsgesellschaft has been the auditor of Sixt SE (formerly Sixt Aktiengesellschaft) since the 2005 Annual Financial Statements. The auditor Klaus Löffler has been the auditor responsible for conducting the audit since the 2019 Annual Financial Statements. Details on the auditor's fees can be found in the Notes to the Consolidated Financial Statements in the 2023 Annual Report under Note 4.6 Other operating expenses.

B.9 \\ ADDITIONAL INFORMATION FOR SIXT SE PURSUANT TO HGB

Fundamentals and business performance

Sixt SE (European Stock Corporation – Societas Europaea) is the parent company that acts as the holding company for the Sixt Group. The legal form “SE” of the holding reflects the Group’s strong international orientation. Sixt SE assumes the central administrative and management tasks and is responsible for the strategic and financial management of the Group. Sixt SE has registered branches in Leipzig and at Munich Airport.

In its function Sixt SE’s business performance, net assets, financial and earnings position as well as its risks and opportunities are essentially dependent on the development of Sixt Group’s consolidated companies.

Business performance of Sixt SE is characterised by the services provided to its subsidiaries; by the financing requirements and the proceeds distributed or transferred by Sixt Group’s subsidiaries. The Annual Financial Statements of Sixt SE are prepared pursuant to (German) commercial law and the legal stipulations on stock corporations and serve as the basis for the financial year’s allocation of the unappropriated profit to be approved by the Annual General Meeting.

Net assets, financial and earnings position

For its services rendered, Sixt SE receives remunerations of EUR 127.9 million (2022: EUR 108.9 million). The increase stems from the positive business development of the subsidiaries. Other operating income in the amount of EUR 340.5 million (2022: EUR 351.5 million) includes, among others income from forwarding cost and income from currency translation. Besides this, Sixt SE receives EUR 88.9 million (2022: EUR 45.1 million) from financing services and income from investments, and earnings transfers of EUR 219.9 million (2022: EUR 190.9 million). This is set off by personnel and operational expenses of EUR 527.0 million (2022: EUR 520.8 million) as well as interest and similar expenses of EUR 90.4 million (2022: EUR 35.9 million). There were loss transfers in the year 2023 in the amount of EUR 0.0 million (2022: EUR 0.3 million). The taxes on income are at EUR 15.2 million (2022: EUR 27.6 million). Net income for the period under review is EUR 143.2 million (2022: EUR 110.7 million).

Sixt SE’s significant assets consist of shareholdings in affiliated companies and investments of EUR 992.8 million (2022: EUR 1,079.9 million). In addition, Sixt SE has receivables from affiliated companies of EUR 2,537.7 million (2022: EUR 2,046.3 million).

As in the year before, the share capital of Sixt SE amounts to EUR 120.2 million. The equity reported amounts to EUR 683.4 million (2022: EUR 827.4 million).

Significant financial liabilities are the outstanding bonds of EUR 850.0 million (2022: EUR 550.0 million), liabilities from borrower’s note loans in the amount of EUR 1,443.5 million (2022: EUR 769.5 million) and in the previous year commercial papers of EUR 112.0 million. Further to these, Sixt SE has liabilities to affiliated companies of EUR 228.8 million (2022: EUR 337.7 million).

Overall, the financial year was successful and the previous year’s expectations of a stable result were exceeded.

Risks, opportunities and outlook

As far as its opportunities and risks are concerned, Sixt SE's development is essentially dependent on the performance of the operating companies within the Sixt Group. A negative development of these companies could have an impact on the recoverability of recognised investments in the companies and receivables from the companies. To this extent, the overall assessment in the report on risks and opportunities of the Sixt Group serves as reference. The economic development of Sixt SE is likewise significantly determined by the performance, financing requirements and earnings strength of the Sixt Group's companies. The earnings position of the subsidiaries is constantly monitored by regular investment controlling. Their earnings distributions are directly or indirectly determined by the resolutions of Sixt SE. In line with its expectations regarding the general interest rates and results of the operating subsidiaries, and with explicit reference to the uncertain overall geopolitical and economic situation, Sixt SE expects for the current financial year stable earnings before taxes.

Investments

As part of its financing function within the Sixt Group, Sixt SE will provide consolidated companies with loans and funds in the form of equity when required. Potential company start-ups or acquisitions could require investments to be made by Sixt SE.

Pullach, 25 March 2024

Sixt SE

The Management Board

ALEXANDER SIXT	KONSTANTIN SIXT	PROF. DR. KAI ANDREJEWSKI	NICO GABRIEL	VINZENZ PFLANZ

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C \\ CONSOLIDATED FINANCIAL STATEMENTS

C.1 \\ CONSOLIDATED STATEMENT OF INCOME AND STATEMENT OF COMPREHENSIVE INCOME

of Sixt SE, Pullach, for the financial year ended 31 December 2023

Consolidated Statement of Income					
in EUR thousand	Notes		**2023**		2022
Revenue	\4.1\		3,620,509		3,066,180
Other operating income	\4.2\		270,096		309,277
Fleet expenses	\4.3\		792,494		629,954
Personnel expenses	\4.4\		665,837		567,733
a) Wages and salaries		568,489		485,799	
b) Social security contributions		97,348		81,934	
Depreciation and amortisation expense including impairments	\4.5\		752,779		554,639
a) Depreciation of rental vehicles		569,752		407,658	
b) Depreciation on property and equipment		173,542		140,078	
c) Amortisation of intangible assets		9,484		6,903	
Other operating expenses	\4.6\		1,106,297		1,034,346
Earnings before interest and taxes (EBIT)			**573,198**		**588,785**
Financial result	\4.7\		-108,939		-38,635
a) Interest income		1,967		1,416	
b) Interest expense		112,226		40,110	
c) Other net financial income		1,320		60	
Earnings before taxes (EBT)			**464,259**		**550,150**
Income tax expense	\4.8\		129,120		164,445
Consolidated profit/loss			**335,139**		**385,705**
Of which attributable to shareholders of Sixt SE			**335,139**		**385,705**
Earnings per ordinary share – basic (in EUR)[1]	\4.9\		7.13		8.21
Earnings per preference share – basic (in EUR)[1]	\4.9\		7.15		8.23

Consolidated Statement of Comprehensive Income			
in EUR thousand	Notes	**2023**	2022
Consolidated profit/loss		335,139	385,705
Other comprehensive income (not recognised in the income statement)		-25,156	21,162
Components that could be recognised in the income statement in the future			
Currency translation gains/losses		-20,857	22,715
Amounts reclassified due to recognition in the income statement relating to currency translation gains/losses		-56	-
Changes in the fair value of derivative financial instruments in hedge relationships		-6,346	-1,544
Amounts reclassified due to recognition in the income statement		-922	413
Related deferred taxes		1,633	282
Components that could not be recognised in the income statement in the future			
Remeasurement of defined benefit plans	\4.23\	-509	617
Related deferred taxes		73	-144
Remeasurement of equity investments		1,827	-1,180
Related deferred taxes		-	4
Total comprehensive income		**309,983**	**406,867**
Of which attributable to shareholders of Sixt SE		309,983	406,867

1 *The diluted earnings per share correspond to the basic earnings per share.*

C.2 \\ CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of Sixt SE, Pullach, as at 31 December 2023

Assets in EUR thousand	Notes	**31 Dec. 2023**	31 Dec. 2022
Non-current assets			
Goodwill	\4.10\	25,057	24,923
Intangible assets	\4.11\	47,755	44,001
Property and equipment	\4.12\	835,830	633,349
Investment property	\4.13\	6,534	6,656
Financial assets	\4.14\	16,214	1,393
Other receivables and assets	\4.18\	12,791	7,968
Deferred tax assets	\4.8\	13,078	12,395
Total non-current assets		**957,259**	**730,685**
Current assets			
Rental vehicles	\4.15\	4,468,863	3,833,393
Inventories	\4.16\	218,480	50,039
Trade receivables	\4.17\	541,729	535,852
Other receivables and assets	\4.18\	217,913	349,531
Income tax receivables		39,462	25,216
Cash, cash equivalents and bank balances	\4.19\	5,924	26,569
Total current assets		**5,492,370**	**4,820,600**
Total assets		**6,449,629**	**5,551,285**

Equity and liabilities in EUR thousand	Notes	**31 Dec. 2023**	31 Dec. 2022
Equity			
Subscribed capital	\4.20\	120,175	120,175
Capital reserves	\4.21\	204,771	204,771
Other reserves	\4.22\	1,677,290	1,654,463
Total equity		**2,002,236**	**1,979,408**
Non-current liabilities and provisions			
Provisions for pensions and other post-employment benefits	\4.23\	3,482	2,680
Other provisions	\4.24\	29,038	19,188
Financial liabilities	\4.25\	2,099,598	1,626,937
Other liabilities	\4.26\	9,254	3,177
Deferred tax liabilities	\4.8\	68,021	51,300
Total non-current liabilities and provisions		**2,209,392**	**1,703,283**
Current liabilities and provisions			
Other provisions	\4.24\	207,451	158,673
Income tax liabilities		81,197	74,396
Financial liabilities	\4.25\	1,198,437	878,194
Trade payables	\4.27\	557,630	636,938
Other liabilities	\4.26\	193,286	120,394
Total current liabilities and provisions		**2,238,001**	**1,868,594**
Total equity and liabilities		**6,449,629**	**5,551,285**

C.3 \\ CONSOLIDATED STATEMENT OF CASH FLOWS

of Sixt SE, Pullach, for the financial year ended 31 December 2023

Consolidated Statement of Cash Flows in EUR thousand	Notes	2023	2022
Operating activities			
Consolidated profit/loss		335,139	385,705
Income taxes recognised in the income statement	\4.8\	110,820	113,123
Income taxes paid		-118,264	-82,488
Financial result recognised in the income statement[1]	\4.7\	109,185	38,695
Interest received		3,349	622
Interest paid		-91,748	-34,943
Dividends received		132	400
Depreciation and amortisation expense including impairments[2]	\4.5\	751,030	546,659
Income from disposal of fixed assets		-888	1,584
Other (non-)cash expenses and income		-5,412	72,120
Gross cash flow		**1,093,344**	**1,041,478**
Depreciation and impairments on rental vehicles[3]	\4.5\	-517,572	-377,774
Gross cash flow before changes in working capital		**575,772**	**663,704**
Change in rental vehicles[3]	\4.15\	-670,363	-837,718
Change in inventories	\4.16\	-168,440	-22,970
Change in trade receivables	\4.17\	-5,877	-14,663
Change in trade payables	\4.27\	-79,308	233,797
Change in other net assets		258,148	-223,731
Net cash flows used in operating activities		**-90,069**	**-201,582**
Investing activities			
Proceeds from the disposal of intangible assets, property and equipment		7,008	35
Payments for investments in intangible assets, property and equipment	\4.11\ to \4.13\	-61,262	-64,764
Payments for investments in financial assets	\4.14\	-12,929	-
Payments for acquisitions less acquired cash and cash equivalents		-	-42,472
Payments for investments in short-term deposits		-56	-24
Payments from short-term deposits		22	50,024
Net cash flows used in investing activities		**-67,217**	**-57,201**
Financing activities			
Dividends paid		-287,155	-174,022
Payments received from borrower's note loans taken out, bonds and bank loans	\4.25\	1,387,087	120,000
Payments made for redemption of borrower's note loans, bonds and bank loans	\4.25\	-416,360	-321,736
Payments made for redemption of lease liabilities	\4.25\	-233,533	-156,711
Payments made for redemption of and payments received from short-term financial liabilities taken out[4]	\4.25\	-313,368	550,018
Net cash flows from financing activities		**136,672**	**17,550**
Net change in cash and cash equivalents		**-20,614**	**-241,233**
Effect of exchange rate changes on cash and cash equivalents		-31	1,967
Cash and cash equivalents on 1 Jan.		**26,569**	**265,835**
Cash and cash equivalents on 31 Dec.	\4.19\	**5,924**	**26,569**

1 *Excluding income from investments*
2 *Including impairment reversals in amount of EUR 1,749 thousand (2022: EUR 7,980 thousand)*
3 *Disclosure on rental vehicles does not contain right of use assets for rental vehicles financed by lease contracts*
4 *Short-term borrowings with terms of up to three months and quick turnover*

C.4 \\ CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of Sixt SE, Pullach, as at 31 December 2023

Consolidated Statement of Changes in Equity	Subscribed capital	Capital reserves			Other reserves	Equity attributable	Total equity
in EUR thousand			Retained earnings	Currency translation reserve	Other equity	to shareholders of Sixt SE	
1 Jan. 2023	**120,175**	**204,771**	**206,907**	**43,584**	**1,403,971**	**1,979,408**	**1,979,408**
Consolidated profit/loss	-	-	-	-	335,139	335,139	335,139
Dividend payments 2022	-	-	-	-	-287,155	-287,155	-287,155
Other comprehensive income	-	-	-	-20,914	-4,243	-25,156	-25,156
Transfer from retained earnings	-	-	-958	-	958	-	-
31 Dec. 2023	**120,175**	**204,771**	**205,950**	**22,670**	**1,448,670**	**2,002,236**	**2,002,236**
1 Jan. 2022	**120,175**	**200,538**	**225,633**	**20,869**	**1,178,971**	**1,746,186**	**1,746,186**
Consolidated profit/loss	-	-	-	-	385,705	385,705	385,705
Dividend payments 2021	-	-	-	-	-174,022	-174,022	-174,022
Other comprehensive income	-	-	-	22,715	-1,553	21,162	21,162
Increase due to the employee participation programme	-	377	-	-	-	377	377
Transfer from retained earnings	-	-	-18,726	-	18,726	-	-
Transfer to the capital reserves	-	3,855	-	-	-3,855	-	-
31 Dec. 2022	**120,175**	**204,771**	**206,907**	**43,584**	**1,403,971**	**1,979,408**	**1,979,408**

See also the Notes \4.20\ to \4.22

C.5 \\ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

of Sixt SE, Pullach, for the financial year ended 31 December 2023

1. GENERAL DISCLOSURES

1.1 INFORMATION ABOUT THE COMPANY

Sixt SE, domiciled in Zugspitzstrasse 1, 82049 Pullach, Germany, is registered in section B of the commercial register at the Munich Local Court, under docket number 206738. The company was formed in 1986 as a result of a reorganisation of “Sixt Autovermietung GmbH”, established in 1979, and has done business since then as “Sixt Aktiengesellschaft”, which in 2013 was converted into “Sixt SE”. The company floated on the stock market in 1986. It has registered branches in Leipzig and at Munich Airport. The company has been established for an indefinite period.

In accordance with its Articles of Association, the purpose of the company is to rent, lease and sell vehicles, aircraft and moveable equipment, to manage, acquire, administer and provide support for companies and equity interests in companies, particularly those whose purpose wholly or partly extends to the aforementioned areas of activity, and to carry out any secondary activities that fall within these areas in the widest sense, as well as any other business activities that serve its purpose. The company may establish branches at home and abroad, found, acquire or hold equity interest stakes in other companies in and outside Germany. The limits of the aforementioned purpose shall not apply to the purpose of subsidiaries and investees. The company is entitled to hand over its operations wholly or partly to subsidiaries or investees as well as to transfer its operations wholly or partly to subsidiaries or investees. The company may limit its activities to one purpose or specific purposes of the aforementioned objects, and also to the activity of a holding company and/or the administration of other own assets.

On the reporting date, the company’s subscribed capital amounted to EUR 120,174,996.48. Both ordinary shares and non-voting preference shares have been issued, both categories as no-par value shares with a notional value of EUR 2.56 per share. All shares have been fully paid up. The largest shareholder is Erich Sixt Vermögensverwaltung GmbH, Pullach, which holds 58.3% of the ordinary shares and voting rights of the subscribed capital on the reporting date. Erich Sixt Vermögensverwaltung GmbH, Pullach, is the parent of Sixt SE, Pullach. In accordance with section 17 of the German Stock Corporation Act (AktG), Sixt SE is a dependent company of Erich Sixt Vermögensverwaltung GmbH, Pullach, as well as ES Asset Management and Services GmbH & Co. KG, Pullach.

1.2 GENERAL DISCLOSURES ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of Sixt SE as at 31 December 2023 were prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the EU and the applicable commercial law regulations according to section 315e (1) of the German Commercial Code (HGB).

The Consolidated Financial Statements were prepared on the basis of the historical acquisition and production costs. Certain financial instruments that were measured at fair value as at the reporting date are excluded. The appropriate explanations are given in the sections entitled “Reporting and valuation methods” and “Additional disclosures on financial instruments”.

The company applied the following new and/or amended standards for the first time in the current financial year:

Amendments to IAS 1 – Disclosure of accounting policies
The amendments to IAS 1 require entities to disclose their material rather than their significant accounting policies and valuation methods. The amendment is intended to improve the disclosures on accounting policies and valuation methods for the primary users of financial statements. This had no material impact on the Consolidated Financial Statements.

Amendments to IAS 8 – Definition of accounting estimates
The amendments to IAS 8 specify the distinction between accounting policies and accounting estimates to help entities distinguish accounting estimates from accounting policies. This had no material impact on the Consolidated Financial Statements.

Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules
The amendments to IAS 12 introduce an exception to the requirements in the standard that an entity does not recognise and does not disclose information about deferred tax assets and liabilities related to the OECD pillar two income taxes. An entity must disclose when it applies the exception. Sixt SE applies this

exception. The standard IAS 12 was also amended by the disclosure requirement, that an entity has to disclose separately its current tax expense (income) related to pillar two income taxes. Furthermore, the amendments prescribe a disclosure requirement, that states that in periods in which pillar two legislation is enacted or substantively enacted, but not yet in effect, an entity discloses known or reasonably estimable information that helps users of financial statements understand the entity's exposure to pillar two income taxes arising from that legislation. The amendments had no material impact on the recognition and valuation in the Consolidated Financial Statements.

IFRS 17 – Insurance contracts

The standard IFRS 17 (Insurance contracts) replaces IFRS 4 and establishes consistent principles for the recognition, measurement, presentation and disclosure of insurance contracts. In connection to the rental of vehicles, Sixt provides its customers various protection products. These protection products are not considered insurance contracts within the meaning of IFRS 17, as Sixt does not take over any risk from its customers, that the customers have previously been exposed to. This had no material impact on the Consolidated Financial Statements.

No other new and/or amended standards/interpretations are of relevance for the Consolidated Financial Statements of Sixt SE.

New standards and interpretations

The following new and/or amended standards have been ratified by the IASB but are not yet mandatory. The company has not applied these regulations early.

Standard/Interpretation		Adoption by European Commission	Applicable as at
Amendments to IAS 1	Classification of liabilities as current or non-current, Non-current liabilities with covenants	19 Dec. 2023	1 Jan. 2024
Amendments to IAS 7 and IFRS 7	Supplier finance arrangements	No	1 Jan. 2024
Amendments to IFRS 16	Lease liability in a sale and leaseback	20 Nov. 2023	1 Jan. 2024
Amendments to IAS 21	Lack of exchangeability	No	1 Jan. 2025

Application of new standards and interpretations

No material changes are expected from the application of other published new and/or amended standards and interpretations. Sixt Group currently does not expect to apply any of the new and/or amended standards or interpretations early.

The Consolidated Statement of Income is prepared using the total cost (nature of expense) method.

The Group currency of Sixt SE is the euro (EUR). Unless specified otherwise the amounts stated in the Consolidated Financial Statements are in "EUR thousand".

Due to rounding it is possible that individual figures in these Consolidated Financial Statements do not add up exactly to the totals shown. For the same reason, the percentage figures presented may not always exactly reflect the absolute figures to which they relate to.

The Annual Financial Statements of Sixt SE, the Consolidated Financial Statements and the Combined Management Report are submitted electronically to the agency that maintains the company register (Unternehmensregister) to be included in the company register.

2. CONSOLIDATION

2.1 CONSOLIDATED COMPANIES

The scope of consolidated companies derives from the application of IFRS 10 (consolidated financial statements).

The composition of Sixt Group is shown in the following table (the equity interest corresponds to the voting power):

	31 Dec. 2023		31 Dec. 2022	
	Count	Equity interest	Count	Equity interest
Sixt SE and consolidated companies	**133**		**101**	
Germany	71	100%	39	100%
Abroad	62	100%	62	100%
Non-consolidated subsidiaries	**45**		**11**	
Germany	43	100%	9	100%
Abroad	2	100%	2	100%
Non-consolidated associates and joint ventures	**2**		**2**	
Germany	1	50%	1	50%
Abroad	1	50%	1	50%

A detailed list of the entities consolidated in the Sixt Group and the list of shareholdings of the Sixt Group in accordance with section 313 of the German Commercial Code (HGB) is included as an attachment in the notes in the section “List of shareholdings” which is part of the Consolidated Financial Statements. Information pursuant to section 313 (2) no. 4 of the HGB on equity and annual result and information on investments is omitted insofar as, pursuant to section 313 (3) sentence 4 of the HGB, such information is of minor relevance for the presentation of the net assets, financial position and results of operations of the Group.

132 subsidiaries were included in the consolidated financial statements in financial year 2023. All consolidated subsidiaries have the same year-end as Sixt SE except for Sixt R&D Private Limited, whose year-end is 31 March in accordance with local requirements. Interim financial statements are prepared as at 31 December for the company with divergent reporting date.

All Group companies with no operating activities or with operating activities insignificant, both individually and in the aggregate, for the presentation of a true and fair view of the net assets, financial position and results of operations of the Group are not consolidated. The combined revenue of these companies amounts to less than 1% of consolidated revenue.

The last available summarised financial information of the non-consolidated companies is shown below.

in EUR thousand	**2023[1]**	2022
Non-consolidated subsidiaries		
Revenue	35	15
Equity	3,021	419
Annual result	-100	-25
Non-consolidated associates and joint ventures		
Revenue	3,015[2]	2,445
Equity	1,811[2]	1,612
Annual result	465[2]	269

1 *All information is based on preliminary, unaudited financial statements*
2 *Financial figures of the company CV Main 2000 UA for financial year 2022*

In accordance with section 264b of the HGB, the following companies are exempt from the obligation to prepare and publish annual financial statements under the provisions applicable to corporations:

- Akrimo GmbH & Co. KG, Pullach,
- Blueprint Holding GmbH & Co. KG, Pullach,
- Flash Holding GmbH & Co. KG, Pullach,
- Lightning Holding GmbH & Co. KG, Pullach,
- Matterhorn Holding GmbH & Co. KG, Pullach,
- Sigma Grundstücks- und Verwaltungs GmbH & Co. Immobilien KG, Pullach,
- Sigma Pi Holding GmbH & Co. KG, Pullach,
- Sixt BaWü I GmbH & Co. KG, Freiburg im Breisgau,
- Sixt BaWü II GmbH & Co. KG, Karlsruhe,
- Sixt BER GmbH & Co. KG, Schönefeld,
- Sixt Berlin I GmbH & Co. KG, Berlin,
- Sixt Beteiligungen GmbH & Co. Holding KG, Pullach,
- Sixt CGN GmbH & Co. KG, Cologne,
- Sixt DUS GmbH & Co. KG, Düsseldorf,
- Sixt Düsseldorf GmbH & Co. KG, Düsseldorf,

- Sixt FRA GmbH & Co. KG, Frankfurt am Main,
- Sixt Franken GmbH & Co. KG, Nuremberg,
- Sixt Frankfurt GmbH & Co. KG, Frankfurt am Main,
- Sixt GmbH & Co. Autovermietung KG, Pullach,
- Sixt HAM GmbH & Co. KG, Hamburg,
- Sixt Hamburg I GmbH & Co. KG, Hamburg,
- Sixt KAGÖ GmbH & Co. KG, Kassel,
- Sixt Köln GmbH & Co. KG, Cologne,
- Sixt Meckpomm GmbH & Co. KG, Rostock,
- Sixt MUC GmbH & Co. KG, Munich Airport,
- Sixt München I GmbH & Co. KG, Munich,
- Sixt Niedersachsen GmbH & Co. KG, Hanover,
- Sixt Nordwest GmbH & Co. KG, Bremen,
- Sixt OWL GmbH & Co. KG, Bielefeld,
- Sixt Rhein-Main GmbH & Co. KG, Darmstadt,
- Sixt Rhein-Neckar-Saar GmbH & Co. KG, Mannheim,
- Sixt Ride GmbH & Co. KG, Pullach,
- Sixt Ride Holding GmbH & Co. KG, Pullach,
- Sixt Ruhr I GmbH & Co. KG, Dortmund,
- Sixt Ruhr II GmbH & Co. KG, Essen,
- Sixt SH GmbH & Co. KG, Kiel,
- Sixt SN BB GmbH & Co. KG, Leipzig,
- Sixt ST TH GmbH & Co. KG, Erfurt,
- Sixt STR GmbH & Co. KG, Stuttgart,
- Sixt Stuttgart GmbH & Co. KG, Stuttgart,
- Sixt V&T GmbH & Co. KG, Berlin,
- Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Delta Immobilien KG, Pullach,
- Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Epsilon Immobilien KG, Pullach,
- Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Gamma Immobilien KG, Pullach,
- Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG, Pullach,
- Sixt West GmbH & Co. KG, Coblenz,
- Sixt Westfalen GmbH & Co. KG, Osnabrück,
- Speed Holding GmbH & Co. KG, Pullach,
- SXT Dienstleistungen GmbH & Co. KG, Rostock,
- SXT Reservierungs- und Vertriebs-GmbH & Co. KG, Rostock,
- SXT Retina Lab GmbH & Co. KG, Pullach,
- SXT Services GmbH & Co. KG, Pullach,
- Velocity Holding GmbH & Co. KG, Pullach.

Sixt Transatlantik GmbH, Pullach, Smaragd International Holding GmbH, Pullach, SXT International Projects and Finance GmbH, Pullach, and SXT Projects and Finance GmbH, Pullach, make use of the exemption with regard to publication provided for in section 264 (3) of the HGB.

2.2 CHANGES IN THE SCOPE OF CONSOLIDATION

The changes in the consolidated Group compared to the end of 2022 are shown in the following table:

Count	Germany	Abroad
Consolidated at 31 December 2022	**39**	**62**
Initially consolidated		
Newly formed subsidiaries	32	1
Deconsolidated		
Liquidations	-	1
Consolidated at 31 December 2023	**71**	**62**

The initial consolidation or deconsolidation of these subsidiaries, either individually or in the aggregate, did not have a significant effect on the presentation of a true and fair view of the net assets, financial position and results of operations of the Group.

2.3 CONSOLIDATION METHODS

The single-entity financial statements included in the Consolidated Financial Statements are uniformly prepared in accordance with the IFRS accounting policies applicable to Sixt Group as at the balance sheet date, in this case 31 December 2023. Where necessary, the single-entity financial statements of the consolidated companies are adjusted to bring them into line with the accounting policies used within the Group. Subsidiaries are those companies that are controlled by the Group. Control exists if the Group is exposed to variable returns from the relationship with a company and its power over the relevant activities gives it the opportunity to influence these returns. Control results from existing rights that give it the ability to direct the main activities, therefore the activities that have a material impact on the profitability of the company. As a rule, the possibility of control is based on a direct or indirect majority of the voting rights by Sixt SE. Subsidiaries are consolidated from the date on which the possibility of control exists. They are no longer consolidated when this possibility no longer exists.

Acquisition accounting is performed in accordance with IFRS 3, which requires business combinations to be accounted for using the acquisition method. Assets and liabilities acquired must generally be recognised at fair value. Any excess of the cost of the business combination over the Group's share of the net fair values of the acquiree's assets, liabilities and contingent liabilities is recognised as goodwill and tested for impairment on a regular basis, at least once a year.

The assets and liabilities from the business combination to be recognised at their fair values are depreciated or amortised over their applicable useful lives. If they have an indefinite useful life, any need to recognise impairment losses is determined using the same method as for goodwill.

Intra-group transactions are eliminated in the course of consolidation. Significant receivables, liabilities and provisions between consolidated companies are offset against each other, and intercompany profits and losses are eliminated. Intra-group income is offset against the corresponding expenses. Deferred taxes are recognised as required by IAS 12 for temporary differences arising on consolidation.

The results of subsidiaries consolidated for the first time during the year are included in the Consolidated Statement of Income from the date of their initial consolidation.

2.4 FOREIGN CURRENCY TRANSLATION

The financial statements of consolidated foreign subsidiaries are translated using the functional currency concept. The subsidiaries' functional currency is in each case the local currency, as the subsidiaries operate independently in their respective markets. Assets and liabilities are translated at the closing rate, equity at historic prices. Income statement items are translated at the average rates for the year. The resulting difference to the closing rate is recognised in other comprehensive income and accumulated in equity as currency translation differences.

Goodwill arising out of the acquisition of a foreign business operation and any fair value adjustments to the identifiable assets and liabilities are to be treated as assets and liabilities of the foreign operation and translated at the closing rate. The resulting differences from translation are recognised in the reserves from currency translations.

The exchange rates (= EUR 1) applied for currency translation of the most significant currencies are shown in the table below:

Exchange rates		Closing rate		Average rate
	31 Dec. 2023	31 Dec. 2022	**2023**	2022
British pound	0.86905	0.88693	0.86880	0.85482
Canadian dollar	1.46420	1.44400	1.46195	1.37036
Swiss Francs	0.92600	0.98470	0.97166	1.00170
US-Dollar	1.10500	1.06660	1.08285	1.04998

3. REPORTING AND VALUATION METHODS

3.1 INCOME STATEMENT

Revenue

Revenue is recognised when a contract with enforceable rights and obligations exists and control of goods has been transferred to the customer or the service has been rendered. Revenue is measured at the fair value of the consideration received or receivable. It is the amount receivable for goods and services provided in the course of ordinary operating activities, that Sixt is entitled based on experience. Revenue from services is recognised on a straight-line basis over the service period.

For services that are not provided by the Group, thus where the Group acts as an agent, revenue is only recognised in the amount related to the brokerage service of the Group. Amounts received in the name and on account of third parties are not recognised as revenue.

Discounts, bonuses and VAT/sales or other taxes relating to the goods or services provided are deducted from revenue.

Vehicle sales are recognised when the vehicle is delivered and ownership is transferred, the amount of revenue and the costs still to be incurred can be determined reliably and an incoming benefit is probable. The Group does not disclose proceeds from the sale of used vehicles. The balance between proceeds from the sale and the carrying amount is allocated to depreciation and amortisation expense.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the Group will comply with the conditions attached to the grant. They are recognised in profit or loss on a predefined basis over the periods in that the Group recognises the related costs that the grants are intended to compensate for. Grants relating to profit or loss are offset against the corresponding expenses, as far as attributable.

Financial result

Interest income and expense presented in the financial result is recognised on an accrual basis taking into account the outstanding loan amount and the applicable interest rate. The effective interest method is applied for this. Income and expense arising from profit and loss transfer agreements are recognised at the end of the financial year, while dividend income is recognised on the date from which the shareholder is entitled to receive payment thereof.

Income tax expense

Income tax expense is the aggregate of current tax expense and deferred taxes.

Current and deferred taxes are generally recognised in the Statement of Income, except where they relate to items recognised in other comprehensive income or directly in equity. In this case the current and deferred taxes are also recognised in other comprehensive income or equity.

Current tax expense is calculated on the basis of the taxable income for the year.

In accordance with the balance sheet liability method as defined by IAS 12 (Income taxes), deferred taxes are principally formed for all temporary differences arising from deviations in the valuation of assets and liabilities from the corresponding tax basis. Deferred tax assets are also recognised for the carryforward of unused tax losses.

Earnings per share

Earnings per share are measured in accordance with IAS 33 (Earnings per share). Basic earnings per share are calculated by dividing the share in post-tax earnings of the parent company's shareholders by the weighted average number of shares outstanding during the financial year. Consolidated profit is to be allocated to the different classes of shares. If applicable, diluted earnings per share are reported separately.

3.2 ASSETS

Goodwill

Any goodwill generated from a business combination is recognised at cost less any necessary impairment and reported separately in the Consolidated Statement of Financial Position. For the purpose of testing impairment, goodwill is allocated to those cash-generating units (or groups) of the Group, of which it is expected that they can draw benefit from the synergies of the business combination.

Those cash-generating units, to which a portion of goodwill is allocated, must be tested for impairment at least annually. In addition, the cash-generating units need to be tested for impairment in case of a triggering event. If the recoverable amount of a cash-generating unit is smaller than the carrying amount of the unit, the impairment loss must be allocated first to the carrying amount of goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. The recoverable amount is the higher amount from the value in use and the fair value less costs to sell.

Any impairment of goodwill is recognised directly in the income statement. An impairment loss recognised for goodwill is not to be reversed in subsequent periods.

The annual impairment test is based on management's planning. The planning assumptions used to determine the recoverable amount, are adapted annually to reflect current market conditions and the company's results of operations. The actual amounts can differ from these assumptions. The model used for the impairment test is based on the discounted cash flow method, with a five year plan and a growth factor taken as the basis in deriving a sustainable figure. The assumptions used for the model are based on external observations.

Intangible assets

Intangible assets include purchased and internally developed software, as well as any payments on account in respect of intangible assets.

Purchased intangible assets are capitalised at acquisition cost less accumulated amortisation and impairments, while internally generated intangible assets are only capitalised at production cost if the criteria set out in IAS 38 have been met. If the capitalisation criteria have not been met, the expenses are recognised in the income statement in the year in which they are incurred. Intangible assets are amortised on a straight-line basis over a useful life of two to twenty years. In accordance with IAS 36, intangible assets whose useful lives cannot be determined or are generally indefinite are tested for impairment on an annual basis and, where necessary, written down to their recoverable amount.

Property and equipment and investment property
Property and equipment are carried at cost less straight-line depreciation and recognised impairments. Investment property is assessed according to the cost model at cost less straight-line depreciation and recognised impairment.

Depreciation is performed in a way that the acquisition costs of assets less their residual values are depreciated on a straight-line basis over their useful lives. The expected useful lives, residual values and depreciation methods are re-evaluated at the end of each reporting period and all necessary changes in estimates are applied prospectively. Depreciation is based on the following useful lives, which apply uniformly throughout the Group:

Useful lives	
Buildings and fixtures in buildings	12 to 50 years
Operating and office equipment	2 to 21 years

Property and equipment are derecognised either on disposal or when no further economic benefit is to be expected from the continued use of the asset. The resulting gain or loss from the sale or retirement of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and recognised in profit or loss.

Leases
Leases concluded by Sixt Group as lessee are recognised as lease liabilities under the item financial liabilities and as corresponding right of use assets.

The lease liability is initially measured at the amount of the future lease payments, discounted with the interest rate implicit in the lease or, if not readily determinable, the lessee's incremental borrowing rate. Sixt Group generally uses the incremental borrowing rate for the respective currency.

The measurement of the lease liability includes fixed payments less any lease incentives receivable, variable payments that depend on an index or a rate, amounts expected to be paid under a residual value guarantee, the exercise price of a purchase option that the Group is reasonably certain to exercise, lease payments for extension periods, if the Group is reasonably certain to exercise the extension option or the lessor is entitled to the extension option, as well as agreed compensation for the termination of a lease, unless the Group is reasonably certain that the lease will not be terminated early.

Right of use assets are initially measured at the amount of the lease liability adjusted for any payments made at the beginning of the lease, initial direct costs and any lease incentives received.

The lease liability is subsequently measured at amortised cost according to the effective interest method. The right of use asset is depreciated on a straight-line basis over the useful life of the asset or the term of the lease.

The lease liability is remeasured, if the future lease payments change due to the adjustment of the contract, an index or a rate, if the assumption regarding the amount expected to be paid under a residual value guarantee changes, or if the Group changes its assumption regarding the exercise of a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the right of use asset.

Lease liabilities are presented within the financial liabilities, the right of use assets are reported under property and equipment or rental vehicles, depending on the leased asset.

Sixt Group applies the exemption to not recognise right of use assets and lease liabilities for short-term leases and leases for assets of low value. This concerns in particular lease agreements for rental vehicles as well as rental stations and other business premises with a contractual term of up to one year. Sixt Group recognises the payments of these leases directly in profit or loss on a straight-line basis over the lease term.

The Group reviews the carrying amounts of property and equipment and intangible assets including right of use assets at each balance sheet date, to determine whether there are any indications of an impairment of these assets. If any such indications are identified, the recoverable amount of the asset is estimated to determine the extent of a possible impairment expense.

Leases concluded by Sixt Group as lessor are classified as finance leases, if under the lease agreement all opportunities and risks associated with ownership are essentially transferred to the lessee. All other leasing relations are classified as operate leases.

Rental vehicles

Own rental vehicles are measured at cost, including incidental costs, less straight-line depreciation and recognised impairments.

Depreciation is recognised in a way that the acquisition costs, including incidental costs, less their expected residual values at the end of the useful life are depreciated on straight-line basis over the planned holding period. For vehicles with existing buy-back agreement, the residual values are based on the buy-back value per vehicle type contractually agreed with the suppliers. If no buy-back value has been agreed, the vehicles must be sold by the Group on the open market. In this case the residual value is based on the expected fair value. In estimating the expected fair value the Group is exposed to the development of the used car market. The expected fair values and useful lives of the vehicles are analysed regularly based on market observations and the company's own experience. The necessary changes in estimates are taken into account prospectively. A difference between the sale proceeds and the carrying amount upon disposal of the vehicles, is recognised as adjustment to depreciation and amortisation expense.

Write-downs for impairments, e.g. for stolen or heavily damaged vehicles, are recognised to the extent that recognition of a lower value is required.

The accounting and valuation methods described under the section Leases are applied to the right of use assets for rental vehicles financed by lease contracts.

Inventories

The item inventories contains vehicles for sale. These are measured at amortised cost, including incidental costs, and are regularly compared with the net realisable value. If it is lower, an impairment loss is recognised.

Raw materials, consumables and supplies are carried at the lower of cost, including incidental costs and discounts, or net realisable value.

Financial assets, other receivables and assets

Financial assets are composed of loans granted and receivables, equity instruments, purchased debt instruments, cash and cash equivalents, and derivatives. Financial assets are recognised when the Group has a contractual right to receive cash or another financial asset from another party. Purchases and sales of financial assets are generally recognised at the settlement date.

Financial assets are initially recognised at fair value plus transaction costs if applicable. Transaction costs incurred for the purchase of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Subsequent measurement is based on the allocation of the financial assets to the categories according to IFRS 9.

The Group classifies financial assets in the following measurement categories: at fair value, with changes recognised either through profit or loss or through other comprehensive income and at amortised cost.

Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest method. Trade receivables, financial receivables and loans reported in other assets, as well as cash and cash equivalents are assigned to this measurement category. Interest income from items in this category is calculated using the effective interest method unless the receivables are short-term and the effect of interest accumulation is immaterial.

Equity instruments that are not held for trading and for which the option was chosen on initial recognition, are measured at fair value through other comprehensive income. Changes in fair value of such equity instruments are recognised in other comprehensive income and are not recycled to profit or loss upon disposal. The Group currently measures two investments at fair value through other comprehensive income.

Assets that are not measured at amortised cost or at fair value through other comprehensive income, are measured at fair value through profit or loss. Equity instruments and derivatives reported in other financial assets are assigned to this category. The gain or loss resulting from the measurement of derivative financial instruments is immediately recognised in profit or loss unless the derivative is designated and effective as a hedging instrument in a hedging relationship (hedge accounting). In this case, the timing of the recognition in the income statement of the measurement result depends on the type of hedging relationship.

With the exception of financial assets measured at fair value through profit or loss and at fair value through other comprehensive income, financial assets are assessed at each reporting date on the basis of expected credit losses. For trade receivables and receivables from insurances, the Group applies the simplified approach, whereby an impairment allowance in the amount of expected credit losses over the lifetime of the receivables is recognised for all instruments irrespective of their credit quality.

Some categories of financial assets, such as trade receivables, are tested for impairment on a portfolio basis. The portfolio-based assessment is carried out by grouping together assets with similar risk characteristics, such as customer group, customer creditworthiness and transaction type to determine an impairment provision that reflects the expected probability of default.

When assessing the portfolio-based impairment, the Group uses the historical information on the timing of recoveries and defaults in addition to management expectations and makes necessary adjustments to reflect current and expected future economic conditions. These include particularly such economic conditions, that may affect defaults, such as evolution of inflation and interest rates.

In the case of financial assets measured at amortised cost, the impairment loss corresponds to the difference between the carrying amount of the asset and the net present value of expected future cash flows determined on the basis of the original effective interest rate of the asset.

An impairment of the affected financial assets is recognised in an impairment account (allowance account). Changes in the carrying amount of the impairment account are recognised in profit or loss.

When the Group concludes that there are no realistic prospects of recovering the asset, for example the debt collection procedures are unsuccessful, the respective amount is written-off. The Group also derecognises a financial asset if the contractual right to cash flows from the financial asset expires or the financial asset and practically all the opportunities and risks associated with the financial asset are transferred to a third party.

3.3 EQUITY AND LIABILITIES

Shared-based payments

Cash-settled share-based payment transactions are measured at fair value at the grant date and at each reporting date up to and including the settlement date. The fair value is recognised in the income statement as personnel expenses over the period until the vesting date and presented as a liability under other provisions.

The section entitled “Share-based payments” provides further information on the determination of the fair value of share-based payments.

Provisions for pensions and other post-employment benefits

Provisions for pensions and other post-employment benefits are measured annually by independent actuaries using the projected unit credit method. The measurement is based on actuarial valuations relying on financial and demographic assumptions. The assumptions are reviewed for appropriateness at each balance sheet date.

The amount recognised as provisions for pensions and other post-employment benefits in the Consolidated Statement of Financial Position is the current deficit of the defined benefit plans of the Group.

Service costs are recognised in personnel expenses within the Consolidated Statement of Income, while the net interest result is recognised as part of finance costs. Remeasurements of the defined benefit obligation, net of deferred taxes, are recognised in other equity. These amounts recognised in other comprehensive income are not recognised in the income statement in the future.

Provisions

Adequate provisions are recognised for potential obligations to third parties if these are attributable to a past event, if utilisation is more likely than not and provided a reliable estimate can be made of the probable amount of the obligation. Such liabilities are only accounted for as provisions if their amount is uncertain and payment to settle the obligation is probable. The measurements are made with the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties inherent in the obligation. Where a provision is measured on the basis of the estimated cash flows for meeting the obligation, these cash flows are discounted if the impact on interest is significant.

Financial liabilities

Financial liabilities are measured on initial recognition at their fair value and subsequently according to the effective interest method at amortised cost less directly attributable transaction costs, where applicable. Lease liabilities to the lessor are initially recognised at the present value of the future lease payments and subsequently measured according to the effective interest method at amortised cost. Only the interest portion is recognised as expense within the financial result.

3.4 HEDGING RELATIONSHIPS

The Group designates individual financial instruments, including derivatives, as part of cash flow hedges where applicable. Hedging relationships are recognised in accordance with IFRS 9.

Eligibility and details of the hedge relationship between the underlying and the hedging transaction as well as the relevant risk management objectives and strategies are documented at the start of hedge accounting. In addition, both at the inception of the hedging relationship and over the course of the relationship, it is regularly documented whether the hedging instrument designated in the hedge relationship meets the requirements for hedge effectiveness.

The effective portion of the change in the fair value of derivatives that are suitable for cash flow hedges and have been designated as such, is recognised in other comprehensive income under the item changes in the fair value of derivative financial instruments in hedge relationships. The gain or loss from the ineffective portion is recognised immediately in the income statement. Amounts recognised in other comprehensive income are transferred to the income statement during the period in which the hedge underlying transaction is also carried through profit or loss and are offset against the corresponding underlying transaction.

The section entitled "Additional disclosures on financial instruments" provides details on the fair value of the derivatives used for hedging.

Financial accounting of the hedging relationship ends when the hedging instrument expires, is sold or terminated, or the instrument is no longer suitable for hedging. The full amount of gains or losses recognised in other comprehensive income at this point in time and accumulated in equity remains in equity and is only recognised in the income statement when the expected transaction is also recognised in the income statement. Where the forecast transaction is no longer expected to occur, the cumulative gain or loss recognised in equity is transferred directly to the income statement.

3.5 ESTIMATION UNCERTAINTIES AND DISCRETIONARY DECISIONS

In preparing the Consolidated Financial Statements, it is often necessary to make estimates and assumptions that affect both the items reported in the Consolidated Statement of Financial Position and the Consolidated Statement of Income, as well as the disclosures contained in the Notes to the Consolidated Financial Statements. The amounts actually realised can differ from the reported amounts. Changes are recognised in the income statement on the date at which better knowledge is gained. The estimates and assumptions made are outlined in the disclosures on the individual items.

Estimates and assumptions for areas of the Consolidated Financial Statements in which amounts are most significantly affected are unchanged as follows.

The recoverability of goodwill and assets within the scope of IAS 36 (Impairment of assets) is assessed on the basis of expected developments and estimated parameters (planning assumptions, capitalisation interest rates) considering the macroeconomic environment. Property and equipment and intangible assets are measured on the basis of the estimated useful lives of the assets. The term of leases is evaluated based on the estimation of whether extension and termination options are exercised. Rental vehicles are measured on the basis of the estimated useful lives taking into account the expected residual value of the vehicles. The residual values expected on the market are reviewed on an ongoing basis and reflecting the changes in market conditions. The adjustments for expected credit losses on receivables and other assets are based on estimates of the expected probability of default. The parameters used to determine risk provisions on the basis of management expectations are continuously reviewed and adjusted to the current overall economic situation. Derivatives are measured on the basis of estimated market yield curves. The need for provisions is determined using the best estimate of the most probable settlement amount of the present obligation at the balance sheet date.

In the area of sustainability Sixt has currently not identified any significant risks for the business model and thus does not expect any significant impact on the net assets, financial position and results of operations of the Group.

4. EXPLANATIONS AND DISCLOSURES ON INDIVIDUAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

4.1 CONSOLIDATED STATEMENT OF INCOME

\4.1\ *Revenue* is broken down as follows:

Revenue		Germany		Europe		North America		Total	Change
in EUR thousand	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	in %
Rental revenue	913,242	768,088	1,373,926	1,213,119	1,011,955	866,243	3,299,123	2,847,450	15.9
Other revenue from the rental business	162,088	101,709	87,139	64,872	63,980	41,975	313,207	208,556	50.2
Other revenue	6,646	8,271	1,533	1,903	-	-	8,180	10,174	-19.6
Group total	**1,081,977**	**878,068**	**1,462,598**	**1,279,894**	**1,075,935**	**908,218**	**3,620,509**	**3,066,180**	**18.1**

The main activity of the Group is vehicle rental including other related services and brokerage of transfer services.

Rental revenue from short-term rental of vehicles increased by 15.9% compared to the previous year to EUR 3,299,123 thousand (2022: EUR 2,847,450 thousand). Other revenue from the rental business, damage compensation resulting from rental business and other revenues such as subsidies, licence and franchise fees and commission revenue, for example, increased by 50.2% to EUR 313,207 thousand (2022: EUR 208,556 thousand) and includes compensation payments from third parties totalling EUR 211,061 thousand (2022: EUR 124,267 thousand).

Other revenue contains the revenue that is not directly related to the main activity of the Group.

\4.2\ *Other operating income* is broken down as follows:

Other operating income			Change
in EUR thousand	**2023**	2022	in %
Forwarding costs to third parties	75,352	55,208	36.5
Currency translation	110,647	157,572	-29.8
Non-cash benefits	10,358	7,829	32.3
Payments on derecognised receivables	7,353	7,839	-6.2
Reversal of impairments for trade receivables and other assets	13,295	8,238	61.4
Reversal of provisions	12,502	19,077	-34.5
Reversal of impairments for property and equipment	1,749	7,980	-78.1
Capitalised costs	15,817	20,709	-23.6
Miscellaneous income	23,023	24,826	-7.3
Group total	**270,096**	**309,277**	**-12.7**

\4.3\ ***Fleet expenses*** comprise expenses for current rental operations and are broken down as follows:

Fleet expenses			Change
in EUR thousand	**2023**	2022	in %
Repairs, maintenance and reconditioning	378,413	319,826	18.3
Fuel	80,662	60,443	33.5
Insurance	122,798	113,315	8.4
Transportation	73,677	37,312	97.5
Taxes and charges	26,814	21,788	23.1
Registration fees	27,730	18,323	51.3
Other	82,400	58,947	39.8
Group total	**792,494**	**629,954**	**25.8**

\4.4\ ***Personnel expenses*** increased from EUR 567,733 thousand the year before to EUR 665,837 thousand in the year under review. Social contributions mainly include employer contributions to statutory social insurance schemes. The expense for defined contribution pension plans in the amount of EUR 22,722 thousand (2022: EUR 19,461 thousand) primarily results from statutory pension insurances. Expenses for defined benefit pension plans and other post-employment benefits are included in the amount of EUR 1,268 thousand (2022: EUR 1,240 thousand). Personnel expenses also include further expenses for defined post-employment benefits in the amount of EUR 163 thousand (2022: EUR 188 thousand). In the previous year personnel expenses included government grants for the use of short-time working and similar instruments in relation to the coronavirus pandemic in the amount of EUR 977 thousand. In financial year 2023 government grants granted in previous years were reduced by EUR 668 thousand.

Personnel expenses			Change
in EUR thousand	**2023**	2022	in %
Wages and salaries	568,489	485,799	17.0
Social security contributions	97,348	81,934	18.8
Group total	**665,837**	**567,733**	**17.3**

The average number of employees during the year was:

Employees in the Group	Women	Men	**2023**	Women	Men	2022
Germany	1,471	1,929	3,400	1,333	1,690	3,023
Europe	1,302	1,828	3,130	1,201	1,567	2,768
North America	729	1,020	1,749	595	713	1,308
Other	88	368	456	76	334	410
Total	**3,590**	**5,145**	**8,735**	**3,205**	**4,304**	**7,509**

\4.5\ ***Expenses for depreciation and amortisation including impairments*** in the financial year are explained in more detail below:

Depreciation and amortisation expense including impairments			Change
in EUR thousand	**2023**	2022	in %
Rental vehicles	569,752	407,658	39.8
Property and equipment and investment property	173,542	140,078	23.9
Intangible assets	9,484	6,903	37.4
Group total	**752,779**	**554,639**	**35.7**

The depreciation of rental vehicles includes the depreciation of own rental vehicles and the depreciation of right of use assets for rental vehicles financed by lease contracts with terms of more than one year.

The rental vehicles are depreciated over the planned holding period, taking into account their residual values. The residual values of the vehicles are based on the agreed buy-back value or the expected fair value. The expected fair values are analysed regularly based on market observations and the company's own experience. The necessary changes in estimates are taken into account prospectively. Impairments are recognised to the extent that recognition of a lower value is required.

The depreciation expense for own rental vehicles at EUR 517,572 thousand was higher than in the previous year (2022: EUR 377,774 thousand). It includes impairment losses, among other things, due to damages and thefts in amount of EUR 20,240 thousand (2022: EUR 1,704 thousand), of which EUR 2,698 thousand is attributable to Germany (2022: EUR -), EUR 2,171 thousand to Europe (2022: EUR 1,673 thousand) and EUR 15,371 thousand to North America (2022: EUR 31 thousand).

The depreciation of right of use assets for rental vehicles financed by lease contracts increased from EUR 29,884 thousand to EUR 52,181 thousand in the financial year, which is due to the higher number of leased vehicles during the year.

The depreciation of property and equipment and investment property mainly includes the depreciation of right of use assets and the depreciation of operating and office equipment.

The amortisation of intangible assets includes the amortisation of purchased and internally developed software and other intangible assets.

\4.6\ The following table contains a breakdown of *other operating expenses*:

Other operating expenses in EUR thousand	**2023**	2022	Change in %
Leasing expenses	64,095	47,437	35.1
Commissions	329,311	299,322	10.0
Expenses for buildings	71,391	57,764	23.6
Other selling and marketing expenses	179,134	155,592	15.1
Expenses from write-downs/impairments of receivables	78,055	79,561	-1.9
Audit, legal, advisory costs, and investor relations expenses	36,527	36,088	1.2
Other personnel services	89,264	71,858	24.2
Expenses for IT and communication services	38,617	35,724	8.1
Currency translation/consolidation	123,927	163,468	-24.2
Miscellaneous expenses	95,975	87,533	9.6
Group total	**1,106,297**	**1,034,346**	**7.0**

The Consolidated Financial Statements of Sixt SE recognised as operating expense in the amount of EUR 548 thousand (2022: EUR 461 thousand) fees for the auditors of the Consolidated Financial Statements. The fees break down into audit costs (EUR 475 thousand, 2022: EUR 392 thousand) and other assurance services (EUR 73 thousand, 2023: EUR 69 thousand) in particular for revenue confirmations, EMIR audit and comfort letter.

\4.7\ The *financial result* came to EUR -108,939 thousand in total (2022: EUR -38,635 thousand). The following table contains a breakdown of the financial result:

Financial result in EUR thousand	**2023**	2022	Change in %
Other interest and similar income	1,967	1,416	38.9
Interest and similar expenses	-112,226	-40,110	179.8
Thereof from leases	-23,396	-10,003	133.9
Net interest expense	**-110,260**	**-38,695**	**184.9**
Income from financial assets	188	400	-52.9
Expenses for financial assets	-6	-3	123.7
Result from fair value measurement of financial assets	64	-338	-119.0
Net income from derivative financial instruments	1,074	-	-
Other financial result	**1,320**	**60**	**2,118.5**
Group total	**-108,939**	**-38,635**	**182.0**

\4.8\ ***Income tax expense*** comprises the following:

Income tax expense in EUR thousand	**2023**	2022	Change in %
Current income tax for the reporting period	110,820	113,123	-2.0
Deferred taxes	18,300	51,322	-64.3
Group total	**129,120**	**164,445**	**-21.5**

Current income tax in the amount of EUR 110,820 thousand in financial year 2023 (2022: EUR 113,123 thousand) comprises tax income for previous years in the amount of EUR 5,773 thousand (2022: tax income of EUR 6,538 thousand).

In accordance with the balance sheet liability method as defined by IAS 12 (Income taxes), deferred taxes are principally formed for all temporary differences arising from the deviations in the valuation of assets and liabilities in the IFRS consolidated balance sheet compared to the tax balance sheet and the consolidation measures recognised in the income statement. In addition, deferred tax assets are recognised for the future benefits expected to arise from tax loss carryforwards.

Deferred taxes are measured at the tax rates that are expected to apply for the period when the temporary differences reverse or the tax loss carryforwards are used. Until changes to tax laws are ratified, deferred taxes are measured at current tax rates. A corporation tax rate of 15% (2022: 15%) was used to calculate deferred taxes at the German companies as at 31 December 2023. Furthermore, a solidarity surcharge of 5.5% (2022: 5.5%) on the corporation tax was also included and a trade tax rate between 9.1% and 16.3% (2022: between 9.1% and 16.3%) depending on the municipality's tax assessment rate was applied. Thus, an aggregated tax rate between 24.9% and 32.1% (2022: 24.9% and 32.1%) was used to calculate deferred taxes at the German companies. The country-specific tax rates were used in each case to calculate deferred taxes at the foreign companies.

Deferred taxes are generally recognised in the income statement, except where they relate to items recognised directly in equity.

The reconciliation of taxes explains the relationship between the expected and the effective tax expense reported. The expected tax expense results from the application of an income tax rate of 24.9% (2022: 24.9%) to consolidated profit for the period (before taxes) in accordance with IFRS. The income tax rate is made up of corporation tax of 15% (2022: 15%), a solidarity surcharge of 5.5% (2022: 5.5%) as well as trade tax of 9.1% (2022: 9.1%).

Reconciliation of taxes in EUR thousand	**2023**	2022
Consolidated profit before taxes in accordance with IFRS	464,259	550,150
Expected income tax expense	115,740	137,152
Effect of different tax rates outside Germany	-727	2,606
Effect of different trade tax rates	10,618	9,339
Effect from tax rate changes	3,822	1,463
Changes in permanent differences	-176	756
Changes in impairments	6,535	4,979
Non-deductible operating expenses	6,984	9,863
Tax-exempt income	-1,585	-3,199
Current and deferred income taxes from other periods	-13,203	1,138
Other effects	1,112	348
Reported tax expense	**129,120**	**164,445**

At the balance sheet date deferred taxes with no impact on profit or loss amounted to EUR 1,591 thousand (2022: EUR -75 thousand). The change in deferred taxes with no impact on profit or loss compared to the previous year showed EUR -1,706 thousand (2022: EUR -141 thousand) or in consideration of currency translation effects, EUR -1,666 thousand (2022: EUR -132 thousand). Deferred taxes through the income statement are explained in more detail below:

Deferred taxes		
in EUR thousand	**2023**	2022
From temporary differences	91,691	217,068
From tax loss carryforwards	-73,391	-165,746
Group total	**18,300**	**51,322**

Deferred tax liabilities in amount of EUR -8,494 thousand were recognised with no impact on profit or loss in the previous year following the acquisition of subsidiaries. In financial year 2023 there was no acquisition of subsidiaries. The effect of exchange rate differences on deferred taxes amounted to EUR -570 thousand in the financial year (2022: EUR -3,192 thousand). The following overview outlines the sources of the deferred tax assets and liabilities:

Deferred taxes	Deferred tax assets		Deferred tax liabilities	
in EUR thousand	**31 Dec. 2023**	31 Dec. 2022	**31 Dec. 2023**	31 Dec. 2022
Property and equipment	2,213	1,971	151,137	110,579
Fleet	5,680	3,341	361,061	265,315
Receivables	24,678	16,276	4,946	6,347
Other assets	16,500	12,992	13,795	11,610
Financial liabilities	159,857	127,111	-	-
Other liabilities	4,949	3,553	1,885	1,266
Provisions	23,870	24,207	501	484
Tax loss carryforwards	240,636	167,245	-	-
	478,383	356,696	533,325	395,601
Offsetting	-465,305	-344,301	-465,305	-344,301
Group total	**13,078**	**12,395**	**68,021**	**51,300**

Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets against current tax liabilities and where they relate to income taxes of the same tax subject levied by the same tax authority.

As in the previous year, the tax losses carried forward of EUR 16,933 thousand (2022: EUR 12,997 thousand), for which no deferred tax assets were recognised, will not expire in the following years. The loss carryforwards for which deferred tax assets were recognised are expected to be used during a four-year planning period.

For deductible temporary differences in the amount of EUR 2,960 thousand (2022: EUR 496 thousand) no deferred taxes were recognised in financial year 2023.

For temporary differences in relation to shares in subsidiaries of the Group in the amount of EUR 47,478 thousand (2022: EUR 45,425 thousand) deferred tax liabilities were not recognised for reported periods.

An amendment to IAS 12 introduces an exception to the requirements in the standard that an entity does not recognise deferred tax assets and liabilities related to the regulation of OECD pillar two income taxes. The Group applied this exception.

In Germany and in most jurisdictions, in which the companies included in the Consolidated Financial Statements of Sixt SE are located, the rules proposed by OECD on “Tax Challenges Arising from Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two)” were implemented into national law with effect from 1 January 2024. According to these regulations, additional taxes will be levied on the Group's profits if these are taxed at an effective tax rate of less than 15%. This has no impact on the tax expense for financial year 2023, as the rules are first applicable from 2024.

Sixt SE continues to examine the effects of this legislation on the Group's future profitability. According to the calculations already carried out, if these regulations had already applied in financial year 2023, approximately 0.6% of the Group's result would have been subject to this tax, which would have resulted an increase of the average effective Group tax rate of less than 0.1%.

\4.9\ ***Earnings per share*** are as follows:

Earnings per share - basic		**2023**	2022
Consolidated profit/loss for the period after minority interests	in EUR thousand	335,139	385,705
Profit attributable to ordinary shares	in EUR thousand	216,583	249,294
Profit attributable to preference shares	in EUR thousand	118,556	136,411
Weighted average number of ordinary shares		30,367,112	30,367,112
Weighted average number of preference shares		16,576,246	16,576,246
Earnings per ordinary share	in EUR	7.13	8.21
Earnings per preference share	in EUR	7.15	8.23

The profit attributable to preference shares includes the additional dividend of EUR 0.02 per preference share for preference shares carrying dividend rights in the financial year (as at 31 December). The weighted average number of shares is calculated based on the proportionate number of shares per month for each category of shares, taking due account of the respective number of treasury shares. There were no circumstances that would lead to the dilution of earnings per share in either the financial year or the previous year 2022. The diluted earnings per share therefore correspond for both categories of shares in terms of the amount to basic earnings per share.

4.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets

\4.10\ to \4.13\ The changes in the Group's *non-current assets* (excluding financial assets) are shown below.

Consolidated Statement of Changes in Non-current Assets	Acquisition and production costs						
in EUR thousand	1 Jan. 2023	Foreign exchange differences	Changes in the scope of consolidation	Additions	Disposals	Transfers	31 Dec. 2023
Goodwill	**32,576**	**107**	**-**	**-**	**-**	**-**	**32,683**
Purchased software	39,426	-2	-	1	7	-	39,419
Internally developed software	19,197	-	-	2,710	-	10,391	32,298
Payments for software	25,682	-11	-	13,658	976	-10,391	27,962
Other intangible assets	12,208	-248	-	122	5,105	-	6,976
Intangible assets	**96,513**	**-261**	**-**	**16,490**	**6,088**	**-**	**106,655**
Land and buildings	946,426	-14,595	-	333,072	64,229	446	1,201,120
Operating and office equipment	218,057	-1,115	-	46,962	16,710	4,271	251,466
Payments on account of property and equipment	6,163	-138	-	11,455	-	-4,717	12,765
Property and equipment	**1,170,649**	**-15,847**	**-**	**391,489**	**80,939**	**-**	**1,465,351**
Investment property	**11,713**	**-**	**-**	**-**	**-**	**-**	**11,713**
Total	**1,311,450**	**-16,001**	**-**	**407,979**	**87,027**	**-**	**1,616,402**

Consolidated Statement of Changes in Non-current Assets	Acquisition and production costs						
in EUR thousand	1 Jan. 2022	Foreign exchange differences	Changes in the scope of consolidation	Additions	Disposals	Transfers	31 Dec. 2022
Goodwill	**26,050**	**-277**	**6,802**	**-**	**-**	**-**	**32,576**
Purchased software	45,545	10	11	80	6,240	20	39,426
Internally developed software	9,277	-	-	3,698	-	6,222	19,197
Payments for software	15,137	-	-	17,010	224	-6,242	25,682
Other intangible assets	9,760	483	-	2,109	145	-	12,208
Intangible assets	**79,720**	**493**	**11**	**22,898**	**6,609**	**-**	**96,513**
Land and buildings	767,723	13,960	2,772	175,830	13,859	-	946,426
Operating and office equipment	184,688	894	258	40,706	10,996	2,507	218,057
Payments on account of property and equipment	3,699	-54	-	5,026	-	-2,507	6,163
Property and equipment	**956,111**	**14,801**	**3,030**	**221,562**	**24,855**	**-**	**1,170,649**
Investment property	**11,713**	**-**	**-**	**-**	**-**	**-**	**11,713**
Total	**1,073,594**	**15,017**	**9,843**	**244,459**	**31,464**	**-**	**1,311,450**

Depreciation/amortisation, including impairments						Carrying amounts	
1 Jan. 2023	Foreign exchange differences	Depreciation/ amortisation in the financial year	Disposals	Reversal of impairments	31 Dec. 2023	**31 Dec. 2023**	31 Dec. 2022
7,652	**-26**	**-**	**-**	**-**	**7,626**	**25,057**	**24,923**
36,820	-2	1,313	7	-	38,124	1,295	2,607
7,056	-	7,699	-	-	14,755	17,544	12,142
-	-	-	-	-	-	27,962	25,682
8,637	-214	473	2,875	-	6,021	955	3,571
52,512	**-215**	**9,484**	**2,882**	**-**	**58,900**	**47,755**	**44,001**
424,973	-4,153	146,228	63,230	1,276	502,544	698,576	521,453
112,325	-495	27,192	11,572	473	126,977	124,489	105,732
-	-	-	-	-	-	12,765	6,163
537,300	**-4,648**	**173,420**	**74,802**	**1,749**	**629,521**	**835,830**	**633,349**
5,057	**-**	**123**	**-**	**-**	**5,179**	**6,534**	**6,656**
602,521	**-4,890**	**183,027**	**77,684**	**1,749**	**701,226**	**915,176**	**708,929**

Depreciation/amortisation, including impairments						Carrying amounts	
1 Jan. 2022	Foreign exchange differences	Depreciation/ amortisation in the financial year	Disposals	Reversal of impairments	31 Dec. 2022	31 Dec. 2022	31 Dec. 2021
7,608	**44**	**-**	**-**	**-**	**7,652**	**24,923**	**18,442**
40,911	9	2,064	6,164	-	36,820	2,607	4,634
2,698	-	4,357	-	-	7,056	12,142	6,579
-	-	-	-	-	-	25,682	15,137
7,947	384	482	138	37	8,637	3,571	1,814
51,555	**392**	**6,903**	**6,302**	**37**	**52,512**	**44,001**	**28,164**
316,500	3,594	116,061	4,239	6,942	424,973	521,453	451,223
98,577	276	23,894	9,421	1,001	112,325	105,732	86,112
-	-	-	-	-	-	6,163	3,699
415,077	**3,870**	**139,955**	**13,660**	**7,943**	**537,300**	**633,349**	**541,033**
4,934	**-**	**123**	**-**	**-**	**5,057**	**6,656**	**6,779**
479,176	**4,306**	**146,981**	**19,962**	**7,980**	**602,521**	**708,929**	**594,419**

\4.10\ ***Goodwill*** of EUR 25,057 thousand (2022: EUR 24,923 thousand) results from the consolidation of the companies belonging to United Kenning Rental Group Ltd., Langley/Great Britain, acquired in 2000, as well as from the consolidation of the companies West Country Self Drive Services Ltd., Slough/Great Britain, West Country Self Drive Ltd., Slough/Great Britain, HireCo 2 Holdings Ltd., Clydebank/Great Britain and SVAT Ltd. (formerly: GAP Hire Ltd.), Clydebank/Great Britain, acquired in 2022.

The annual impairment test of goodwill was carried out generally on the basis of value in use, which as in the previous years is determined by using the discounted future cash flows based on a multi-year plan and a growth factor of 1% taken as the basis in deriving a sustainable figure. The revenue and earnings planning is based on the assumptions on how the business will develop in the future, with due consideration of the increased uncertainty resulting from the geopolitical conflicts following the terrorist attacks on Israel and the ongoing war in Ukraine, the continuingly high inflation and the anticipated weaker overall economic development. The discount rate (before taxes and growth factor) is 11.8% (2022: 12.5%) and reflects the current market situation. The impairment test of goodwill is carried out at the level of the acquired companies or group of companies.

As at 31 December 2023, as in the previous year, an annual impairment tests for goodwill was performed based on the updated planning. The impairment test confirmed the value of the goodwill.

In addition to the impairment test, sensitivity analyses were also conducted. A shift in the discount rates of +50 / -50 basis points would change the recoverable amount of the cash-generating unit by EUR -52.9 million / EUR +61.1 million. A change in the growth factor of +50 / -50 basis points would change the recoverable amount of the cash-generating unit by EUR +45.3 million / EUR -39.5 million. The decrease of the growth factor to 0.5% or the increase of the discount rate by 50 basis points would not require an impairment of the goodwill.

For the company SVAT Ltd., which was acquired in the previous year, the recoverable amount is determined on the basis of the fair value less costs to sell, as the multi-year plan is dominated by significant restructurings and planned expansions of business operations, and therefore the value in use cannot be derived. The value of the goodwill was confirmed by the impairment test.

\4.11\ ***Intangible assets*** include purchased software amounting to EUR 1,295 thousand (2022: EUR 2,607 thousand) and internally developed software amounting to EUR 17,544 thousand (2022: EUR 12,142 thousand). The item also includes payments on account in respect of software and software in development amounting to EUR 27,962 thousand (2022: EUR 25,682 thousand) and other intangible assets amounting to EUR 955 thousand (2022: EUR 3,571 thousand).

\4.12\ The item ***property and equipment*** includes own property and equipment in the amount of EUR 231,702 thousand (2022: EUR 216,210 thousand) as well as right of use assets in the amount of EUR 604,128 thousand (2022: EUR 417,139 thousand).

Property and equipment owned by the Group includes land and buildings for rental stations/service points and administrative buildings in Germany and abroad in the amount of EUR 105,786 thousand (2022: EUR 107,410 thousand). Furthermore, operating and office equipment (mainly IT systems, fixtures and fittings and office equipment) are included in the amount of EUR 113,151 thousand (2022: EUR 102,636 thousand). The item also includes payments on account made for property and equipment in the amount of EUR 12,765 thousand (2022: EUR 6,163 thousand). Land charges are registered against properties for real estate financing in the amount of EUR 59,817 thousand (2022: EUR 63,090 thousand).

Right of use assets for assets leased by Sixt Group as lessee are included in the item property and equipment in the amount of EUR 604,128 thousand (2022: EUR 417,139 thousand), which are mainly rental stations and parking spaces, office and advertising spaces. In addition, there are right of use assets for rental vehicles financed by lease contracts in the amount of EUR 51,690 thousand (2022: EUR 145,787 thousand) that are reported in the position rental vehicles.

The changes In the right of use assets are presented below:

Right of use assets

in EUR thousand	Land and buildings	Operating and office equipment	Total property and equipment	Rental vehicles
1 Jan. 2023	**414,043**	**3,096**	**417,139**	**145,787**
Additions	333,055	13,540	346,595	13,361
Depreciation including impairments in the financial year	-144,443	-5,277	-149,719	-52,181
Reversal of impairments	1,274	-	1,274	-
Other incl. foreign exchange differences	-11,139	-22	-11,161	-55,276
31 Dec. 2023	**592,791**	**11,337**	**604,128**	**51,690**
1 Jan. 2022	**342,502**	**5,241**	**347,742**	**9,816**
Additions	175,826	1,761	177,587	70,458
Additions from changes in the scope of consolidation	2,772	-	2,772	100,352
Depreciation including impairments in the financial year	-114,285	-3,867	-118,152	-29,884
Reversal of impairments	6,942	-	6,942	-
Other incl. foreign exchange differences	286	-39	248	-4,955
31 Dec. 2022	**414,043**	**3,096**	**417,139**	**145,787**

Rental agreements for buildings and rental stations have lease terms up to more than twenty years. The rental conditions are negotiated individually and include a wide range of various contract terms. Some of the lease contracts contain extension options, which are taken into consideration for the calculations of the right of use assets and lease liabilities, if the Sixt Group plans to exercise them. At various locations, e.g. airports, the rental agreements concluded by Sixt Group apart from fixed payments also contain payments that are usually linked to sales figures. Such variable lease payments are expensed by the Group as commissions in profit or loss in the period in which those payments occur and are not included in the calculation of the lease liability. The share of variable lease expenses to total expenses for leases of buildings and rental stations was 45% in financial year 2023 (2022: 49%).

Leases for operating and office equipment of the Group relate mainly to rental agreements for advertising spaces.

Part of the vehicle fleet consists of rental vehicles that are financed by lease contracts. The contracts have terms of up to five years. Some of the contracts provide a purchase option, which the Group expects to use. In financial year 2023 the purchase option for rights of use from leases for rental vehicles with a net book value of was exercised in the amount of EUR 57.1 million.

Certain lease contracts concluded by Sixt Group as lessee have a lease term of less than one year. For these lease agreements, the Group applies the exemptions not to recognise the right of use assets or the corresponding lease liabilities. Besides the leases for buildings and rental stations, these are predominantly leases for rental vehicles, which mostly have a lease term of less than one year.

Expenses incurred in connection with leases that have not been capitalised are presented in other operating expenses. The expenses are broken down as follows:

Expenses recognised in profit or loss relating to leases

in EUR thousand	**2023**	2022
Expenses relating to short-term leases	83,663	65,087
Expenses relating to leases of low-value assets	490	374
Expenses from variable lease payments	146,930	129,589
Rent concessions (reduction of expenses)	-	2,116

In financial year 2023, payments of EUR 254.7 million (2022: EUR 165.4 million) were recorded for capitalised leases. The total cash out relating to leases in the year under review amounted to EUR 485.8 million (2022: EUR 360.4 million).

Information on the lease liabilities corresponding to the right of use assets is presented in note \4.25\ and in the section titled “Additional disclosures on financial instruments”.

Impairment losses are recognised, if necessary, for rental stations no longer used by the Group with ongoing rental agreements. In this context, impairment losses less than EUR 0.1 million were recognised in the financial year, all of which were attributable to the segment Germany (2022: EUR 1.1 million, in the segment Germany). As in the previous year, no impairment losses were recognised on property and equipment and rights of use in the course of impairment tests in the financial year. Reversals of impairment losses recognised in previous years were recorded in the amount of EUR 1.7 million (2022: EUR 8.0 million), of which EUR 0.4 million (2022: EUR - million) were attributable to the segment Germany and EUR 1.3 million to the segment Europe (2022: EUR 7.0 million). In the previous year a further EUR 1.0 million were attributable to the segment North America.

\4.13\ The ***investment property*** item in the amount of EUR 6,534 thousand (2022: EUR 6,656 thousand) includes properties that are held to generate rental income.

Investment properties are measured at amortised cost and depreciated over a useful life of 50 years. The fair value of the investment property as at the reporting date amounted to EUR 9,613 thousand (2022: EUR 11,639 thousand). The fair value was calculated using the income capitalisation approach. The income capitalisation approach uses currently known and estimated future rental income and a discount rate of 6.0% p.a. or 5.0% p.a. (perpetual annuity) (2022: a discount rate of 5.0% p.a. or 4.0% p.a. (perpetual annuity)). The fair value reflects the indexation of future expected instalments. The investment property is not valued by an external appraiser. No impairment was required in the financial year, as the fair value was above the amortised cost. Net rental income for the period is the balance of rental income of EUR 909 thousand (2022: EUR 822 thousand) and expenses of EUR 124 thousand (2022: EUR 190 thousand).

\4.14\ The carrying amount of the unconsolidated affiliates and investments presented under ***financial assets*** amounts to EUR 16,214 thousand (2022: EUR 1,393 thousand). The change compared to 2022 resulted mainly from the acquisition of a participation in Blacklane GmbH, Berlin.

\4.15\ The ***rental vehicles*** item increased by EUR 635.5 million (2023: EUR 4,468.9 million, 2022: EUR 3,833.4 million). In addition to own rental vehicles, leased rental vehicles are also included in the amount of EUR 51.7 million (2022: EUR 145.8 million).

As a result of the further recovery of the business and the very high demand, own rental vehicles increased to EUR 4,417.2 million (2022: EUR 3,687.6 million). As at 31 December 2023, rental vehicles with a planned remaining useful life of more than one year amounted to EUR 778.0 million (2022: EUR 726.0 million).

Own rental vehicles in EUR thousand	**2023**	2022
1 Jan.	**3,687,606**	**2,846,816**
Additions	5,079,577	3,991,925
Additions from changes in the scope of consolidation	-	5,205
Depreciation in the financial year	-497,332	-376,070
Impairments in the financial year	-20,240	-1,704
Disposals	-3,849,472	-2,807,328
Other incl. foreign exchange differences	17,033	28,761
31 Dec.	**4,417,173**	**3,687,606**

Acquisition costs for new additions to the own rental vehicles in the financial year amounted to EUR 5,079.6 million (2022: EUR 3,991.9 million). For the own rental vehicles reported at the end of the year under review, they amounted to EUR 4,832.3 million (2022: EUR 4,071.0 million).

Rental vehicles are partly covered by buy-back agreements with dealers and manufacturers, from which a calculated residual value at the respective contract end of EUR 1,985 million (2022: EUR 1,767 million) is expected as at the reporting date.

As in the previous years, rental vehicles were financed also via lease agreements, which were concluded with manufacturers/manufacturer financing companies. In addition, the companies acquired in the previous year also have financing via lease agreements concluded with other financing companies. In contrast to the lease contracts concluded with manufacturers or manufacturer financing companies, these contracts generally provide for a purchase option at the end of the lease contract. The purchase option and the market value of the vehicles were taken into account in the valuation of the right of use assets.

The majority of the lease contracts concluded by the Sixt Group for rental vehicles have a term of less than one year. No right of use assets and lease liabilities are recognised for these vehicles. Right of use assets for rental vehicles financed under leases with a term of more than one year are included in the rental vehicle item in amount of EUR 51.7 million (2022: EUR 145.8 million). Of this amount, EUR 36.9 million (2022: EUR 135.4 million) were attributable to leased rental vehicles with a planned remaining useful life of more than one year as at 31 December 2023. There are purchase options at the end of the lease term for right of use assets for leased vehicles recognised in the balance sheet in the amount of EUR 24.2 million (2022: EUR 89.4 million). The Group expects to use the purchase options.

\4.16\ ***Inventories*** consist mainly of rental vehicles available for sale, purchased vehicles intended for resale in the amount of EUR 214,636 thousand (2022: EUR 46,647 thousand), as well as fuel, raw materials, consumables and supplies. The increase of inventories to a total of EUR 218,480 thousand (2022: EUR 50,039 thousand) resulted mainly from the higher number of vehicles available for sale as at the end of the year.

\4.17\ ***Trade receivables*** of EUR 541,729 thousand (2022: EUR 535,852 thousand) resulted almost exclusively from services invoiced in the course of rental business and from used vehicle deliveries of the rental fleet. Valuation allowances were recognised for expected credit losses.

\4.18\ ***Other receivables and assets*** can be broken down as follows:

Other receivables and assets

in EUR thousand	**31 Dec. 2023**	31 Dec. 2022
Financial other receivables and assets		
Receivables from affiliated companies and from other investees	82	118
Deposits	54	23
Miscellaneous assets	145,010	163,827
Non-financial other receivables and assets		
Other recoverable taxes	28,894	96,268
Insurance claims	25,895	18,137
Deferred expense	26,305	25,423
Delivery claims for vehicles of the rental fleet	4,463	53,703
Group total	**230,703**	**357,499**
Thereof current	217,913	349,531
Thereof non-current	12,791	7,968

Deposits are short-term cash investments with a contractual maturity of more than three months and up to one year.

Miscellaneous assets include, to a significant extent, receivables from grants and rebates to vehicle manufacturers. Miscellaneous assets also include deposits for leases and advances amounting to EUR 12,791 thousand (2022: EUR 7,968 thousand), in each case maturing in one to five years.

Impairments on other financial assets were recognised in the amount of EUR 2,760 thousand (2022: EUR 2,906 thousand). The gross receivables of other assets amount EUR 147,770 thousand (2022: EUR 166,733 thousand).

\4.19\ ***Cash, cash equivalents and bank balances*** of EUR 5,924 thousand (2022: EUR 26,569 thousand) include cash and short-term deposits at banks with terms of up to three months. The item corresponds to the cash and cash equivalents item in the Consolidated Statement of Cash Flows.

Equity and liabilities

Sixt Group's equity increased year-on-year to a total of EUR 2,002.2 million (2022: EUR 1,979.4 million). The subscribed capital of Sixt SE included in this total amount was unchanged at EUR 120.2 million.

\4.20\ Subscribed capital of Sixt SE

Composition of the share capital	No-par value shares	Nominal value in EUR	No-par value shares	Nominal value in EUR
		31 Dec. 2023		31 Dec. 2022
Ordinary shares	30,367,112	77,739,807	30,367,112	77,739,807
Non-voting preference shares	16,576,246	42,435,190	16,576,246	42,435,190
Total	**46,943,358**	**120,174,996**	**46,943,358**	**120,174,996**

Ordinary shares are bearer shares with the exception of two registered shares, while the preference shares are exclusively bearer shares. Both categories of shares are no-par value shares. The notional interest in the share capital is EUR 2.56 per share. The preference shares entitle the holders to receive a dividend EUR 0.02 per share higher than that of the ordinary shares and a minimum dividend of EUR 0.05 per share from net retained profit for the year. The share capital is fully paid up.

Treasury shares

By resolution of the Annual General Meeting of 24 June 2020 the Management Board, with the consent of the Supervisory Board, is authorised, as specified in the proposed resolution, to acquire in the period up to and including 23 June 2025 treasury shares in the amount of up to 10% of the company's share capital at the time of the authorisation or, if lower, at the time of the exercise – including the use of derivatives in the amount of up to 5% of the share capital. The authorisation may be exercised wholly or partially, on one or more occasions for any purpose permitted by law. Acquisitions for the purpose of trading in treasury shares are excluded.

As part of the stock performance programs for selected employees and executives, the company concluded share price hedging transactions in the form of total return equity swaps with banks as counterparty with effect from 5 May 2021, 8 April 2022, and 11 May 2023. These hedging transactions are settled only in cash. The underlying shares were acquired by the bank solely to hedge its own risk, therefore the bank is not obliged to Sixt to hold these underlying shares, but entitled to sell them at any time for its own account. For this reason, the underlying shares are not acquired or held by the bank for the account of the company and there is no disclosure provided about the actual holdings at the bank.

However, the company decided, in order to increase transparency, to report the acquisition and sale of the underlying shares by the bank within the total equity return swaps and thereby treated the acquisition as an acquisition of shares by a third party for the account of the company. As underlying shares, a total of 25,193 ordinary shares of the company were acquired by the bank on the stock exchange in May 2021 and a total of 74,406 ordinary shares in May 2022. In May 2023 a total of 90,451 ordinary shares of the company were acquired by the bank on the stock exchange at a purchase price of EUR 10,357,544.01 and also in May 2023 a total of 12,926 ordinary shares of the company was disposed on the stock exchange at a sales price of EUR 1,484,188.35.

The authorisation to acquire treasury shares has not yet been fully exercised as at the reporting date. As in the previous year, Sixt SE did not hold any treasury shares as at 31 December 2023.

Authorised capital

By resolution of the Annual General Meeting of 24 June 2020 the Management Board is authorised to increase the share capital on one or more occasions in the period up to and including 23 June 2025, with the consent of the Supervisory Board, by up to a maximum of EUR 32,640,000 by issuing new no-par value bearer shares against cash and/or non-cash contributions (Authorised Capital 2020). The authorisation also includes the power to issue new non-voting preference shares up to the legally permitted limit. For the distribution of profits and/or company assets, these non-voting preference shares are ranked equal to the non-voting preference shares previously issued.

In principle the shareholders of Sixt SE are granted the statutory subscription right. However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude the subscription right under certain conditions, which follow entirely from the resolution passed by the Annual General Meeting on 24 June 2020.

The Management Board is authorised, with the consent of the Supervisory Board, to stipulate the further details of the pre-emptive rights and the terms and conditions of the share issue. The Management Board may resolve, with the consent of the Supervisory Board, that the new shares shall also carry dividend rights from the beginning of the financial year preceding their issue if the Annual General Meeting has not adopted a resolution on the appropriation of the profit for the financial year in question at the time the new shares are issued.

As at 31 December 2023 the authorisation has not been exercised.

Conditional Capital
By resolution of the Annual General Meeting of 24 June 2020, the Management Board is authorised to issue on one or more occasions in the period up to and including 23 June 2025, with the consent of the Supervisory Board, convertible and/or bonds with warrants registered in the name of the holder and/or bearer by up to a maximum of EUR 350,000,000 with a fixed or open-ended term and to grant conversion or option rights to holders and/or creditors of convertible and/or bonds with warrants to acquire a total of up to 6,000,000 new ordinary bearer shares in Sixt SE and/or to provide corresponding conversion rights for the company.

Taking due account of statutory requirements, the respective conversion or option rights may provide for the subscription of ordinary bearer shares and/or preference bearer shares without a voting right. The convertible and/or bonds with warrants may also be issued by a German or foreign company in which Sixt SE is directly or indirectly invested with a majority of votes and capital. In this case, the Management Board is authorised on behalf of the issuing company to take on the guarantee for repayment of the convertible and/or bonds with warrants and the payment of interest due thereon and to grant the bearers and/or creditors of such convertible and/or bonds with warrants conversion or option rights on shares of Sixt SE. Convertible and/or bonds with warrants may be issued against cash and/or non-cash contributions. The shareholders of Sixt SE are in principle granted the statutory subscription right. However, the Management Board is authorised to exclude the subscription right under certain conditions, with the consent of the Supervisory Board, which follow fully from the resolution passed by the Annual General Meeting on 24 June 2020.

In this context, the company's share capital was conditionally increased based on the resolution passed by the Annual General Meeting on 24 June 2020 by up to EUR 15,360,000 (Conditional Capital 2020). The conditional capital increase serves to grant shares to the holders or creditors of convertible bonds and holders of option rights from bonds with warrants, which were issued up until and including 23 June 2025 on the basis of the aforelisted resolution passed by the Annual General Meeting on 24 June 2020, by the company or a German or foreign subsidiary, in which the company directly or indirectly holds a majority of voting rights and capital. The conditional capital increase is only to be effected insofar as the conversion or option rights from the aforelisted convertible and/or bonds with warrants are actually exercised or the conversion obligations from such bonds are fulfilled and no other form of settlement is being used. The new shares will be issued at the option and/or conversion price to be determined in accordance with the authorisation of the Annual General Meeting of 24 June 2020. The new shares are entitled to take part in the company's profit as at the beginning of the financial year in which the conversion and/or option rights were exercised or in which the conversion obligations were fulfilled. Instead, the new shares are entitled to take part in the company's profit as at the beginning of the financial year prior to the year of their issue, when at the time of issue of the new shares the resolution of the Annual General Meeting for the appropriation of earnings for this year has not been passed. The Management Board is authorised to determine further details for implementing the conditional capital increase.

As at 31 December 2023 the authorisation has not been exercised.

Profit participation bonds and rights
By resolution of the Annual General Meeting of 16 June 2021, the Management Board is authorised to issue, on one or more occasions, in the period up until and including 15 June 2026, with the consent of the Supervisory Board, profit participation bonds and/or rights registered in the name of the holder and/or bearer by up to a maximum of EUR 350,000,000 with a fixed or open-ended term against cash and/or non-cash contributions. The profit participation bonds and rights issued under this authorisation may not provide for conversion or subscription rights to shares of the company. The issue can also be effected by a company in which Sixt SE is directly or indirectly invested with a majority of the votes and capital. In this case, the Management Board is authorised to assume the guarantee for the issuing

company on behalf of Sixt SE that the ensuing liabilities will be met. The shareholders of Sixt SE are in principle granted the statutory subscription right. However, with the consent of the Supervisory Board, the Management Board is authorised to exclude the subscription right under certain conditions, which follow fully from the resolution passed by the Annual General Meeting on 16 June 2021.

As at 31 December 2023 the authorisation has not been exercised.

\4.21\ Capital reserves

Capital reserves in EUR thousand	2023	2022
Balance as at 1 Jan.	204,771	200,538
Increase due to the employee participation programme	-	377
Transfer to the capital reserves	-	3,855
Balance as at 31 Dec.	**204,771**	**204,771**

The capital reserves remain unchanged to EUR 204,771 thousand. The change in the capital reserves in the previous year resulted mainly from allocations to the Matching Stock Programme MSP 2012 and transfers to the capital reserves.

\4.22\ Retained earnings

Retained earnings in EUR thousand	2023	2022
Balance as at 1 Jan.	206,907	225,633
Transfer from retained earnings	-958	-18,726
Balance as at 31 Dec.	**205,950**	**206,907**

The transfer from retained earnings relates to loss compensation at affiliated companies.

\4.22\ Currency translation reserve

Currency translation reserve in EUR thousand	2023	2022
Balance as at 1 Jan.	43,584	20,869
Differences arising from the translation of the financial statements of foreign subsidiaries	-20,857	22,715
Amounts reclassified due to recognition in the income statement	-56	-
Balance as at 31 Dec.	**22,670**	**43,584**

\4.22\ Other equity

Other equity in EUR thousand	**2023**	2022
Balance as at 1 Jan.	1,403,971	1,178,971
Consolidated profit attributable to shareholders of Sixt SE	335,139	385,705
Dividend payment	-287,155	-174,022
Other comprehensive income	-4,243	-1,553
Transfer from retained earnings	958	18,726
Transfer to the capital reserves	-	-3,855
Balance as at 31 Dec.	**1,448,670**	**1,403,971**

In 2023 for the financial year 2022 dividends of EUR 4.11 per ordinary share and EUR 4.13 per preference share and a special dividend of EUR 2.00 per ordinary and preference share were distributed to shareholders. The distribution amounts per share classes are shown below:

Dividends in EUR thousand	**2023**	2022
Amounts recognised as distribution to shareholders in the financial year	287,155	174,022
Dividend for financial year 2022 of EUR 4.11 (2021: EUR 3.70) and a special dividend of EUR 2.00 (2021: EUR -) for each ordinary share	185,543	112,358
Dividend for financial year 2022 of EUR 4.13 (2021: EUR 3.72) and a special dividend of EUR 2.00 (2021: EUR -) for each preference share	101,612	61,664

Liabilities and provisions

\4.23\ ***Provisions for pensions and other post-employment benefits*** are broken down as follows:

Provisions for pensions and other post-employment benefits in EUR thousand	**2023**	2022
Provisions for pensions	14,505	11,911
Other post-employment benefits	2,462	1,972
Defined benefit obligations	**16,967**	**13,884**
Fair value of plan assets	**13,486**	**11,204**
Group total	**3,482**	**2,680**

The valuation of provisions for pensions and other post-employment benefits rely on actuarial reports. The reports are based on the following actuarial assumptions:

Actuarial assumptions		
in %	**2023**	2022
Discount rate	1.5 - 7.4	1.9 - 7.5
Assumed salary increase	1.5 - 7.5	1.5 - 10.0
Assumed pension increase	-	-
Mortality table	BVG 2020 GT / ISTAT 2000 / IALM 2012-14	BVG 2020 GT / ISTAT 2000 / IALM 2012-14

Provisions for pensions – Switzerland

Pension schemes in Sixt Group contain mainly defined contribution pension plans under statutory pension insurance. In Switzerland every employer is required by law to provide post-employment benefits schemes against the economic risks of retirement, death and invalidity to the employees entitled to them.

Therefore, Sixt offers its Swiss employees funded defined benefit plans, which are managed by an external pension fund. The pension fund is responsible for the investment policy and asset management, as well as for all changes in the plan conditions and the determination of contributions to finance the benefits. In case of underfunding, the pension fund may raise additional contributions from employers and employees. The following table shows the development of the defined benefit pension plans:

Development of defined benefit pension plans	Defined benefit obligations		Fair value of plan assets		Net balance of defined benefit obligations	
in EUR thousand	2023	2022	2023	2022	**2023**	2022
Balance as at 1 Jan.	11,911	12,754	11,204	11,940	708	814
Current service costs	790	877	-	-	790	877
Past service costs and plan settlements	-32	-53	-	-	-32	-53
Net interest costs of defined benefit obligations	227	38	222	37	5	1
Expenses recognised in the Consolidated Statement of Income	**984**	**863**	**222**	**37**	**762**	**825**
Gains/losses on plan assets	-	-	622	-1,505	-622	1,505
Actuarial gains/losses						
Experience gains/losses	613	-255	-	-	613	-255
Changes in demographic assumptions	-	33	-	-	-	33
Changes in financial assumptions	441	-1,395	-	-	441	-1,395
Remeasurement for defined benefit obligations recognised in other comprehensive income	**1,054**	**-1,616**	**622**	**-1,505**	**432**	**-112**
Employer contributions	-	-	940	858	-940	-858
Plan participants' contributions	940	858	940	858	-	-
Benefits paid	-1,226	-1,549	-1,226	-1,549	-	-
Foreign currency translation effects	841	602	784	564	57	38
Other reconciling items	**555**	**-89**	**1,438**	**731**	**-883**	**-820**
Balance as at 31 Dec.	**14,505**	**11,911**	**13,486**	**11,204**	**1,019**	**708**

The weighted average duration of the defined benefit obligations from pensions was around 13 years (2022: 13 years). Employer contributions expected to be paid for defined benefit obligations in the following year amount to EUR 978 thousand (2022: EUR 848 thousand).

The pension scheme is provided through an external pension fund, which manages the plan assets. As at the balance sheet date, the plan assets are attributable to other assets without quoted market prices.

Other post-employment benefits

Other post-employment benefits are recognised, if required by law. In India and Italy, every employer is required by law to pay an amount to employees who leave the company. The amount is calculated based on the duration of employment and the taxable income of each employee.

Other post-employment benefits developed as follows:

Development of other post-employment benefits	Defined benefit obligations	
in EUR thousand	**2023**	2022
Balance as at 1 Jan.	1,972	2,237
Current service costs	673	604
Net interest costs of defined benefit obligations	63	31
Expenses recognised in the Consolidated Statement of Income	**736**	**634**
Actuarial gains/losses	77	-505
Remeasurement for defined benefit obligations recognised in other comprehensive income	**77**	**-505**
Benefits paid	-307	-374
Foreign currency translation effects	-17	-20
Other reconciling items	**-323**	**-394**
Balance as at 31 Dec.	**2,462**	**1,972**

The weighted average duration of the defined benefit obligations for other post-employment benefits was around 22 years (2022: 23 years).

Sensitivity analysis

The sensitivity analysis assumes in each case a parallel shift of half a percentage point. This would result in the changes of values of the reported defined benefit obligation presented in the following table:

Sensitivity analysis of defined benefit obligations	Changes in the defined benefit obligations		Changes in the defined benefit obligations	
in EUR thousand	2023	2023	2022	2022
	+ 0.5 percentage points	-0.5 percentage points	+ 0.5 percentage points	-0.5 percentage points
Discount rate	-714	808	-496	562
Assumed salary increase	153	-126	134	-131
Assumed pension increase	236	-226	310	-297

The decrease / increase of the life expectancy in the assumptions by one year respectively would result in a change of the defined benefit obligations by EUR -196 thousand / EUR 223 thousand (2022: EUR -146 thousand / EUR 167 thousand).

\4.24\ ***Other provisions*** consist mainly of provisions for staff, taxes and the operating rental business (fleet-related costs). Furthermore, miscellaneous provisions include provisions for legal costs and commitments from rental agreements.

Of the obligations included in other provisions, EUR 207,451 thousand (2022: EUR 158,673 thousand) are expected to be settled within one year and EUR 29,038 thousand (2022: EUR 19,188 thousand) are due in more than one year.

Other provisions in EUR thousand	Rental business (fleet related)	Personnel	Taxes	Miscellaneous	**Total**
Balance as at 1 Jan.	62,264	80,827	14,598	20,172	177,860
Additions	92,026	78,342	2,766	3,926	177,059
Reversals	-2,725	-1,850	-3,710	-4,218	-12,502
Utilised	-43,205	-60,745	-41	-825	-104,816
Foreign exchange differences	-486	-733	5	-404	-1,618
Reversal of discounting	-	505	-	-	505
Balance as at 31 Dec.	**107,874**	**96,345**	**13,619**	**18,651**	**236,489**
Thereof current	107,874	72,988	13,619	12,971	207,451
Thereof non-current	-	23,357	-	5,681	29,038

\4.25\ ***Financial liabilities*** comprise liabilities from bonds and issued borrower's note loans, liabilities from commercial papers and bank loans as well as lease liabilities.

Financial liabilities	Residual term of up to 1 year		Residual term of 1 to 5 years		Residual term of more than 5 years	
in EUR thousand	**31 Dec. 2023**	31 Dec. 2022	**31 Dec. 2023**	31 Dec. 2022	**31 Dec. 2023**	31 Dec. 2022
Bonds	549,706	-	297,911	548,808	-	-
Borrower's note loans	186,441	119,968	1,155,592	603,926	99,824	44,976
Commercial papers	-	112,000	-	-	-	-
Liabilities to banks	269,032	471,155	56,758	59,817	-	-
Lease liabilities	164,263	167,514	307,191	259,934	182,322	109,475
Other liabilities	28,995	7,557	-	-	-	-
Group total	**1,198,437**	**878,194**	**1,817,452**	**1,472,486**	**282,145**	**154,452**

Borrower's note loans were issued in several tranches with a total nominal value of EUR 1.44 billion (2022: EUR 770.0 million). Thereof EUR 186.5 million (2022: EUR 120.0 million) is attributable to current financial liabilities and EUR 1.26 billion to non-current financial liabilities (2022: EUR 650.0 million). Interest is paid at a variable or fixed rate and the agreed nominal maturities are between two and seven years (2022: between three and seven years). In financial year 2023, new long-term borrower's note loans with maturities between two and seven years were issued with a total nominal value of EUR 864.0 million. Interest rate hedges are in place for some borrower's note loans with variable interest rates.

The borrower‘s note loans with a nominal value of EUR 120 million, reported in the previous year under current financial liabilities, were repaid in 2023 in accordance with the contract terms.

Of the borrower's note loans reported under non-current financial liabilities in the previous year, borrower's note loans with a nominal value of EUR 70 million were repaid early in 2023.

The bonds include a EUR 250 million bond issued on the capital market in 2018 with a nominal interest rate of 1.50% p.a. and a maturity of six years until 21 February 2024 and a EUR 300 million bond issued on the capital market in 2020 with a nominal interest rate of 1.75% p.a. and a maturity of four years until 9 December 2024, each issued by Sixt SE. Furthermore, Sixt SE issued a new bond with a nominal value of EUR 300 million in financial year 2023. The bond was issued with a nominal interest rate of 5.125% p.a. and a maturity of four years until 9 October 2027. There are instrument-specific conditional call options for the issuer and put options for the bond holders.

Current liabilities to banks include short-term borrowings in the amount of EUR 266 million (2022: EUR 468 million) taken out by utilising credit lines available to the Group. Other liabilities consist mainly of deferred interest.

Liabilities to banks also include two long-term investment loans in the amount of EUR 59.8 million (2022: EUR 63.1 million). These loans have been secured by mortgages.

Lease liabilities include liabilities resulting from leases recognised in accordance with IFRS 16.

The development of current and non-current financial liabilities is presented below:

Changes in financial liabilities

in EUR thousand	**31 Dec. 2023**	31 Dec. 2022
Balance as at 1 Jan.	2,505,131	2,001,349
Cash flows	423,827	191,572
Other non-cash changes		
Changes in the scope of consolidation	-	64,938
Leases	359,603	235,193
Currency translation	-9,758	9,222
Other	19,231	2,859
Balance as at 31 Dec.	**3,298,034**	**2,505,131**

\4.26\ ***Other liabilities*** are broken down as follows:

Other liabilities

in EUR thousand	**31 Dec. 2023**	31 Dec. 2022
Financial other liabilities		
Liabilities to affiliated companies and other investees	1,425	496
Payroll liabilities	10,580	8,554
Miscellaneous liabilities	43,296	31,549
Non-financial other liabilities		
Deferred income	1,433	1,159
Tax liabilities	81,141	32,164
Contract liabilities	64,666	49,648
Group total	**202,541**	**123,571**
Thereof current	193,286	120,394
Thereof non-current	9,254	3,177

Miscellaneous other liabilities include liabilities from customer deposits and the reported derivative financial instruments.

Contract liabilities mainly relate to prepayments received from customers for the rental of vehicles. The underlying performance obligation is expected to be fulfilled within the next twelve months.

\4.27\ ***Trade payables*** in the amount of EUR 557,630 thousand (2022: EUR 636,938 thousand) comprise current liabilities arising from deliveries to the Group, particularly of vehicles for the rental fleet, and other purchases in the course of operating activities.

4.3 ADDITIONAL DISCLOSURES ON FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of the individual financial assets and liabilities for each individual category of financial instruments. The fair value of financial assets and liabilities that are not regularly measured at fair value, but for which the fair value is to be specified, are assigned in the following table to the measurement levels of the fair value according to IFRS 13.

Financial instruments	IFRS 9 measurement	Measurement basis for fair value	Carrying amount		Fair value	
in EUR thousand	category[1]		**31 Dec. 2023**	31 Dec. 2022	**31 Dec. 2023**	31 Dec. 2022
Non-current assets						
Financial assets	FVTPL	Level 3	2,170	1,176	2,170	1,176
Financial assets	FVTOCI	Level 1	149	218	149	218
Financial assets	FVTOCI	Level 2	13,895	-	13,895	-
Other receivables	AC		12,791	7,968		
Current assets						
Currency derivatives	FVTPL	Level 2	14,702	15,819	14,702	15,819
Trade receivables	AC		541,729	535,852		
Deposits	AC		54	23		
Other receivables	AC		117,599	140,159		
Cash, cash equivalents and bank balances	AC		5,924	26,569		
Non-current liabilities						
Bonds	AC	Level 1	297,911	548,808	317,502	532,944
Borrower's note loans	AC	Level 2	1,255,416	648,903	1,288,238	631,479
Liabilities to banks	AC	Level 2	56,758	59,817	52,439	53,002
Lease liabilities	IFRS 16		489,513	369,409		
Total return swaps	Hedge Accounting	Level 2	2,716	3,177	2,716	3,177
Interest derivatives	Hedge Accounting	Level 2	6,140	-	6,140	-
Interest derivatives	FVTPL	Level 2	398	-	398	-
Current liabilities						
Bonds	AC	Level 1	549,706	-	543,543	-
Borrower's note loans	AC	Level 2	186,441	119,968	185,820	119,108
Commercial papers	AC	Level 2	-	112,000	-	111,821
Liabilities to banks	AC	Level 2	269,032	471,155	269,732	471,857
Lease liabilities	IFRS 16		164,263	167,514		
Other financial liabilities	AC		28,995	7,557		
Trade payables	AC		557,630	636,938		
Currency derivatives	FVTPL	Level 2	122	15	122	15
Total return swaps	Hedge Accounting	Level 2	499	550	499	550
Financial other liabilities	AC		45,425	36,857		

[1] *FVTPL - Fair value through profit or loss, FVTOCI - Fair value through OCI, AC - At amortised cost*

The financial instruments in the table above are classified into three levels depending on the measurement basis. Level 1 measurements are based on prices quoted in active markets. Level 2 measurements are based on parameters other than quoted prices that are observable either directly as prices or are indirectly derived from prices. Level 3 measurements are based on models that use parameters that are not based on observable market data, but rather on assumptions.

Due to factors that change over the course of time, the reported fair values can only be regarded as indicative of the values actually realisable on the market. The fair values of the financial instruments were calculated on the basis of market data available at the balance sheet date and the methods and assumptions described below.

For non-current and current financial instruments, it was assumed that the fair values correspond to the carrying amount (amortised cost) unless otherwise specified in the table. The fair values of borrower's note loans, commercial papers and liabilities to banks reported as non-current and current liabilities were calculated as the present values of the future expected cash flows. Standard market interest rates of between 3.5% p.a. and 3.6% p.a. (2022: between 3.8% p.a. and 4.4% p.a.) based on the respective maturities were used for discounting. The fair values of the bonds reported as non-current and current liabilities are based on the quoted market prices of the bonds.

The fair values determined on the basis of unobservable market date relate to equity investments which are measured on the basis of their net asset value. The change in reported carrying amounts and fair values derives from additions of equity instruments in amount of EUR 930 thousand (2022: EUR - thousand) and results recognised in profit or loss in amount of EUR 64 thousand (2022: EUR -338 thousand).

Net gains from financial assets in the AC measurement category (measured at amortised cost) amounted to EUR 7,353 thousand (2022: EUR 7,839 thousand) and relate to income from payments received on receivables previously written off.

As in the previous year, there were no net gains or losses in the financial year on financial liabilities in the AC measurement category (measured at amortised cost).

Total interest income from financial assets not measured at fair value through profit or loss amounted to EUR 1,967 thousand (2022: EUR 1,416 thousand). The total interest expense on financial liabilities not measured at fair value through profit or loss amounted to EUR 113,282 thousand (2022: EUR 40,110 thousand).

The subsequent measurement of derivatives is made at fair value (level 2 measurement). The fair value of currency derivatives is calculated based on the average spot exchange rate effective as at reporting date taking into account the forward premiums and discounts. Interest rate swaps and interest rate/currency swaps are measured at fair value by discounting the expected future cash flows, by using the prevailing market interest rates for the remaining term. Total return swaps are measured by applying standard methods considering the share price of Sixt ordinary shares, the base interest rate and the expected dividend yield.

Derivative financial instruments and hedging transactions

Sixt Group uses derivative financial instruments to hedge against interest rate risks, exchange rate risks and share price risks resulting from the operational business, refinancing activities, or liquidity management. Some of these derivate financial instruments are designated in a hedge relationship for accounting purposes.

The nominal values and the carrying amounts of the derivative financial instruments, as well as the changes in fair value of financial instruments designated as hedging instruments, which were used as the basis for recognising ineffectiveness, are shown below.

Derivative financial instruments	Volume	Assets	Liabilities	Changes in fair value
in EUR thousand			**31 Dec. 2023**	
Derivative financial instruments in a cash flow hedge relationship				
Interest derivatives	319,000	-	6,140	-5,643
Total return swaps	20,445	-	3,134	-3,134
Stand-alone derivative financial instruments				
Interest derivatives	150,000	-	398	
Total return swaps	536	-	81	
Currency derivatives	1,111,238	14,702	122	

Derivative financial instruments	Volume	Assets	Liabilities	Changes in fair value
in EUR thousand			31 Dec. 2022	
Derivative financial instruments in a cash flow hedge relationship				
Total return swaps	11,696	-	3,578	-3,578
Stand-alone derivative financial instruments				
Total return swaps	536	-	149	
Currency derivatives	635,951	15,819	15	

The recognised carrying amounts correspond to the fair value. The fair value of the derivative financial instruments was calculated by not taking into account possible compensation from the underlying transactions. Derivative financial instruments are recognised under other current or non-current financial assets or financial liabilities in the balance sheet.

The derivative financial instruments as of the balance sheet date have a remaining term of up to five years.

The following table shows the relevant information on the underlying transactions for each risk category and the change of the designated component in other comprehensive income.

Disclosures on cash flow hedges		Interest rate risk		Share price risk
in EUR thousand	**31 Dec. 2023**	31 Dec. 2022	**31 Dec. 2023**	31 Dec. 2022
Change in the fair value of the hedging instrument	-5,643	-	-3,134	-3,578
Change in the fair value of the hedged item	5,593		2,335	1,586
Cash flow hedge reserve as at 1 Jan.	-	-	559	-572
Change recognised in other comprehensive income in the reporting period	5,319	-	1,027	1,544
Reclassification to the income statement due to the recognition of the underlying transaction	1,056	-	-134	-413
Cash flow hedge reserve as at 31 Dec.	6,375	-	1,452	559

Interest rate hedges resulted in income in amount of EUR 1,056 thousand (2022: EUR - thousand), which are netted and recognised in interest expenses. From the ineffective portion expense in amount of EUR 50 thousand (2022: EUR - thousand) was recognised in other financial result. The characteristics of the designated interest rate derivatives, such as volume, currency, reference interest rate and terms, match with the indicators of the underlying transactions, so that a high degree of effectiveness can be assumed. The effectiveness is determined prospectively using the critical terms match method. The retrospective measurement of effectiveness takes place using the hypothetical derivative method.

From the hedging of share price risk an expense in amount of EUR 134 thousand was recognised in personnel expenses (2022: EUR 413 thousand). In addition, other operating income of EUR 1,811 thousand (2022: EUR 205 thousand) and other operating expenses of EUR 272 thousand (2022: EUR 2,943 thousand) were recognised from the ineffective portion of the hedging transactions. Sources of ineffectiveness are expected from deviating characteristics of the underlying and the hedging transaction, e.g. dividend payments, the interest component of the total return swap, the changing number of stock options in the employee participation programme and possible initial fair values of the hedging transaction. According to IFRS 9 hedging will be rebalanced in the future in case of significant ineffectiveness.

Financial risk management and hedging
Sixt Group is exposed to the following financial risks, which are addressed by the risk management system that has been implemented:

Interest rate risk
Besides variable-rate financial instruments, Sixt Group also uses medium- and long-term financial instruments bearing a fixed rate of interest to finance investments mainly in the rental fleet. Due to differing interest rate durations between the rental fleet and the financial instruments Sixt is exposed to an interest rate risk. Derivative financial instruments such as interest rate caps and interest rate swaps may be used to limit interest rate risk as part of risk management. In this context, internal Group guidelines stipulate the main duties, competencies, responsibilities, reporting requirements and control tools. By entering into hedging transactions as part of risk management, the Group may deliberately convert existing variable-rate liabilities into synthetic fixed-rate refinancing. In contrast, derivative instruments may also be used to achieve a higher proportion of variable-rate liabilities in order to align the duration of the financing with the rental fleet.

In financial year 2023 Sixt SE concluded interest rate hedges in the form of interest rate swaps (designated as cash flow hedge according to IFRS 9) and forward starting interest rate swaps. As at the balance sheet date, there were interest rate hedges with a nominal value of EUR 469.0 million (2022: - EUR million) and a fair value of EUR -6.5 million (2022: - EUR million).

Based on the parallel shift in the yield curves of +100 / -100 basis points, the interest expense for variable-rate financial liabilities would increase by EUR 8,305 thousand, respectively decrease by EUR 8,305 thousand (2022: EUR 8,874 thousand increase or decrease by EUR 8,874 thousand), not taking into account possible economic compensation from new financing transactions. The sensitivity on the downward shift in the yield curves is partially limited by contractual agreements on minimum base interest rates.

The sensitivity analysis for the reported derivative financial instruments assumes a parallel shift in the yield curves of +100 / -100 basis points. The reported fair values of interest rate derivatives as at 31 December 2023 (other non-current liabilities) would then change by EUR 18,312 thousand / EUR -18,317 thousand (2022: EUR - thousand / EUR - thousand).

The reported fair values of total return swaps as at 31 December 2023 (other non-current and current liabilities) would then change by EUR 409 thousand / EUR -409 thousand (2022: EUR 559 thousand / EUR -543 thousand).

Considering the aforelisted changes to valuations from interest rate risks, not taking into account any tax effects, this would result in a change in equity of EUR 10,416 thousand / EUR -10,421 thousand (2022: EUR -8,315 thousand / EUR 8,331 thousand), a change in the consolidated profit/loss of EUR -241 thousand / EUR 242 thousand (2022: EUR -8,315 thousand / EUR 8,331 thousand) and a change in other comprehensive income of EUR 10,657 thousand / EUR -10,663 thousand (2022: EUR - thousand / EUR - thousand).

Share price risk
With the share-based employee payment programme (Stock Performance Programme – SPP), Sixt Group is exposed to share price risk. The amount of the payment obligation depends on the development of the share price of the Sixt ordinary share during the term of the programme. In order to hedge against share price risk, Sixt SE has entered into hedging transactions with banks in the form of total return swaps. The total return swaps are designated and accounted for as cash flow hedges. As at the balance sheet date derivative financial instruments amounting to a nominal value of EUR 21.0 million (2022: EUR 12.2 million) were held to hedge against share price risk. The fair value was EUR -3.2 million in total (2022: EUR -3.7 million).

Besides the parallel shift of the yield curves, a change in the share price of +10 / -10 percentage points was assumed for the reported total return swaps. This would result in an increase by EUR 1,747 thousand, respectively decrease by EUR -1,747 thousand in the reported fair values (2022: EUR 723 thousand / EUR 872 thousand). Considering the aforelisted changes to valuations from share price risks, not taking into account any tax effects, this would result in a change in equity of EUR 1,747 thousand / EUR -1,747 thousand (2022: EUR 723 thousand / EUR -872 thousand) and a change in the consolidated profit/loss of EUR 905 thousand / EUR -649 thousand (2022: EUR 412 thousand / EUR -497 thousand) as well as a change in other comprehensive income of EUR 841 thousand / EUR -1,098 thousand (2022: EUR 311 thousand / EUR -375 thousand).

Exchange rate and country risk
The vast majority of receivables and payables are due in local currency in the country in which the respective Group company is based. As a result, Sixt Group is able to neutralise exchange rate risk in part by using natural hedges. However, the Group's external financing is mainly in euros, so that exchange rate risks arise primarily from receivables and liabilities for the financing of subsidiaries in non-euro countries. Currency swaps or other currency derivatives are used in particular to limit these exchange rate risks within the Group.

The sensitivity analysis for the reported currency derivatives assumes a change in the EUR exchange rates of +10 / -10 percentage points. The reported fair values as at 31 December 2023 (other current assets / other current liabilities) would then change by EUR 97,070 thousand / EUR -118,641 thousand (2022: EUR 35,098 thousand / EUR -10,097 thousand). Considering the aforelisted changes to valuations from currency exchange risks, not taking into account any tax effects, this would result in a change in equity of EUR 97,070 thousand / EUR -118,641 thousand (2022: EUR 35,098 thousand / EUR -10,097 thousand) and a change in the consolidated profit/loss of EUR 97,070 thousand / EUR -118,641 thousand (2022: EUR 35,098 thousand / EUR -10,097 thousand).

Counterparty default risk
Sixt is subject to the counterparty default risk in the area of corporate customers and limited to some products, also in the private customer business. Creditworthiness checks are performed in accordance with internal guidelines prior to entering into an agreement in order to minimise counterparty default risk. Customers' creditworthiness is also checked at regular intervals during the term of the agreement. A valuation allowance is recognised for expected default risks. When there are no realistic prospects of recovering the amount, the respective receivable is derecognised. In addition, there is a general risk that suppliers will not be able to meet their obligations under buy-back agreements. In such cases, Sixt bears the remarketing risk relating to the vehicles. For this reason as well, Sixt performs regular credit checks.

Deposits with banks consist only of short-term maturity deposits. The ratings of the banks are monitored on an ongoing basis. The default risk is estimated to be negligible on the basis of the relatively short terms and the external ratings awarded, which indicate a low probability of default.

Analysis of trade receivables
Trade receivables are classified by default risk as follows:

Trade receivables by risk class in EUR thousand	Gross receivables	Impairments	Net receivables
Very low	371,584	2,172	369,413
Low	109,001	7,118	101,884
Increased	68,834	22,925	45,908
Highly increased	96,754	72,230	24,524
Group total as at 31 Dec. 2023	**646,174**	**104,445**	**541,729**

Trade receivables by risk class in EUR thousand	Gross receivables	Impairments	Net receivables
Very low	406,081	2,616	403,465
Low	119,331	16,532	102,800
Increased	37,976	17,207	20,769
Highly increased	79,195	70,378	8,817
Group total as at 31 Dec. 2022	**642,584**	**106,732**	**535,852**

Trade receivables predominantly comprise receivables from the rental business with Sixt Group end-customers and receivables from suppliers relating to the sale of used vehicles as part of buy-back commitments, or commercial and private buyers as part of the sale on the open market. At the reporting date, trade receivables include risk concentrations resulting from vehicle sales to manufacturers and dealers.

Since the second quarter of 2023, Sixt Group has been participating in factoring programmes, where trade receivables are sold to financial service providers. It is intended to improve particularly the working capital and the possible default risk by using the factoring. As part of the sale of receivables, all material opportunities and risks associated with the ownership of the financial assets are transferred to the financial service providers, therefore the trade receivables are derecognised and financially settled as a result of the sale. For the trade receivables in a portfolio, that are not transferred, the intention is to hold them till maturity and collect the contractual cash flows. The receivables derecognised as part of the factoring are measured at fair value through other comprehensive income.

The Group applies the simplified approach for impairment described in IFRS 9, whereby an impairment allowance in the amount of expected credit losses over the lifetime of the receivable is recognised for all instruments irrespective of their credit quality. To measure the expected credit losses, parameters such as customer group, credit quality and transaction type are used. For individual combinations of the aforementioned parameters, different rates in accordance with the management expectations are applied to determine the allowances. The expectations consider the historical realisation rates, the macroeconomic environment, as well as the assessment of future developments. Due to the use of the simplified approach, the change in the allowance account is solely displayed as the net amount. In the event of concrete indications of default, the insolvency of the debtor, for example, the relevant receivables are fully derecognised regardless of any valuation allowances, that may have been made.

The maximum default amount is the reported carrying amount of the net receivable. No credit derivatives or similar hedging instruments were used to cover credit risk in the period under review.

In the financial year, the allowance account for trade receivables developed as follows:

Change in the allowance account	Balance as at	Change	Balance as at
in EUR thousand	1 Jan. 2023		**31 Dec. 2023**
Impairments for trade receivables	106,732	-2,287	104,445

Change in the allowance account	Balance as at	Changes in the scope of consolidation	Change	Balance as at
in EUR thousand	1 Jan. 2022			31 Dec. 2022
Impairments for trade receivables	96,295	174	10,263	106,732

Analysis of receivables from insurances in other assets

Receivables from insurances by risk class	Gross receivables	Impairments	Net receivables
in EUR thousand			
Increased	36,340	13,113	23,227
Highly increased	7,102	4,434	2,668
Group total as at 31 Dec. 2023	**43,441**	**17,546**	**25,895**

Receivables from insurances by risk class	Gross receivables	Impairments	Net receivables
in EUR thousand			
Increased	33,327	15,921	17,406
Highly increased	8,252	7,521	731
Group total as at 31 Dec. 2022	**41,578**	**23,442**	**18,137**

All of the receivables are impaired. The maximum default amount is the reported carrying amount of the net receivable.

In the financial year, the allowance account for other assets developed as follows:

Change in the allowance account	Balance as at	Change	Balance as at
in EUR thousand	1 Jan. 2023		**31 Dec. 2023**
Impairments for other assets	23,442	-5,895	17,546

Change in the allowance account	Balance as at	Change	Balance as at
in EUR thousand	1 Jan. 2022		31 Dec. 2022
Impairments for other assets	20,183	3,258	23,442

In the year under review, the expenses for derecognised trade receivables and receivables from insurances amounted to EUR 71,393 thousand (2022: EUR 58,246 thousand). The expense for derecognition refers to the recognised receivables without taking into account any valuation allowances, that may have already been made.

The total of expense for impairments and income from reversal of impairments amounted to EUR -6,633 thousand (2022: EUR 13,076 thousand).

The proceeds from payments received on previously derecognised receivables amounted to EUR 7,353 thousand (2022: EUR 7,839 thousand).

Liquidity risk

Liquidity risk is managed via financial planning performed in accordance with internal guidelines. Based on its own assessment, Sixt has sufficient cash and cash equivalents, opportunities for refinancing on the capital markets and credit lines not used.

Analysis of the repayment amounts of financial liabilities

The following table shows the repayment amounts (including assumed future payable interest) at their respective maturities:

Repayment amounts by maturity	Borrower's note loans	Bonds	Liabilities to banks	Lease liabilities	Total
in EUR thousand					
2024	244,643	574,375	269,854	183,971	1,272,843
2025	298,210	15,375	3,760	115,170	432,514
2026	543,902	15,375	3,760	95,428	658,465
2027	19,924	315,375	50,580	81,762	467,641
2028	409,826	-	-	61,200	471,026
2029	4,388	-	-	49,434	53,822
2030 and later	103,389	-	-	162,391	265,780
31 Dec. 2023	**1,624,282**	**920,500**	**327,953**	**749,355**	**3,622,091**

Repayment amounts by maturity	Commercial papers	Borrower's note loans	Bonds	Liabilities to banks	Lease liabilities	Total
in EUR thousand						
2023	112,000	136,637	9,000	472,661	178,547	908,845
2024	-	275,370	559,000	3,760	130,752	968,882
2025	-	165,624	-	3,760	69,207	238,591
2026	-	198,902	-	3,760	43,296	245,958
2027	-	1,739	-	50,580	36,604	88,923
2028	-	46,742	-	-	25,773	72,515
2029 and later	-	-	-	-	104,574	104,574
31 Dec. 2022	**112,000**	**825,014**	**568,000**	**534,521**	**588,753**	**2,628,288**

The financial liabilities maturing in 2024 will be repaid using the financing mix available to the Group, among other sources from new lending of funds on the capital markets, and the usage of bank credit lines and commercial papers.

Analysis of the repayment amounts of derivative financial instruments

The following table shows the repayment amounts at their respective maturities:

Repayment amounts by maturity	Currency derivatives	Interest derivatives	Total return swaps	Total
in EUR thousand				
2024	11,776	2,081	-617	13,240
2025	-	-2,375	-478	-2,853
2026	-	-3,664	-310	-3,974
2027 and later	-	-1,695	-347	-2,042
31 Dec. 2023	**11,776**	**-5,653**	**-1,752**	**4,371**

Repayment amounts by maturity	Currency derivatives	Total return swaps	Total
in EUR thousand			
2023	14,992	-318	14,674
2024	-	-380	-380
2025	-	-1,386	-1,386
2026 and later	-	-1,812	-1,812
31 Dec. 2022	**14,992**	**-3,896**	**11,096**

Capital management

Sixt Group manages the Group's capital with the goal of creating a financial profile that supports the Group's growth targets, while providing the necessary financial flexibility and diversification. The key long-term objective is a Group equity ratio (equity÷total assets) of at least 20%. This would ensure that all Group companies are able to operate on the basis of the going concern assumption.

The equity of the parent company is the basis of the Group's financial profile. As at the balance sheet date, the Group's equity ratio was 31.0% (2022: 35.7%). Other key elements of the Group's financial profile include the financial instruments reported in current and non-current financial liabilities. The share of current and non-current financial liabilities to total assets amounted to 51.1% at the reporting date (2022: 45.1%). In addition to the reported financial liabilities, the Group has entered into short-term lease agreements to refinance its fleet.

Sixt Group currently has a rating of BBB with a stable outlook by S&P Global Ratings.

5. OTHER DISCLOSURES

5.1 SEGMENT REPORTING

Segment Report	Germany		Europe		North America		Other		Reconciliation		Group	
in EUR million	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
External revenue	1,075.3	869.8	1,461.1	1,278.0	1,075.9	908.2	8.2	10.2	-	-	3,620.5	3,066.2
Internal revenue	100.4	66.9	14.4	14.8	17.1	18.5	38.0	31.9	-169.9	-132.1	-	-
Total revenue	1,175.8	936.7	1,475.4	1,292.8	1,093.1	926.7	46.2	42.1	-169.9	-132.1	3,620.5	3,066.2
Leasing expenses for rental vehicles	42.5	35.3	16.9	10.4	4.6	1.8	-	-	-	-0.0	64.1	47.4
Depreciation of rental vehicles	208.2	131.2	250.8	172.7	110.8	103.8	-	-	-	-	569.8	407.7
Interest income	60.2	34.9	6.9	8.4	0.3	0.7	-	-	-65.4	-42.6	1.9	1.4
Interest expense	95.2	37.6	35.0	20.9	44.8	23.3	-	-	-66.7	-44.0	108.4	37.7
Corporate EBITDA	152.3	162.6	298.5	351.6	193.8	185.8	5.1	-0.6	-	-	649.7	699.4
Other depreciation and amortisation							6.0	4.8	-	-	183.0	147.0
Reclassification net interest expense							-	-	-	-	106.5	36.3
EBIT[1]							-0.9	-5.4	-	-	573.2	588.8
Financial result							-3.9	-2.4	-	-	-108.9	-38.6
EBT[2]							-4.8	-7.8	-	-	464.3	550.2
Investments[3]	47.3	233.4	122.5	122.8	236.3	104.9	264.8	228.1	-250.0	-398.2	420.9	291.0
Additions to rental vehicles	1,672.8	1,938.3	1,893.6	1,285.3	1,526.5	838.7	-	-	-	-	5,092.9	4,062.4
Assets	4,036.4	3,665.7	2,444.0	2,177.6	2,386.2	1,475.9	1,176.3	1,270.9	-3,645.8	-3,076.4	6,397.1	5,513.7
Segment liabilities	3,271.8	2,743.6	1,328.5	1,153.9	1,539.7	711.4	152.7	161.4	-1,994.5	-1,324.1	4,298.2	3,446.2
Employees[4]	3,400	3,023	3,130	2,768	1,749	1,308	456	410	-	-	8,735	7,509

1 *Corresponds to earnings before interest and taxes (EBIT)*
2 *Corresponds to earnings before taxes (EBT)*
3 *Investments in non-current assets including right of use assets, excluding rental vehicles*
4 *Annual average*

The main business activity of Sixt Group is vehicle rental including other related services and brokerage of transfer services. Activities that cannot be allocated to the main business activities and segments, such as holding company activities and real estate leasing, are combined in the Other segment. The Management Board manages Group activities based on reporting structured according to regional aspects. Resources are allocated and the performance is assessed by the Management Board at the level of the individual countries.

The Groups main activity is similar in all countries. Based on similar economic conditions and business characteristics the countries are grouped into the reportable segments Germany, Europe (excluding Germany) and North America. The key parameter for the assessment of the performance by the Management Board is Corporate EBITDA. Corporate EBITDA is defined as earnings before depreciation, amortisation, net finance costs and taxes (EBITDA), but with additional consideration of fleet-related expenses, such as depreciation of rental vehicles and attributable net interest expense. Corporate EBITDA is the relevant performance indicator for the operating segments though not the financial performance indicator for the Sixt Group.

Segment reporting is generally based on the accounting policies in the Consolidated Financial Statements. Receivables, liabilities, income and expenses between the segments are eliminated in the reconciliation to the Group figures. Assets and liabilities reported do not recognise any tax positions.

The following geographic information analyses the Group's consolidated revenue and the Group's assets (excluding tax positions) by the Group company's country of domicile.

By region	Consolidated revenue		Assets	
in EUR million	**2023**	2022	**2023**	2022
Germany	1,082.0	878.1	1,762.6	2,166.4
Europe/Other	1,462.6	1,279.9	2,273.6	1,893.1
Thereof France	435.2	387.7	715.9	571.5
Thereof UK	269.6	209.9	640.4	542.9
North America	1,075.9	908.2	2,360.9	1,454.2
Thereof USA	1,067.2	907.2	2,325.1	1,446.1
Group total	**3,620.5**	**3,066.2**	**6,397.1**	**5,513.7**

5.2 CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Contingent liabilities

At the end of the financial year there were contingencies from guarantees or similar obligations in the amount of EUR 138.4 million (2022: EUR 111.4 million).

Other financial obligations

In addition to provisions and liabilities, the Group has other financial obligations that result mainly from short-term leases entered into to refinance the rental fleet and from obligations under lease agreements on buildings for which no right of use assets and lease liabilities have been recognised.

Other financial obligations		
in EUR million	**31 Dec. 2023**	31 Dec. 2022
Due within one year	52.1	38.2
Due in one to five years	3.5	0.3
Group total	**55.7**	**38.5**

Purchase commitments under agreements concluded as at the balance sheet date in respect of vehicle deliveries for the rental fleet in the coming year amounted to around EUR 1,345.2 million (2022: EUR 2,088.3 million).

5.3 SHARE-BASED PAYMENTS

The Group had an employee participation programme (Stock Performance Programme – SPP) in the year under review, which is recognised in the category cash-settled share-based payment programme.

In 2021, the Management Board and Supervisory Board of Sixt SE resolved to implement a virtual Stock Performance Programme (SPP) for a selected group of employees, senior executives and members of the Management Board of Sixt SE at the company and its affiliated companies. The goal of the SPP is to enable and encourage the participants to participate in the sustainable success of Sixt SE.

The Management Board of Sixt SE or the Supervisory Board, if the Management Board itself is concerned, sets the maximum participation volume for each individual beneficiary. The maximum participation volume for all employees and senior executives, with the exception of members of the Management Board, is limited to EUR 10 million per year of allocation.

Under the terms and conditions of the 2021 scheme (SPP 2021), a participant's full entitlement to payment arises four years after the grant date (calculation date), provided that the participant still has a contract of employment with a company of Sixt Group that has not been terminated or is a member of the Management Board of Sixt SE or is a member of the management of a company of Sixt Group. If this is not the case as of the calculation date, i.e. the participant has left, the phantom stocks are forfeited in full or paid out on a pro rata basis, depending on the agreement with the participant and the reason for his departure.

In the course of a change in the programme conditions in 2022 (SPP 2022), a participant's entitlement to payment shall, in deviation from this, arise proportionally already after one, two, three and four years from the grant date (calculation date). The other programme conditions of the SPP 2022 are the same as those of the SPP 2021. The amended programme conditions do not apply to members of the Management Board.

The SPP gain is determined at the calculation date and calculated by multiplying the number of phantom stocks that have been granted and have not been forfeited due to the participant's departure by the volume-weighted average price of the Sixt ordinary share in Xetra trading on the Frankfurt Stock Exchange during the last ten trading days before the calculation date. For members of the Management Board, there is a contractually agreed cap on the SPP gain. Any taxes, contributions and other levies due on the SPP gain are to be borne by the participant. The net amount remaining thereafter will be paid to the participant in cash.

The allocation of phantom stocks does not entitle the participants to receive dividends during the term of the SPP.

If, during the term of the SPP, a dilutive measure or other measure affecting Sixt ordinary shares occurs that has an economic effect on the value of the phantom stocks (e.g. share split, consolidation of shares), Sixt SE will adjust the number of phantom stocks accordingly.

The number of phantoms stocks, which were allocated under the initial programme conditions (SPP 2021), changed as follows:

Number of phantom stocks SPP 2021	2023 allocation	2022 allocation	2021 allocation	Total **2023**
Outstanding at the beginning of the financial year	-	27,051	28,193	55,244
Granted during the financial year	40,348	-	-	40,348
Forfeited during the financial year	-	-	-821	-821
Outstanding at the end of the financial year	40,348	27,051	27,372	94,771

Number of phantom stocks SPP 2021	2022 allocation	2021 allocation	Total 2022
Outstanding at the beginning of the financial year	-	30,105	30,105
Granted during the financial year	27,051	-	27,051
Forfeited during the financial year	-	-1,912	-1,912
Outstanding at the end of the financial year	27,051	28,193	55,244

The number of phantom stocks, which were allocated under the programme conditions amended in 2022 (SPP 2022), developed as follows:

Number of phantom stocks SPP 2022	2023 allocation	2022 allocation	Total **2023**
Outstanding at the beginning of the financial year	-	59,298	59,298
Granted during the financial year	60,283	-	60,283
Exercised during the financial year	-	-13,013	-13,013
Forfeited during the financial year	-1,845	-1,839	-3,684
Outstanding at the end of the financial year	58,438	44,446	102,884

Number of phantom stocks SPP 2022	2022 allocation	Total 2022
Granted during the financial year	60,439	60,439
Forfeited during the financial year	-1,141	-1,141
Outstanding at the end of the financial year	59,298	59,298

The weighted average price of the Sixt ordinary share amounted to EUR 111.14 as at the calculation date of the phantom stocks exercised in financial year 2023.

The valuation of the phantom stocks from the SPP without a payout cap for employees and executives was carried out using a Black-Scholes simulation model. The valuation of the phantom stocks with a payout cap for members of the Management Board was carried out using a Monte Carlo simulation.

The expected volatility was estimated based on the historical volatility of the share price.

The following parameters were included in the simulation:

Simulation model parameters	SPP 2022 2023 allocation	SPP 2022 2022 allocation	SPP 2021 2023 allocation	SPP 2021 2022 allocation	SPP 2021 2021 allocation
Weighted average fair values at the measurement date in euros	94.02	95.82	74.72	84.34	95.77
Expected dividend yield in %	3.88	3.88	3.88	3.88	3.88
Expected volatility in %	33.08	31.51	37.79	37.34	32.15
Expected term until exercise in years	1.92	1.42	3.42	2.41	1.42
Risk-free interest rate in %	2.96	3.10	2.55	2.78	3.16
Weighted average share price in euros	101.20	101.20	101.20	101.20	101.20
Weighted average strike price in euros	0.00	0.00	0.00	0.00	0.00

The Group recognised expenses in the amount of EUR 6,693 thousand (2022: EUR 1,904 thousand) in connection with cash-settled share-based payments as personnel expenses in 2023. Taking into account currency effects, a corresponding addition was made to the non-current and current provisions. The corresponding provisions amount to EUR 7,519 thousand (2022: EUR 2,362 thousand) as at the reporting date.

The Group entered into derivative hedge transactions to hedge against share price risk.

5.4 RELATED PARTY DISCLOSURE

Sixt Group has receivables from and liabilities to various unconsolidated Group companies for the purposes of intercompany settlements and financing. The resulting balances are presented in the items other receivables and other liabilities. The transactions are conducted at arm's length terms. The following provides an overview of significant transactions and account balances arising from such relationships:

Related parties		Count	Services rendered		Services used		Receivables from related companies		Liabilities to related companies	
in EUR million	**2023**	2022	**2023**	2022	**2023**	2022	**31 Dec. 2023**	31 Dec. 2022	**31 Dec. 2023**	31 Dec. 2022
Non-consolidated subsidiaries										
Germany	43	9	0.1	[1]	[1]	[1]	[1]	[1]	1.1	0.4
Abroad	2	2	[1]	[1]	-	[1]	0.1	0.1	0.1	[1]
Non-consolidated associates and joint ventures										
Germany	1	1	0.1	0.1	2.6	1.3	[1]	[1]	0.2	[1]
Abroad	1	1	-	-	0.4	0.2	-	-	0.1	[1]

[1] *Amount less than EUR 0.1 million*

The members of the Supervisory Board and Management Board of Sixt SE count as members of management in key positions according to IAS 24, therefore they are considered as related parties.

The Supervisory Board member Dr. Daniel Terberger holds a stake in a company, with whom the Group maintains a business relationship regarding the delivery of working clothes at arm's length conditions. In the year under review, transactions with this company amounted to EUR 0.5 million (2022: EUR 0.5 million).

Furthermore, the Group rented two properties belonging to the Sixt family for its operations in the financial year. The rental expenses amounted to EUR 0.2 million (2022: EUR 0.2 million). Further business relationships to related parties, mainly from the rental of vehicles at market conditions, exist to a limited extent. Mr. Erich Sixt, Mr. Alexander Sixt and Mr. Konstantin Sixt received remuneration for their services as members of the Management Board, respectively Supervisory Board. Further members of the Sixt family received remuneration amounting to EUR 0.6 million (2022: EUR 0.6 million) for their activities on behalf of the Group.

The Supervisory Board and Management Board of Sixt SE

Supervisory Board	Exercised profession	Membership of supervisory boards and other comparable bodies of business enterprises
Erich Sixt (since 16 June 2021) Chairman Grünwald	Chairman of the Supervisory Boad of Sixt SE	Chairman of the Supervisory Board of trans-o-flex Express GmbH & Co. KGaA (until 2 March 2023)
Dr. Daniel Terberger (since 2012) Deputy Chairman Bielefeld	Chairman of the Management Board of KATAG AG	Chairman of the Supervisory Board of Textilhäuser F. Klingenthal GmbH Member of the Supervisory Board of Gebr. Weiss Holding AG, Austria Member of the Supervisory Board of Fussl Modestraße Mayr GmbH, Austria Member of the Advisory Board of ECE Projektmanagement GmbH & Co. KG Member of the Advisory Board of Eterna Mode Holding GmbH Chairman of the Advisory Board of Loden-Frey Verkaufshaus GmbH & Co.KG Member of the Advisory Board of William Prym Holding GmbH
Anna Magdalena Kamenetzky-Wetzel (since 2 June 2022) Miami Beach	Self-employed entrepreneur	Member of the Administrative Board of Kitu Super Brands, Inc., Austin, Texas/United States of America Member of the Administrative Board of Paws Holdings Limited, London/United Kingdom (until March 2023) Member of the Administrative Board of Fuzzy Pet Health, Inc., San Franciso, California/United States of America (until June 2023)
Dr. Julian zu Putlitz (since 16 June 2021) Pullach	CFO of IFCO Group	

Management Board	Role	Residence
Alexander Sixt	Co-Chief Executive Officer	Grünwald
Konstantin Sixt	Co-Chief Executive Officer	Grünwald
James Adams	Chief Commercial Officer (until 15 February 2024)	Germering
Prof. Dr. Kai Andrejewski	Chief Financial Officer	Pullach
Nico Gabriel	Chief Operating Officer	Neuried
Vinzenz Pflanz	Chief Business Officer	München

Prof. Dr. Kai Andrejewski is member of the Supervisory Board of Deutsche Beteiligungs AG since January 2023 and member of the Supervisory Board of SEEHG Securing Energy for Europe Holding GmbH since October 2023. The other members of the Management Board did not hold any memberships on supervisory boards or other comparable bodies of business enterprises during their service as members of the Management Board of Sixt SE in 2023.

Total remuneration of the Supervisory Board and Management Board of Sixt SE

Total remuneration in EUR thousand	2023	2022
Supervisory Board remuneration	491	380
Management Board remuneration	14,090	13,536
Thereof variable remuneration	7,720	8,482

The total remuneration of the Supervisory Board and Management Board of Sixt SE amounted to EUR 14,581 thousand in the financial year (2022: EUR 13,916 thousand). Thereof EUR 10,796 thousand is attributable to remunerations due in the short-term. In addition, variable remuneration includes remuneration components in the amount of EUR 3.785 thousand to be paid in subsequent years which is conditional upon the achievement of a minimum EBT in financial year 2024. In addition, expense for share-based payments of the Management Board has been accrued in the amount of EUR 1,635 thousand (EUR 279 thousand). As in the prior year, no remuneration for termination has been granted.

In financial year 2023 the members of the Management Board were granted 40,348 (2022: 27,051) phantom stocks under the employee participation programme SPP. The equivalent amount as the base for calculating the number of phantom stocks on the allocation date was EUR 4,483 thousand (2022: EUR 3,025 thousand). Under the employee participation programme SPP no phantom stocks were allocated to members of the Supervisory Board and 67,399 phantom stocks (2022: 27,051) were allocated in total to the Management Board as at balance sheet date.

The Group has no pension obligations towards members of the Supervisory Board or the Management Board.

Shareholdings

As at 31 December 2023, Erich Sixt Vermögensverwaltung GmbH, Pullach, all shares of which are held directly and indirectly by the Sixt family, held 17,701,822 of the ordinary shares of Sixt SE (2022: 17,701,822 ordinary shares). In addition to this, Mr. Erich Sixt continued to hold two registered ordinary shares of Sixt SE.

In accordance with article 19 of the European Market Abuse Directive, persons performing executive functions and persons closely related to them are legally required to disclose their own transactions with shares or bonds of Sixt SE and their related financial derivatives or other related financial instruments. The reporting requirement applies to all transactions, that are conducted after the total amount of EUR 20,000 within the calendar year was achieved.

The transaction notifications received by Sixt SE during financial year 2023 were duly published and can be accessed on the website of Sixt SE at *ir.sixt.eu* under the tab "Investor Relations – Corporate Governance – Managers' Transactions".

5.5 PROPOSAL FOR ALLOCATION OF UNAPPROPRIATED PROFIT

Sixt SE reported unappropriated profit for financial year 2023 in accordance with German commercial law of EUR 246,473 thousand (2022: EUR 390,475 thousand). Subject to approval by the Supervisory Board, the Management Board proposes utilising this unappropriated profit as follows:

Proposal for allocation of unappropriated profit in EUR thousand	2023	2022
Payment of a dividend of EUR 3.90 (2022: EUR 4.11 and a special dividend of EUR 2.00) per ordinary share entitled to a dividend	118,432	185,543
Payment of a dividend of EUR 3.92 (2022: EUR 4.13 and a special dividend of EUR 2.00) per preference share entitled to a dividend	64,979	101,612
Carryforward to new account	63,063	103,320

As at 31 December 2023, 30,367,112 ordinary shares entitled to a dividend and 16,576,246 preference shares entitled to a dividend were issued. The proposed dividend payout of EUR 3.90 per ordinary share and EUR 3.92 per preference share would result in a total distribution of EUR 183,411 thousand. This takes due account of the positive development of both the business and earnings in 2023.

The proposal by the Management Board and the Supervisory Board on the appropriation of the unappropriated profit for financial year 2022 was resolved unchanged by the Annual General Meeting on 23 May 2023.

5.6 EVENTS SUBSEQUENT TO THE REPORTING DATE

On 15 January 2024 Sixt received the issuer rating of BBB with a stable outlook by S&P Global Ratings.

At the end of January 2024 Sixt SE issued a new bond with a nominal value of EUR 500 million. The bond was issued with a nominal interest rate of 3.75% p.a. and a maturity of five years until 25 January 2029.

No further reportable events of special significance for the asset, financial and earnings position of the Group occurred after the end of financial year 2023.

5.7 DECLARATION OF CONFORMITY IN ACCORDANCE WITH SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

The declaration by the Management Board and the Supervisory Board required by section 161 of the German Stock Corporation Act (AktG – Aktiengesetz) stating that the recommendations of the Government Commission on the German Corporate Governance Code have been complied with and which recommendations have not been applied was issued in the financial year and made permanently accessible to shareholders on the Sixt SE website under *ir.sixt.eu* in the section “Corporate Governance”.

5.8 AUTHORISATION OF THE CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS 10.17

These Consolidated Financial Statements are authorised by the Management Board for submission to the Supervisory Board on 25 March 2024.

Pullach, 25 March 2024

Sixt SE

The Management Board

ALEXANDER SIXT	KONSTANTIN SIXT	PROF. DR. KAI ANDREJEWSKI	NICO GABRIEL	VINZENZ PFLANZ

C.6 \\ LIST OF SHAREHOLDINGS

of Sixt SE as at 31 December 2023

Name	Domicile	Equity interest in %
Consolidated subsidiaries		
1501 NW 49 ST 33309, LLC	Wilmington	100%
AKRIMO Beteiligungs GmbH	Pullach	100%
AKRIMO GmbH & Co. KG	Pullach	100%
Atlic Rent SARL	Chambray-lès-Tours	100%
Azucarloc SARL	Cannes	100%
Benezet Location SARL	Nimes	100%
BLM Verwaltungs GmbH	Pullach	100%
Blueprint Holding GmbH & Co. KG	Pullach	100%
Bopobiloc SARL	Mérignac	100%
Brenoloc SARL	Rennes	100%
Capitole Autos SARL	Toulouse	100%
Eaux Vives Location SARL	Grenoble	100%
Eiffel City Rent SARL	Neuilly-sur-Seine	100%
Europa Service Car Ltd.	Chesterfield	100%
Flash Holding GmbH & Co. KG	Pullach	100%
Francilsud Location SARL	Athis-Mons	100%
Hireco 2 Holdings Limited	Clydebank	100%
Lightning Holding GmbH & Co. KG	Pullach	100%
Matterhorn Holding GmbH & Co. KG	Pullach	100%
Mobimars SARL	Marignane	100%
Nizza Mobility SARL	Nice	100%
Ory Rent SARL	Orly	100%
Phocemoove SARL	Marseille	100%
Rail Paris Mobility SARL	Paris	100%
RhôneSaône Mobility SARL	Colombier-Saugnieu	100%
Saint-EX Rent Sàrl	Colombier-Saugnieu	100%
Septentri Loc SARL	Marcq-en-Baroeul	100%
Sigma Grundstücks- und Verwaltungs- GmbH & Co. Immobilien KG	Pullach	100%
Sigma Pi Holding GmbH & Co. KG	Pullach	100%
SIL CAP, LLC	South Burlington	100%
Sixt Air GmbH	Weßling	100%
Sixt Asset and Finance SAS	Paris	100%
Sixt B.V.	Hoofddorp	100%
Sixt BaWü I GmbH & Co. KG	Freiburg im Breisgau	100%
Sixt BaWü II GmbH & Co. KG	Karlsruhe	100%
Sixt Belgium BV	Machelen	100%

Name	Domicile	Equity interest in %
Sixt BER GmbH & Co. KG,	Schönefeld	100%
Sixt Berlin I GmbH & Co. KG	Berlin	100%
Sixt Beteiligungen GmbH & Co. Holding KG	Pullach	100%
Sixt Canadian Holding GmbH	Pullach	100%
Sixt Car Sales GmbH	Garching	100%
Sixt Car Sales, LLC	Wilmington	100%
Sixt CGN GmbH & Co. KG	Cologne	100%
Sixt Développement SARL	Paris	100%
Sixt DUS GmbH & Co. KG	Düsseldorf	100%
Sixt Düsseldorf GmbH & Co. KG	Düsseldorf	100%
Sixt Fleet Transfer LLC	Wilmington	100%
Sixt FRA GmbH & Co. KG	Frankfurt am Main	100%
Sixt Franchise USA, LLC	Wilmington	100%
Sixt Franken GmbH & Co. KG	Nuremberg	100%
Sixt Frankfurt GmbH & Co. KG	Frankfurt am Main	100%
Sixt Funding Associate LLC	Wilmington	100%
Sixt Funding LLC	Wilmington	100%
Sixt GmbH	Vienna	100%
Sixt GmbH	Munich	100%
Sixt GmbH & Co. Autovermietung KG	Pullach	100%
Sixt HAM GmbH & Co. KG	Hamburg	100%
Sixt Hamburg I GmbH & Co. KG	Hamburg	100%
Sixt Insurance Services PCC Ltd.	St. Peter Port	100%
Sixt International Services GmbH	Pullach	100%
Sixt KAGÖ GmbH & Co. KG	Kassel	100%
Sixt Köln GmbH & Co. KG	Cologne	100%
Sixt Limousine SARL	Clichy	100%
Sixt Meckpomm GmbH & Co. KG	Rostock	100%
Sixt MUC GmbH & Co. KG	Munich Airport	100%
Sixt München I GmbH & Co. KG	Munich	100%
Sixt Niedersachsen GmbH & Co. KG	Hanover	100%
Sixt Nordwest GmbH & Co. KG	Bremen	100%
Sixt OWL GmbH & Co. KG	Bielefeld	100%
Sixt Plc	Langley	100%
Sixt R&D Private Limited [3]	Bangalore	100%
SIXT RENT A CAR INC.	Vancouver	100%
Sixt Rent A Car Ltd.	Langley	100%
Sixt RENT A CAR S.L.U.	Palma de Mallorca	100%
Sixt rent a car srl	Eppan	100%
Sixt Rent A Car, LLC	Wilmington	100%
Sixt rent-a-car AG	Basle	100%
Sixt Research Development Services Lda.	Lisbon	100%
Sixt Rhein-Main GmbH & Co. KG	Darmstadt	100%
Sixt Rhein-Neckar-Saar GmbH & Co. KG	Mannheim	100%

Name	Domicile	Equity interest in %
Sixt Ride GmbH & Co. KG	Pullach	100%
Sixt Ride Holding GmbH & Co. KG	Pullach	100%
Sixt Ruhr I GmbH & Co. KG	Dortmund	100%
Sixt Ruhr II GmbH & Co. KG	Dortmund	100%
SIXT S.A.R.L.	Monaco	100%
SIXT S.à.r.l.	Luxembourg	100%
Sixt SAS	Paris	100%
Sixt Seine SARL	Paris	100%
Sixt SH GmbH & Co. KG	Kiel	100%
Sixt Shack 2821S Federal Highway FLL, LLC	Wilmington	100%
Sixt SN BB GmbH & Co. KG	Leipzig	100%
Sixt ST TH GmbH & Co. KG	Erfurt	100%
Sixt STR GmbH & Co. KG	Stuttgart	100%
Sixt Stuttgart GmbH & Co. KG	Stuttgart	100%
Sixt Systems GmbH	Pullach	100%
Sixt Titling Trust	Wilmington	100%
Sixt Transatlantik GmbH [1]	Pullach	100%
Sixt V&T GmbH & Co. KG	Berlin	100%
Sixt Ventures GmbH	Pullach	100%
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Delta Immobilien KG	Pullach	100%
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Epsilon Immobilien KG	Pullach	100%
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Gamma Immobilien KG	Pullach	100%
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG	Pullach	100%
Sixt West GmbH & Co. KG	Koblenz	100%
Sixt Westfalen GmbH & Co. KG	Osnabrück	100%
Sixti SARL	Tremblay-en-France	100%
Smaragd International Holding GmbH [1]	Pullach	100%
Speed Holding GmbH & Co. KG	Pullach	100%
SVAT Ltd	Clydebank	100%
SXT Beteiligungsverwaltungs GmbH	Pullach	100%
SXT Dienstleistungen GmbH & Co. KG	Rostock	100%
SXT DR Services GmbH	Pullach	100%
SXT International Projects and Finance GmbH [1]	Pullach	100%
SXT Projects and Finance GmbH [1]	Pullach	100%
SXT Reservierungs- und Vertriebs-GmbH & Co. KG	Rostock	100%
SXT Retina Lab GmbH & Co. KG	Pullach	100%
SXT Services GmbH & Co. KG	Pullach	100%
SXT Telesales GmbH	Berlin	100%
Tango International Holding GmbH	Pullach	100%
TOV 6-Systems	Kyiv	100%
United Kenning Rental Group Ltd.	Langley	100%
United Mile Fleet, LLC [4]		100%
United Rental Group America Limited	Liverpool	100%
United Rental Group Ltd.	Chesterfield	100%

Name	Domicile	Equity interest in %
United Rentalsystem SARL	Mulhouse	100%
Urbanizy Loc SARL	Paris	100%
Utilymoov SARL	Roissy-en-France	100%
Varmayol Rent SARL	La Valette-du-Var	100%
Velocity Holding GmbH & Co. KG	Pullach	100%
West Country Self Drive Limited	Slough	100%
West Country Self Drive Services Limited	Slough	100%
Wezz Rent SARL	Bouguenais	100%
Unconsolidated subsidiaries and investments		
CV "Main 2000" UA [2]	Schiphol	50%
GIE PAU LOC [2]	Uzein	20%
Sixt BaWü I Verwaltungs GmbH	Freiburg im Breisgau	100%
Sixt BaWü II Verwaltungs GmbH	Karlsruhe	100%
Sixt BER Verwaltungs GmbH	Schönefeld	100%
Sixt Berlin I Verwaltungs GmbH	Berlin	100%
Sixt Beteiligungen GmbH	Pullach	100%
Sixt CGN Verwaltungs GmbH	Cologne	100%
Sixt DUS Verwaltungs GmbH	Düsseldorf	100%
Sixt Düsseldorf Verwaltungs GmbH	Düsseldorf	100%
Sixt FRA Verwaltungs GmbH	Frankfurt am Main	100%
Sixt Franken Verwaltungs GmbH	Nuremberg	100%
Sixt Frankfurt Verwaltungs GmbH	Frankfurt am Main	100%
Sixt HAM Verwaltungs GmbH	Hamburg	100%
Sixt Hamburg I Verwaltungs GmbH	Hamburg	100%
Sixt Immobilien Beteiligungen GmbH	Pullach	100%
Sixt KAGÖ Verwaltungs GmbH	Kassel	100%
Sixt Köln Verwaltungs GmbH	Cologne	100%
Sixt Meckpomm Verwaltungs GmbH	Rostock	100%
Sixt MUC Verwaltungs GmbH	Munich Airport	100%
Sixt München I Verwaltungs GmbH	Munich	100%
Sixt München II Verwaltungs GmbH	Munich	100%
Sixt München III Verwaltungs GmbH	Munich	100%
Sixt Niedersachsen Verwaltungs GmbH	Hanover	100%
Sixt Nordwest Verwaltungs GmbH	Bremen	100%
Sixt OWL Verwaltungs GmbH	Bielefeld	100%
Sixt Rhein-Main Verwaltungs GmbH	Darmstadt	100%
Sixt Rhein-Neckar-Saar Verwaltungs GmbH	Mannheim	100%
Sixt Ride Holding Verwaltungs GmbH	Pullach	100%
Sixt Ride Verwaltungs GmbH	Pullach	100%
Sixt Ruhr I Verwaltungs GmbH	Dortmund	100%
Sixt Ruhr II Verwaltungs GmbH	Essen	100%
Sixt SH Verwaltungs GmbH	Kiel	100%
Sixt SN BB Verwaltungs Gmb	Leipzig	100%

Name	Domicile	Equity interest in %
Sixt ST TH Verwaltungs GmbH	Erfurt	100%
Sixt STR Verwaltungs GmbH	Stuttgart	100%
Sixt Stuttgart Verwaltungs GmbH	Stuttgart	100%
Sixt V&T Verwaltungs GmbH	Berlin	100%
Sixt Verwaltungs B.V.	Hoofddorp	100%
Sixt Verwaltungs-GmbH	Vienna	100%
Sixt West Verwaltungs GmbH	Koblenz	100%
Sixt Westfalen Verwaltungs GmbH	Osnabrück	100%
SXT Projects and Services GmbH [1]	Pullach	100%
SXT Projects GmbH	Pullach	100%
SXT Retina Lab Verwaltungs GmbH	Pullach	100%
SXT V+R Verwaltungs GmbH	Rostock	100%
SXT Verwaltungs GmbH	Pullach	100%
TÜV SÜD Car Registration & Services GmbH	Munich	50%
Vehitel 2000 France SAS [2]	Suresnes	8%

[1] *Profit and loss transfer agreement with Sixt SE, Pullach*
[2] *Financial figures for financial year 2022*
[3] *Different fiscal year*
[4] *The company doesn't have a legal address in the USA anymore*

D

D \\ FURTHER INFORMATION

D.1 \\ RESPONSIBILITY STATEMENT

by Sixt SE, Pullach, for financial year 2023

in accordance with sections 297 (2) sentence 4 and 315 (1) sentence 5 of the German Commercial Code (HGB)

To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the asset, financial and earnings position of the Group, and the Combined Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Pullach, 25 March 2024

Sixt SE

The Management Board

ALEXANDER SIXT	KONSTANTIN SIXT	PROF. DR. KAI ANDREJEWSKI	NICO GABRIEL	VINZENZ PFLANZ

The following independent auditors' report ("Bestätigungsvermerk") was issued in accordance with section 322 of the German Commercial Code (HGB) on the IFRS Financial Statements 2023, which were prepared in German language. The translation of the independent auditor's report ("Bestätigungsvermerk") is as follows:

D.2 \\ INDEPENDENT AUDITOR'S REPORT

To Sixt SE, Pullach/Germany

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Audit Opinions

We have audited the consolidated financial statements of Sixt SE, Pullach/Germany, and its subsidiaries (the Group) which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement and statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from 1 January to 31 December 2023, and the notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the combined management report for the parent and the group of Sixt SE, Pullach/Germany, for the financial year from 1 January to 31 December 2023. In accordance with the German legal requirements, we have not audited the content of the summarised consolidated non-financial declaration included in the chapter "Summarised non-financial declaration of the Group pursuant to Sections 315b and c in conjunction with Sections 289b to e of the HGB" of the combined management report nor the content of the corporate governance statement included in the chapter "Corporate governance declaration in accordance with sections 289f and 315d of the HGB" of the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) German Commercial Code (HGB) and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2023 and of its financial performance for the financial year from 1 January to 31 December 2023, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the summarised consolidated non-financial declaration referred to above nor the content of the corporate governance statement referred to above.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). We performed the audit of the consolidated financial statements in supplementary compliance with the International Standards on Auditing (ISA). Our responsibilities under those requirements, principles and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the subsequent measurement of rental vehicles, which we have determined to be a key audit matter in the course of our audit.

Our presentation of this key audit matter has been structured as follows:

a) description (including reference to corresponding information in the consolidated financial statements)
b) auditor's response

Subsequent measurement of rental vehicles

a) In the consolidated financial statements of Sixt SE, rental vehicles totalling EUR 4,469 million are reported; this corresponds to around 69.3% of total assets. The rental vehicles item includes both own vehicles and, to a lesser extent, rights of use for rental vehicles held under leasing agreements (EUR 52 million).

The Company's own rental vehicles are recognised at cost less depreciation and write-downs taking into account their calculated residual values. For vehicles for which buy-back agreements have been concluded, their residual values are determined by the agreed residual values. If no buy-back values have been agreed, the vehicles' residual values are adapted to the expected market value at the planned disposal date. Impairments are made if the assets are required to be recognised at a lower value.

We classified the measurement of this quantitatively significant balance sheet item as a key audit matter since the valuation of own rental vehicles is based on discretionary estimates and assumptions made by the executive directors with regard to their write-downs to the expected residual value.

The disclosures of the executive directors on the measurement of rental vehicles are contained in sections 3 "Reporting and valuation methods" and 4.15 of the notes to the consolidated financial statements.

b) In auditing the appropriateness of the valuation technique, we examined the corresponding organisational and operational structure with regard to appropriateness and effectiveness of the key controls implemented. This relates in particular to the process of taking into account contractually agreed buy-back values or expected residual values for determining depreciation. Furthermore, with regard to recognising impairment losses, we reproduced the procedure for determining any such impairment need.

As part of our substantive procedures regarding impairment losses, we reproduced the assumptions regarding residual value and disposal risk underlying the determination of write-downs and examined the impairment need calculated on this basis. In so doing, we also compared the executive directors' expectations regarding the market price development with the actual market prices and examined them for plausibility. In addition, we performed an analytical examination of depreciation.

Other Information

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
- the summarised non-financial declaration included in the chapter "Summarised non-financial declaration pursuant to sections 315b and c in conjunction with sections 289b to e of the HGB" of the combined management report,
- the corporate governance statement included in the chapter "Corporate governance declaration in accordance with sections 289f and 315d of the HGB" of the combined management report,
- the executive directors' confirmation regarding the consolidated financial statements and the combined management report pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB, and
- the remuneration report pursuant to Section 162 German Stock Corporation Act (AktG), and
- all other parts of the annual report,

- but not the consolidated financial statements, not the audited content of the combined management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the declaration according to Section 161 AktG, which is part of the corporate governance declaration included in the combined management report, and for the remuneration report pursuant to Section 162 AktG. Otherwise, the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the combined management report or our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the ISA will always detect a material misstatement.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS as adopted by the EU and with the additional requirements of German commercial law pursuant to section 315e (1) HGB.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Audit Opinion

We have performed an audit in accordance with section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value a86b26723e468aaba8b06c4af9a741f3f19f1875bf3591f805d9b 210875e401b, meet, in all material respects, the requirements for the electronic reporting format pursuant to section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from 1 January to 31 December 2023 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the consolidated financial statements and of the combined management report contained in the file identified above in accordance with section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Group Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our auditing practice has applied the requirements of the IDW quality management standards.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the parent are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the parent are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the balance sheet date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable a XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited combined management report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 23 May 2023. We were engaged by the supervisory board on 8 August 2023. We have been the Group auditor of Sixt SE, Pullach/Germany, without interruption since the financial year 2005.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as with the audited ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Klaus Löffler.

Munich/Germany, 25 March 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

KLAUS LÖFFLER German Public Auditor	p.p. MARINA TRAXINGER German Public Auditor

D.3 \\ STATEMENT OF FINANCIAL POSITION OF SIXT SE (HGB)

as at 31 December 2023

Assets in EUR thousand		31 Dec. 2023	31 Dec. 2022
A. Fixed assets			
I. Intangible Assets			
Paid concessions, industrial property rights and similar rights	21		49
II. Equipment			
1. Other fixtures, operating and office equipment	4,160		3,925
2. Advance payments and assets under construction	336		-
III. Financial assets			
Shares in affiliated companies	992,755		1,079,931
		997,272	**1,083,905**
B. Current assets			
I. Inventories			
Raw materials, consumables and supplies	158		
		158	180
II. Receivables and other assets			
1. Trade receivables	1,186		2,951
2. Receivables from affiliated companies	2,537,683		2,046,282
3. Receivables from other investees	12		31
4. Other assets	14,685		12,008
		2,553,565	2,061,272
III. Cash and bank balances		**19**	**9**
C. Prepaid expenses		**2,121**	**2,758**
		3,553,135	3,148,125

Equity and liabilities in EUR thousand		31 Dec. 2023	31 Dec. 2022
A. Equity			
I. Subscribed capital (Conditional Capital: EUR 15,360 thousand; 2022: EUR 15,360 thousand)	120,175		120,175
II. Capital reserves	203,173		203,173
III. Retained earnings			
Other retained earnings	113,538		113,538
IV. Unappropriated profit	246,473		390,475
Thereof retained profits brought forward EUR 103,320 thousand (2022: EUR 279,796 thousand)		**683,360**	**827,362**
B. Provisions			
1. Provisions for taxes	22,279		24,033
2. Other provisions	43,952		40,265
		66,231	**64,298**
C. Liabilities			
1. Bonds	850,000		550,000
2. Liabilities to banks	1,683,079		1,339,731
3. Trade payables	8,648		16,058
4. Liabilities to affiliated companies	228,838		337,669
5. Other liabilities	32,979		13,006
		2,803,544	**2,256,465**
		3,553,135	**3,148,125**

D.4 \\ STATEMENT OF INCOME OF SIXT SE (HGB)

for the year ended 31 December 2023

in EUR thousand		**2023**	2022
1. Revenue		127,927	108,947
2. Other operating income		340,509	351,539
3. Fleet expenses		2,326	2,386
4. Personnel expenses			
a) Wages and salaries	133,309		114,951
b) Social security contributions	15,682		14,034
		148,991	128,985
5. Amortisation of intangible assets and depreciation of equipment		1,465	1,129
6. Other operating expenses		375,688	389,454
7. Income from investments		219,852	190,879
8. Income from profit transfer agreements		25	7
9. Other interest and similar income		88,900	45,105
10. Cost of loss absorption		25	325
11. Interest and similar expenses		90,357	35,922
12. Taxes on income		15,208	27,597
13. Result after taxes = Net income		**143,153**	**110,679**
14. Retained profits brought forward		103,320	279,796
15. Unappropriated profit		**246,473**	**390,475**

D.5 \\ REMUNERATION REPORT

1. FOREWORD BY THE SUPERVISORY BOARD

Dear Shareholders,

The Supervisory Board of Sixt SE ("the company") is pleased to present the Remuneration Report 2023 to you. The Remuneration Report provides information on the remuneration granted and owed to each individual current or former member of the Management Board and Supervisory Board of the company in financial year 2023. The Report complies with the requirements of section 162 of the German Stock Corporation Act (Aktiengesetz – AktG) and the relevant accounting standards.

In financial year 2023, the Remuneration Committee and the Supervisory Board of the company dealt intensively with the remuneration of the Management Board and it was decided to further develop and revise the remuneration system for the Management Board. The main reason for this was the Supervisory Board's desire to anchor the Sixt Group's sustainability strategy (ESG strategy) in the remuneration system and to take the capital market's increased expectations regarding the structure of remuneration systems into account. The company's Supervisory Board therefore adopted a revised remuneration system on 28 March 2023 (remuneration system 2023). This was approved by the Annual General Meeting on 23 May 2023 by a majority of 98.63% of the votes. The following new elements of the remuneration system 2023 deserve special mention:

- In the future, a portion of the short-term variable remuneration component (Short Term Incentive – STI) will depend on the achievement of ESG targets. Another part of the STI will depend on the achievement of one or more key financial figures. A third part will continue to be based solely on earnings before taxes (EBT).
- With regard to the long-term, multi-year remuneration component (Long Term Incentive – LTI), which continues to consist of the allocation of virtual shares, one third of the number of virtual shares allocated will be adjusted based on the performance of the Sixt share compared to the MDAX after the four-year vesting period (Total Shareholder Return – so-called TSR performance). In the future another third of the number of virtual shares will depend on the achievement of ESG targets by adjusting it based on the average ESG target achievement over the vesting period.
- In addition, an obligation to acquire and hold shares (Share Ownership Guidelines) is being introduced.

The 2023 remuneration system applies with effect from 1 January 2024 for all Management Board members whose service contracts are newly concluded or extended from the date of approval of the 2023 remuneration system. Only the changeover from annual maximum remuneration for the entire Management Board to individualised maximum remuneration – as a result of the expansion of the Management Board – will already apply for financial year 2023.

The Annual General Meeting of Sixt SE held on 23 May 2023 approved the remuneration report for the financial year 2022 under agenda item six with a majority of 79.55% of the votes cast. While it gained broad support, the approval rate was lower than the approval rate for the other items on the agenda. However, almost all feedback received on the remuneration report 2022 related to the structure of the company's existing remuneration system, rather than the content of the report. These content-related issues had already been taken into account in the development of the new 2023 remuneration system, which received a very high approval rate. Therefore, it was not deemed necessary to make any further adjustments to the format of the remuneration report for 2023.

This report on financial year 2023 is still based on the remuneration system adopted by the Supervisory Board in 2021 and approved by the Annual General Meeting. A detailed presentation of the 2023 remuneration system will be provided in the Remuneration Report for financial year 2024. We would like to take this opportunity to thank our shareholders for their feedback, which has been included in the revision of the remuneration system and look forward to continuing the communication.

The Supervisory Board of Sixt SE

2. THE REMUNERATION SYSTEMS FOR THE MANAGEMENT BOARD AND SUPERVISORY BOARD

The remuneration system for the members of the Management Board applicable to this report was resolved by the company's Supervisory Board on 23 April 2021 and approved by the Annual General Meeting on 16 June 2021 by way of a resolution on agenda item 7 (section 120a (1) of the AktG) (2021 remuneration system). In financial year 2023, the Management Board employment contracts of all current Management Board members corresponded to the 2021 remuneration system. As already explained in the foreword, the 2023 remuneration system applies with effect from 1 January 2024 for all Management Board members whose Management Board employment contracts are newly concluded or extended after the ratification of this remuneration system.

The Supervisory Board members were remunerated in accordance with section 113 (3) of the AktG by resolution of the Annual General Meeting of Sixt SE on 25 May 2022 on agenda item 9.

Detailed information on the remuneration systems of the Management Board and Supervisory Board can be found on the company's website at *ir.sixt.eu* under "Corporate Governance – Remuneration of Management and Supervisory Board."

Due to rounding, some of the figures in this report might not add up exactly to the totals shown.

3. REMUNERATION OF THE MANAGEMENT BOARD IN FINANCIAL YEAR 2023

The company pursues the goal of intensifying the growth course of Sixt Group, further advancing its focus on integrated and digitally based mobility services and expanding its positioning as a leading international provider of mobility services. In order to achieve these goals, the remuneration system 2021 for the Management Board of Sixt SE is based on the following principles:

- Transparent and comprehensible remuneration based on the economic success of the entire Group contributes to the Management Board's overall ability to act strategically and to the sustainable growth of Sixt Group.

- The range of responsibilities and the performance of each Management Board member are key factors in determining his total remuneration.

- Multi-year assessment bases and caps for variable remuneration components that take effect every financial year promote long-term growth and avoid incentives to take disproportionate risks.

- One component of the variable performance-based remuneration elements is long-term share-based and thus aimed at having a strong share culture as well as an alignment of the interests of shareholders, management and other stakeholders.

2023 was another very successful year for Sixt, despite the uncertain conditions. Group revenue increased by 18.1% from EUR 3.07 billion to EUR 3.62 billion. Consolidated earnings before taxes (EBT) reached EUR 464.3 million (2022: EUR 550.2 million, -15.6%).

The Supervisory Board reviews the appropriateness of the remuneration components at regular intervals to ensure a customary and competitive system. To assess the appropriateness of remuneration of the members of the Management Board, the Supervisory Board conducts both a horizontal and a vertical comparison. To assess the horizontal commonality, companies are considered that are comparable to the company with regard to relevant criteria, such as industry and size (measured in terms of revenue, profitability, employees and market capitalisation). The majority of the comparable companies are based in Germany. Companies domiciled abroad may also be considered. Furthermore, the Supervisory Board compares the level of remuneration of the members of the Management Board in relation to the remuneration structure in the Sixt Group. As part of this vertical comparison, the Supervisory Board takes the remuneration structure and level of remuneration of the company's senior executives and managers below the Management Board level, as well as the members of management of Sixt Group companies (in particular the operating local subsidiaries) and the workforce as a whole into account.

In connection with the determination of the adjusted maximum remuneration and the structure of the new 2023 remuneration system, the Supervisory Board used all companies listed in the MDAX as a benchmark. The companies listed in the MDAX are particularly well suited as a decisive comparison group in terms of size and country. The relative positioning of the company in terms of revenue, number of employees and market capitalisation was also given consideration. In addition, individual companies in comparable industries with their registered offices abroad were also considered as an additional indicator in the development of the 2023 remuneration system.

The following table shows the total remuneration granted and owed to the respective members of the Management Board in financial year 2023 in accordance with section 162 (1) sentence 1 of the AktG. The table thus contains all amounts received by the individual members of the Management Board in financial year 2023 (granted remuneration) and all remuneration that is legally due but has not yet been received (remuneration owed). The bonus for 2023 is considered granted remuneration, since the relevant performance was rendered by 31 December 2023 and the remuneration was thus earned in principle.

The full bonus for 2023 is thus stated as part of the total remuneration, although the payment is only made after the end of the financial year in two tranches (see further explanations on the bonus below). This ensures that a connection is formed between the performance rendered and the remuneration in the reporting period and increases transparency. For reasons of clarity, the bonus for 2022 for current and former members of the Management Board that was paid in financial year 2023 is not reported again. Please refer to the Remuneration Report for 2022 for more information on this and the remaining figures for the previous year.

Members of the Management Board	Alexander Sixt	Konstantin Sixt	Prof. Dr. Kai Andrejewski	Nico Gabriel	Vinzenz Pflanz	James Adams[3]
	Co-Chairman of the Management Board	Co-Chairman of the Management Board	CFO	COO	CBO	CCO
in EUR thousand	2023	2023	2023	2,023	2023	2023
Basic remuneration	1,700	1,700	720	850	700	700
Fringe benefits[1]	39	35	13	29	23	23
Total fixed remuneration components	**1,739**	**1,735**	**732**	**879**	**723**	**723**
Relative share of fixed remuneration components in % of the total remuneration	42%	42%	41%	57%	60%	60%
Bonus for 2023 (payment to be distributed in 2024 and 2025)	2,440	2,440	1,038	656	492	492
Relative share of the bonus for 2023 in % of the total remuneration	58%	58%	59%	43%	40%	40%
Multi-year variable remuneration[2]	-	-	-	-	-	-
Total remuneration	**4,179**	**4,175**	**1,771**	**1,535**	**1,215**	**1,215**

1 *The fringe benefits included are shown in the section "Non-performance-related remuneration." Contributions to D&O insurance are not included.*

2 *No payment from the Stock Performance Programme was made in 2023 because the four-year vesting period of the respective tranches has not yet elapsed. The details of the Stock Performance Programme, in particular the respective allocation amount for each member of the Management Board, are presented below. In total, Mr. Alexander Sixt, Mr. Konstantin Sixt, Prof. Dr. Kai Andrejewski, Mr. Nico Gabriel, Mr. Vinzenz Pflanz and Mr. James Adams received 40,348 virtual shares (allocation amount: EUR 4.5 million) on 1 June 2023. Only if the member of the Management Board remains in office four years after the allotment will he or she receive a cash payment from the SPP, the amount of which depends on the development of the share price.*

3 *Mr. James Adams left the Management Board by mutual agreement on 15 February 2024.*

Non-performance-related remuneration

The basic remuneration shown here was paid out in twelve equal monthly instalments. The amount of the basic remuneration is based on the range of tasks, departmental responsibilities and experience of the respective Management Board member.

The fringe benefits granted include the provision of a maximum of two company cars for business and private use, the possibility to use a driver service, the use of a company mobile phone also for private purposes and – if the respective conditions are met – the granting of personal protection. Furthermore, the members of the Management Board receive subsidies for health insurance and nursing care insurance contributions (limited to half of the general and uniform contribution rate of the statutory health insurance fund). Furthermore, an accident insurance policy and a legal expense insurance policy exist for the benefit of the members of the Management Board.

Furthermore, the company maintains a financial loss liability group insurance policy for members of the executive bodies and certain employees of Sixt Group. This insurance is taken out or renewed annually. It covers the personal liability risk in the event that a claim is made against these individuals for financial losses in the course of their work. The policy for financial year 2023 includes a deductible for the members of the Management Board that complies with the requirements of the German Stock Corporation Act.

Performance-related remuneration

In addition to their non-performance-related basic remuneration and contractual fringe benefits, the members of the Management Board also receive performance-related remuneration. The performance-related remuneration is comprised of two components, a bonus (STI) and a share-based Stock Performance Programme (LTI).

Bonus (STI)

Based on the 2021 remuneration system, the accrual and amount of the Management Board members' bonus entitlement for 2023 depends on the earnings before taxes (EBT) reported in the company's Consolidated Financial Statements for financial year 2023 as a performance indicator. Due to the clarity and transparency with which it is calculated and the fact that it is entirely earnings-related and geared towards the Group as a whole, this remuneration component contributes to sustainable, earnings-oriented growth and strategic and operational management decisions. The degree to which targets have been achieved can be seen transparently on the basis of the actual key figures determined each year and disclosed in the Consolidated Financial Statements of Sixt SE for the financial year in question.

For each financial year of the contractual term of a Management Board employment contract ("base year"), the 2021 remuneration system is used to determine whether and, if so, in what amount an entitlement to a bonus has arisen. If the contract term begins or ends during the year, the bonus for the respective base year is granted pro rata temporis. The accrual of the bonus entitlement is dependent on EBT reaching a certain minimum target in the respective base year. If the agreed minimum target is not reached, the Management Board member concerned is not entitled to a bonus for the respective base year. If the minimum target is exceeded, the amount of the bonus claim is generally dependent on the extent to which the EBT figure actually achieved in the respective base year exceeded the bonus-relevant minimum target. What minimum target exceedance leads to what bonus amount is stipulated in the respective Management Board employment contracts for their entire term. The respective Management Board member receives an individually determined payment amount for each full million euros of EBT above the agreed minimum target. If EBT exceeds a certain additional level (EBT additional threshold), the payment value agreed for each full million euros of EBT increases. The amount of the bonus entitlement is limited in absolute terms to a fixed maximum amount (cap) per base year.

The EBT minimum target, the EBT additional threshold and the achievable maximum amount (cap) were agreed individually for each of the members of the Management Board and can be taken from the following table. The overview also shows the EBT relevant for the calculation. In 2023, this EBT totalled EUR 464 million, which means that the agreed minimum EBT figure and for some Board members also the additional EBT threshold were achieved.

Members of the Management Board	Alexander Sixt	Konstantin Sixt	Prof. Dr. Kai Andrejewski	Nico Gabriel	Vinzenz Pflanz	James Adams
	Co-Chairman of the Management Board	Co-Chairman of the Management Board	CFO	COO	CBO	CCO
	2023	2023	2023	2023	2023	2023
EBT minimum target (in EUR million)	100	100	200	300	300	300
EBT additional threshold (in EUR million)	400	400	300	500	500	500
EBT disclosed in the Consolidated Financial Statements (in EUR million)	464	464	464	464	464	464
Maximum amount for the bonus per year (cap) (in EUR thousand)	2,600	2,600	2,000	2,000	2,000	2,000
Total bonus (payment distributed over two years)	**2,440**	**2,440**	**1,038**	**656**	**492**	**492**

In accordance with the requirements of the 2021 remuneration system, the bonus entitlement for 2023 is divided into two tranches. The first tranche, amounting to 49.9% of the bonus entitlement, is due for payment at the end of the 2024 Annual General Meeting. The second tranche, amounting to 50.1% of the bonus entitlement, is dependent on EBT being greater than EUR 0 in the financial year following the base year. If this is achieved, the respective second tranche of the bonus entitlement becomes due at the end of the Annual General Meeting that resolves on the appropriation of profits for the financial year following the base year. If this is not achieved, the entitlement to the second tranche lapses without compensation. Thus, the bonus entitlement for the base year is reduced to 49.9% of the original, i.e., initially accrued, bonus entitlement.

For transparency reasons, the entire bonus figure was reported as part of total remuneration for 2023.

Thus, the following amounts from the bonus for financial year 2023 will be due for payment in financial years 2024 and 2025, whereby the payment in the year 2025 will depend on the achievement of the EBT minimum target applicable for financial year 2024:

Bonus for 2023 according to the due date in EUR thousand	Alexander Sixt	Konstantin Sixt	Prof. Dr. Kai Andrejewski	Nico Gabriel	Vinzenz Pflanz	James Adams
2024	1,218	1,218	518	327	246	246
2025	1,222	1,222	520	329	246	246
Total	**2,440**	**2,440**	**1,038**	**656**	**492**	**492**

Share-based Virtual Share Performance Programme

The members of the Management Board are participants in a Stock Performance Programme (SPP). The SPP has a long-term orientation and is share-based. The achievement of a certain EBT as a performance indicator is authoritative. The number of virtual ordinary shares allocated currently results from a certain fraction of the EBT of the last completed financial year, but not exceeding an agreed cap, divided by the volume-weighted average price of the Sixt SE ordinary share in Xetra trading on the Frankfurt Stock Exchange during the last ten trading days before the date of allotment of the virtual shares. The allocation date is 1 June of each calendar year or, if this is a Saturday, Sunday or public holiday, the following working day.

Only if the member of the Management Board remains in office four years after the allotment will he receive a cash payment from the SPP. Payment for the allocation made in 2023 will therefore be made in 2027 if the respective member of the Management Board is still in office. The amount of the cash payment is equal to the product of the number of virtual ordinary shares allotted for the relevant tranche and the volume-weighted average price of the Sixt SE ordinary shares for a specified period prior to the date of payment, subject to a maximum of an agreed payout cap. In the event of extraordinary upward or downward developments (such as significant changes in accounting regulations), the Supervisory Board may, at its reasonable discretion, change the formula for calculating the allotment of virtual shares. A recommendation of the German Corporate Governance Code is thus also implemented.

The share-based long-term performance-related remuneration component also has a high degree of calculation clarity and transparency. Because it is linked to the long-term development of the share price, it reflects the interests of the shareholders on the one hand and is intended to ensure a sustainable company strategy on the other.

On 1 June 2023, the members appointed to the Management Board at that time were allocated virtual ordinary shares in accordance with the table below. The table also shows the EBT minimum amount, the maximum grant amount (cap) and the payout cap (in the case of a payout after four years).

Members of the Management Board	Alexander Sixt	Konstantin Sixt	Prof. Dr. Kai Andrejewski	Nico Gabriel	Vinzenz Pflanz	James Adams
	Co-Chairman of the Management Board	Co-Chairman of the Management Board	CFO	COO	CBO	CCO
	2023	2023	2023	2023	2023	2023
EBT minimum amount (in EUR million)	100	100	100	100	100	100
Maximum allotment amount (cap) (in EUR thousand)	1,500	1,500	500	800	800	800
Payout cap (in EUR thousand)	1,500	1,500	500	800	800	800
Allotment amount (1 June 2023) (in EUR thousand)	**1,375**	**1,375**	**413**	**440**	**440**	**440**
Share price at the time of allocation in EUR[1]	111.14	111.14	111.14	111.14	111.14	111.14
Number of virtual shares allocated	**12,376**	**12,376**	**3,713**	**3,961**	**3,961**	**3,961**

1 *The allocation price is determined from the volume-weighted average price of the Sixt SE ordinary share in Xetra trading on the Frankfurt Stock Exchange during the last ten trading days prior to the respective allocation date.*

Total remuneration and maximum remuneration

The total remuneration of all members of the company's Management Board for financial year 2023 amounted to a total of EUR 14 million. The total remuneration of the individual members of the Management Board is shown in the table above. Due to the adjustments under the 2023 remuneration system, the maximum remuneration for the two Co-Chairmen of the Management Board of EUR 8 million each and for all other members of the Management Board of EUR 4 million each already applied in 2023 – regardless of whether the remuneration is paid out in this financial year or at a later date. In order to compare the maximum remuneration with the total remuneration, the remuneration system requires that any inflows from share-based remuneration components be allocated to the financial year in which the tranche was allocated. As stated above, Alexander Sixt, Konstantin Sixt, Prof. Dr. Kai Andrejewski, Nico Gabriel, Vinzenz Pflanz and James Adams received 40,348 virtual shares in 2023. Since a payment from this tranche will not be made until 2027, the actual payout from the LTI cannot be determined yet. However, due to the agreed payment caps for the LTI (see table above), it is already clear that the maximum remuneration will be complied with. The result of the final review of compliance with the maximum remuneration for financial year 2023 will be reported in the Remuneration Report for financial year 2027.

Clawback of variable remuneration components / third party benefits / miscellaneous

No variable remuneration components were reclaimed from members of the Management Board in financial year 2023. No member of the Management Board was promised benefits by a third party with regard to his activity as a member of the Management Board or was granted such in the financial year. No loans were granted or promised by the company to any member of the Management Board in financial year 2023.

There are no pension entitlements of current or former members of the Management Board.

Benefits in connection with the departure of members of the Management Board

The contracts of the Management Board do not contain any commitment for severance payment in the event of an early termination of the membership in the Board. At the same time, it is provisionally agreed that any severance payment, including all additional benefits, must not exceed the value of two years' compensation, but is limited to the remaining compensation for the duration of the contract. No members of the Management Board stepped down from the Board in financial year 2023. Mr. James Adams left the company by mutual agreement with effect from 15 February 2024. About this will be reported in the Remuneration Report for 2024. The termination agreement is within the frame described above.

4. REMUNERATION OF THE SUPERVISORY BOARD IN FINANCIAL YEAR 2023

The remuneration of the members of the Supervisory Board is, in accordance with the predominant market practice at listed companies in Germany, structured as purely fixed remuneration without any variable components. The Management Board and Supervisory Board are of the opinion that purely fixed remuneration of the Supervisory Board members is best suited to strengthen the independence of the Supervisory Board and to take its advisory and supervisory function into account, which is to be fulfilled independently of the company's success.

Based on the resolution adopted by the Annual General Meeting of Sixt SE on 25 May 2022 under agenda item 9, the members of the Supervisory Board are to receive fixed remuneration of EUR 75,000 for each full financial year of membership of the Supervisory Board. The Chairman receives twice this amount (EUR 150,000). For membership in the Audit Committee, the relevant members of the Supervisory Board receive fixed remuneration of EUR 20,000 for each full financial year of their membership in the Audit Committee, in addition to the remuneration in accordance with the above rates; this additional remuneration amounts to EUR 25,000 for the Chairman of the Audit Committee. No additional remuneration is paid for work on other committees.

If the office is not occupied for a full financial year, the remuneration specified above is to be granted pro rata temporis according to the duration of the membership in the Supervisory Board. The remuneration is due for payment at the end of each financial year. The company also provides the Chairman of the Supervisory Board with a luxury class company car that may also be used privately. Furthermore, a financial loss liability insurance policy (D&O) exists for the members of the Supervisory Board. No deductible has been agreed.

Based on the remuneration system presented here, the total remuneration granted and owed to the active members of the Supervisory Board in financial year 2023 is shown in the table below. The table thus includes all amounts actually received by the individual members of the Supervisory Board in financial year 2023 (granted remuneration) and all remuneration legally due but not yet received (remuneration owed). The fixed remuneration for 2023 is regarded as remuneration granted, as the relevant service was rendered by 31 December 2023 and the remuneration was thus earned in principle. The actual payment was made at the beginning of financial year 2024. The fixed remuneration for financial year 2022 was paid at the beginning of financial year 2023. This was already reported on in the Remuneration Report for 2022 to which reference is made here.

Members of the Supervisory Board

in EUR thousand	Fixed remuneration in 2023	Remuneration for work on the Audit Committee in 2023	Fringe benefits in 2023	Total remuneration in 2023
Erich Sixt (Chairman of the Supervisory Board)	150	-	51[1]	201
Dr. Daniel Terberger[2]	75	20	-	95
Anna Magdalena Kamenetzky-Wetzel[2]	75	20	-	95
Dr. Julian zu Putlitz (Chairman of the Audit Committee) [2]	75	25	-	100

[1] *The Chairman of the Supervisory Board receives a company car that is also for private use.*

[2] *Dr. Julian zu Putlitz, Dr. Daniel Terberger and Mrs. Anna Magdalena Kamenetzky-Wetzel are members of the Audit Committee. Dr. Julian zu Putlitz is its Chairman.*

5. COMPARATIVE PRESENTATION OF MANAGEMENT BOARD AND SUPERVISORY BOARD REMUNERATION

Pursuant to section 162 (1) sentence 2 no. 2 of the AktG, the following table shows the development of Sixt's earnings, the annual change in the remuneration of the members of the Management Board and the Supervisory Board, and the development of the average remuneration of the employees on a full-time equivalent basis. The presentation makes use of the transitional provision of section 26j (2) of the Introductory Act to the German Stock Corporation Act and is based on a comparison of financial year 2020 with financial year 2021 for the first time. For the members of the Management Board and the Supervisory Board, the comparison is based on the remuneration granted and owed in the respective financial year within the meaning of section 162 (1) sentence 1 of the AktG. If a member joined the Management Board or Supervisory Board during the previous year, the figures are extrapolated to a full year for better comparability. For the Supervisory Board members, there is an increase in remuneration due to the resolution adopted by the Annual General Meeting of Sixt SE on 25 May 2022 under agenda item 9. As a result of this resolution, the previous remuneration has been adjusted by increasing the fixed remuneration and introducing additional remuneration to pay tribute to the higher workload for the members and the Chairman of the Audit Committee, as well as the increased requirements and the increased time commitment of all members of the Supervisory Board in recent years. This increase will take full effect for the first time in 2023, as the adjustment to remuneration approved by the Annual General Meeting on 25 May 2022 only applied pro rata temporis in 2022.

The workforce of Sixt SE and the companies affiliated with Sixt SE that have their registered office in Germany is taken as a basis for presenting the change in the average remuneration of the employees. Consideration was given to payments for wages and salaries as well as fringe benefits, employer contributions to social security as well as the short-term variable remuneration components attributable to the respective financial year.

Comparison of Management Board and Supervisory Board remuneration with regard to the total remuneration	Change in % from 2020 to 2021[1]	Change in % from 2021 to 2022[1]	Change in % from 2022 to 2023
Current members of the Management Board (as at 31 December 2023)			
Alexander Sixt	294%	31%	-2%
Konstantin Sixt	294%	31%	-2%
Prof. Dr. Kai Andrejewski	-	32%	-16%
Nico Gabriel	-	40%	-20%
Vinzenz Pflanz (since 1 October 2022)	-	-	-22%
James Adams (since 1 October 2022)	-	-	-22%
Former members of the Management Board			
Daniel Marasch (CVTO until 31 December 2021)	-	-	-
Erich Sixt (CEO until 16 June 2021)	391%	-	-
Jörg Bremer (CFO until 30 June 2021)	96%	-	-
Detlev Pätsch (COO until 31 March 2021)	26%	-	-
Current members of the Supervisory Board			
Erich Sixt	-	30%	16%
Dr. Julian zu Putlitz	-	60%	25%
Dr. Daniel Terberger	0%	54%	23%
Anna Magdalena Kamenetzky-Wetzel (Member of the Supervisory Board since 2 June 2022)	-	-	23%
Former members of the Supervisory Board			
Friedrich Joussen (Chairman of the Supervisory Board until 16 June 2021)	0%	-	-
Ralf Teckentrup (Member of the Supervisory Board until 16 June 2021)	0%	-	-
Earnings development of the company			
Net income of Sixt SE pursuant to sections 275 (3) No. 16 HGB	-29%[2]	47%	32%
Result from ordinary activities of Sixt Group (EBT) according to IFRS	n/a%[3]	24%	-15%
Result of Sixt Group according to IFRS	15.828%[4]	24%	-12%
Average remuneration of employees[5]	11% (in 2021: EUR 73,332)	12% (in 2022: EUR 81,768)	1% (in 2023: EUR 82,848)

[1] *The change from 2020 to 2021 is due in particular to the effects of the coronavirus pandemic on financial year 2020, the waiver of bonus and salary payments in financial year 2020, and the changes in responsibilities on the Management Board. The change from 2021 to 2022 for the Management Board members is due in particular to the increase in variable remuneration due to the very good business development in financial year 2022.*

[2] *Net profit for the year 2020 based on statuary accounts included a one-off effect from the sale of Sixt Leasing in the amount of EUR 129,430 thousand*

[3] *The Group's EBT according to IFRS was negative (EUR -81,546 thousand) in 2020 due to the effects of the coronavirus pandemic and amounted to EUR 442,169 thousand in 2021. Because of the negative result in 2020, it makes no sense to report the change as a percentage.*

[4] *The result of Sixt Group according to IFRS was EUR 1,966 thousand in 2020 and EUR 313,150 thousand in 2021.*

[5] *The average remuneration of employees is based on the workforce of Sixt SE and the companies affiliated with Sixt SE that are based in Germany. Consideration was given to payments for wages and salaries as well as fringe benefits, employer contributions to social security as well as the short-term variable remuneration components attributable to the respective financial year.*

Pullach, 26 March 2024

The Management Board **The Supervisory Board**

The report of the independent auditor on the audit of the remuneration report ("Vermerk") was issued on the Remuneration Report 2023, which was prepared in German language. The translation of the report of the independent auditor is as follows:

D.6 \\ REPORT OF THE INDEPENDENT AUDITOR ON THE AUDIT OF THE REMUNERATION REPORT IN ACCORDANCE WITH SECTION 162 (3) AKTG

To Sixt SE, Pullach/Germany

Audit Opinion

We conducted a formal audit of the remuneration report of Sixt SE, Pullach/Germany, for the financial year from 1 January to 31 December 2023, to assess whether the disclosures required under Section 162 (1) and (2) German Stock Corporation Act (AktG) have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the accompanying remuneration report. Our audit opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with Section 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report pursuant to Section 162 (3) AktG (IDW AuS 870 (09.2023)). Our responsibilities under those requirements and this standard are further described in the "Auditor's Responsibilities" section of our report. Our audit firm has applied the requirements of the IDW Quality Assurance Standard: Requirements for Quality Management in the Audit Firm (IDW QS 1). We have fulfilled our professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Charter for German Public Auditors and German Sworn Auditors (BS WP/vBP) including the requirements on independence.

Responsibilities of the Management Board and the Supervisory Board

The Management Board and the Supervisory Board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. In addition, they are responsible for such internal control as they have determined necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error (i.e., fraudulent financial reporting and misappropriation of assets).

Auditor's Responsibilities

Our objective is to obtain reasonable assurance about whether the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report, and to express an opinion on this in a report on the audit.

We planned and conducted our audit in such a way to be able to determine whether the remuneration report is formally complete by comparing the disclosures made in the remuneration report with the disclosures required under Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have neither audited the correctness of the content of the disclosures, nor the completeness of the content of the individual disclosures, nor the adequate presentation of the remuneration report.

Munich/Germany, 26 March 2024

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

KLAUS LÖFFLER German Public Auditor	p.p. MARINA TRAXINGER German Public Auditor

D.7 \\ FINANCIAL CALENDAR

Financial calendar of Sixt SE	
Annual press conference for financial year 2023	4 March 2024
Publication of Annual Report 2023	27 March 2024
Analyst conference in Frankfurt am Main	18 April 2024
Publication of quarterly statement as at 31 March 2024	7 May 2024
Annual General Meeting for financial year 2023 (Virtual Annual General Meeting)	12 June 2024
Publication of the half-year financial report as at 30 June 2024	7 August 2024
Publication of quarterly statement as at 30 September 2024	12 November 2024

Dates and event locations subject to change

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