



Convocation notice of the Annual General Meeting

Dear Shareholders¹,

We hereby invite you to the Annual General Meeting of
Instone Real Estate Group SE on

**5 June 2024,
at 10:00 CEST
(Entry beginning at 09:00 CEST)**

**in the ATLANTIC Congress Hotel Essen,
Messeplatz 3, 45131 Essen**

The Annual General Meeting will be held as a physical meeting.

¹ For the sole purpose of better readability, this convocation notice does not use any gender-specific notation. All personal designations and terms are to be understood as gender-neutral in the sense of equal treatment.

Instone Real Estate Group SE, Essen
German Securities Code Number
(Wertpapier-Kennnummer): A2NBX8
ISIN: DE000A2NBX80

Overview of disclosures pursuant to Section 125 of the German Stock Corporation Act (*Aktiengesetz – AktG*) in conjunction with Table 3 of the Commission Implementing Regulation (EU) 2018/1212

A. Specification of the message

A1	Unique identifier of the event	Annual general meeting of Instone Real Estate Group SE on 5 June 2024 in the format pursuant to the Commission Implementing Regulation (EU) 2018/1212: e6e5b7deb6fcee11b53100505696f23c
A2	Type of message	Convocation notice of annual general meeting in the format pursuant to Commission Implementing Regulation (EU) 2018/1212: NEWM

B. Specification of the issuer

B1	ISIN	DE000A2NBX80
B2	Name of issuer	Instone Real Estate Group SE

C. Specification of the meeting

C1	Date of the General Meeting	5 June 2024 in the format pursuant to Commission Implementing Regulation (EU) 2018/1212: 20240605
C2	Time of the General Meeting	10:00 CEST in the format pursuant to Commission Implementing Regulation (EU) 2018/1212: 08:00 UTC (Coordinated Universal Time)
C3	Type of the General Meeting	Annual general meeting in the format pursuant to Commission Implementing Regulation (EU) 2018/1212: GMET
C4	Location of the General Meeting	ATLANTIC Congress Hotel Essen, Messeplatz 3, 45131 Essen
C5	(Technical) Record Date	14 May 2024 in the format pursuant to Commission Implementing Regulation (EU) 2018/1212: 20240514
C6	Uniform Resource Locator (URL)	https://ir.de.instone.de/websites/instonerea/English/6000/annual-general-meeting.html

D. Participation in the general meeting

D2	Issuer deadline for participation	29 May 2024 24:00 CEST in the format pursuant to Commission Implementing Regulation (EU) 2018/1212: 20240529, 22:00 UTC (Coordinated Universal Time)
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I. Agenda

1. Presentation of the adopted annual financial statements and the combined management report of Instone Real Estate Group SE and the Group, the explanatory report on information in accordance with Section 289a (1) and Section 315a (1) of the German Commercial Code (*Handelsgesetzbuch - HGB*) and the report of the Supervisory Board, all for the 2023 financial year

The Supervisory Board approved the annual financial statements and the consolidated separate financial statements prepared by the Management Board on 11 March 2024. The annual financial statements are therefore adopted in accordance with Section 172 AktG. A resolution by the Annual General Meeting in accordance with Section 173 (1) sentence 1 and sentence 2 AktG is therefore not required for the documents to be presented.

2. Appropriation of net retained profits for the 2023 financial year

The Management Board and the Supervisory Board propose that the net retained profits of the Company of EUR 21.454.886,19 for the 2023 financial year be appropriated as follows:

Distribution of a dividend of EUR 0.33 per entitled share = EUR 14,296,449.80

and carryforward of the remainder to new account = EUR 7,158,436.44

The total dividend is based on the eligible share capital on 11 March 2024, the date of the approval of the Management board proposal by the Supervisory Board, of 43,322,575 no-par shares. Following completion of the Company's share buyback programmes in October 2022 and February 2023, the Company is currently holding 3,665,761 treasury shares in total which do not grant shareholder rights and which are therefore not eligible for a dividend. Should the number of eligible shares change until the date of the resolution on the appropriation of net retained profits, the Management Board and the Supervisory Board will propose an adjusted resolution for the appropriation of profits that will still allow for a distribution of EUR 0.33 per eligible share. The amount to be carried forward to new account will be increased accordingly.

In accordance with Section 58 (4) sentence 2 AktG, shareholders' entitlement to the dividend becomes due on the third business day after the resolution by the Annual General Meeting. The dividend is therefore to be paid on 10 June 2024.

Please note that postal votes or votes cast by or instructions to an authorised representative with regard to this agenda item 2 will remain effective if the proposal for the appropriation of net retained profits is amended due to a change in the eligible shares.

3. Official approval of the actions of the Management Board for the 2023 financial year

The Management Board and the Supervisory Board propose that the actions of the members of the Management Board in office in the 2023 financial year be approved for this period.

4. Official approval of the actions of the Supervisory Board for the 2023 financial year

The Management Board and the Supervisory Board propose that the actions of the members of the Supervisory Board in office in the 2023 financial year be approved for this period.

5. Appointment of the auditor of the annual and consolidated financial statements for the 2024 financial year and the auditor to review the interim financial reports

At the recommendation of the Audit Committee, the Supervisory Board proposes appointing Deloitte GmbH Wirtschaftsprüfungsgesellschaft, with its registered office in Düsseldorf, Germany, as the auditor of the annual and consolidated financial statements for the financial year ending 31 December 2024. This auditor will also review any interim financial reports to be prepared before the next Annual General Meeting.

In its recommendation, the Audit Committee declared that its recommendation is free from any undue influence by third parties and that no restrictions were placed on it regarding the selection of a particular auditor as referred to by Article 16 (6) of Regulation (EU) 537/2014.

6. Adoption of a resolution regarding the amendment to the Articles of Association in respect of the record date for providing proof of shareholding required for participating in the Annual General Meeting

The requirements for participating in the Annual General Meeting and for exercising voting rights set out in Section 123 (4) sentence 2 AktG have been slightly amended by the German Financing for the Future Act (*Zukunftsfinanzierungsgesetz - ZuFinG*). Under the amended rules, the proof of shareholding pursuant to Section 67c (3) AktG for bearer shares of listed companies now needs to refer to the close of business of the 22nd day before the Annual General Meeting and not – as before – to the start of the 21st day before the Annual General Meeting.

The current version of Article 19.4 of the Articles of Association of the Company is still based on the previous wording of Section 123 (4) sentence 2 AktG and reads as follows:

“19.4 Proof of shareholding pursuant to Section 67c (3) AktG shall be sufficient as proof of authorisation pursuant to Article 19.3. Such proof must refer to the start of the twenty-first day before the Annual General Meeting.”

The Management Board and the Supervisory Board therefore propose that the following resolution be adopted:

Article 19.4 of the Articles of Association of the Company will be restated as follows:

“19.4 Proof of shareholding pursuant to Section 67c (3) AktG shall be sufficient as proof of authorisation pursuant to Article 19.3. Such proof must refer to the close of business of the 22nd day before the Annual General Meeting.”

7. Approval of the remuneration report

In accordance with Section 120a (4) AktG as amended by the German Act Implementing the Second Shareholders' Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärs-rechterichtlinie - ARUG II*), the Annual General Meeting must pass a resolution on the approval of the remuneration report for the previous financial year prepared and audited in accordance with Section 162 AktG. The remuneration report for the 2023 financial year was prepared by the Management Board and Supervisory Board in accordance with Section 162 AktG and formally audited by the Company's auditor. It is included in the annual report for the 2023 financial year, available at the Company's website at <https://ir.de.instone.de/websites/instonereal/English/6000/annual-general-meeting.html> and is also printed under item II of this convocation notice as an **annex** to this agenda item 7.

The Management Board and the Supervisory Board propose the approval of the remuneration report for the 2023 financial year.

II. Additional information on items of the agenda - remuneration report (agenda item 7)

Remuneration Report

In accordance with the statutory requirements and the recommendations of the German Corporate Governance Code (GCGC) in the version published in the German Federal Gazette on 27 June 2022, this remuneration report explains the remuneration systems and remuneration for the Management Board and Supervisory Board of Instone Real Estate Group SE. In doing so, it also takes into account the requirements of the German Accounting Standard No. 17 (DRS) and the HGB.

I. Remuneration System for the Members of the Management Board of Instone Real Estate Group SE

The current remuneration system for the members of the Management Board of Instone Real Estate Group SE was approved by the Supervisory Board in the 2021 financial year and submitted to the Annual General Meeting of the Company held on 9 June 2021, which approved the remuneration system described in this number I, which came into force as from 1 July 2021, with 98.27% voting to approve it. The complete remuneration system is available at <https://ir.de.instone.de/websites/instonereal/English/5930/remuneration.html>.

The remuneration system is geared toward sustainable and long-term corporate development. Transparency and traceability of the remuneration system and the individual remuneration of the Management Board members are key components of good corporate governance at Instone Real Estate Group SE.

The remuneration system applies for a maximum period of four years to all new contract of employment concluded with members of the Management Board and for contract extensions and adjustments from 1 July 2021. Therefore, the employment contracts of members of the Management Board in place on the date on which the remuneration system came into force have been revised with effect from 1 July 2021 in accordance with the provisions and regulations of the new remuneration system. Remuneration claims established before 1 July 2021, including those relating to variable remuneration, therefore continue to be based on the contractual provisions on which they were based at the time.

The main components of the remuneration system are as follows:

TABLE 108

Remuneration component	Component	Weighting/Description
Non-performance related emoluments (Approx. 40% of target remuneration)	Basic remuneration	Payable annually in twelve equal instalments at the end of each month
	Fringe benefits	Include, for example, use of a company car, accident insurance premiums and reimbursement of other expenses for board activities
Short-term performance-based emoluments - short-term incentive (STI) (Approx. 25% of target remuneration)	Financial objective: EAT (adjusted)	37.5% of the STI bonus base amount as measured by the economic performance in the underlying financial year
	Financial objective: Volume of sales contracts	37.5% of the STI bonus base amount as measured by performance in the underlying financial year
	Strategy and sustainability goals (Number: two to four)	25% of the STI bonus base amount as measured by the target achievement in the underlying financial year
	Payment	In each case, based on the targets set by the Supervisory Board in the month following the audited annual financial statements
Long-term performance-based emoluments - long-term incentive (LTI) (Approx. 35% of target remuneration)	Performance share plan (financial targets and non-financial ESG target)	Virtual stock tranche paid out after the end of a three-year performance period based on the achievement of the targets set by the Supervisory Board in advance and set out below
	Financial objective: Relative TSR (Instone Group share price development including dividends)	20% of the LTI bonus base amount as measured by comparing the Total Shareholder Return of the Instone Group (Instone Group share price performance including dividends) during the three-year performance period for the development of the SDAX (Performance Index)
	Financial objective: Earnings per share (EPS target)	50% of the LTI bonus base amount as measured by the development of adjusted earnings per share during the three-year performance period
	Non-financial ESG target	30% of the LTI bonus base amount as measured by the Target achievement during the three-year performance period
	Payment	At the end of a total of three years in euros in the month following the adoption of the annual financial statements, for each tranche based on the development of the Instone Group share price during the three-year performance period, including dividends (total shareholder return approach)
Caps/maximum remuneration	STI cap	200% of the STI bonus base amount
	Maximum LTI payout factor	300% of LTI target achievement
	LTI cap limit	300% of the LTI bonus base amount
	Maximum remuneration	€3.1 million for Chair of the Management Board (CEO) €2.35 million each for other members of the Management Board
Shareholding obligation/ Share Ownership Guideline	Minimum holding position of the members of the Management Board in Instone Group shares	Obligation to hold Instone Group shares in the equivalent of a non-performance-related basic salary (gross) for the entire term of the contract. The equivalent value is based on the purchase price of the shares. If the shareholding obligation is not met at the start of the term of the contract, it must be achieved during the term of the contract by means of appropriate purchases.
Malus/clawback regulations		Retention and/or recovery of variable remuneration components in the event of a violation of statutory or contractual obligations or internal codes of conduct

A. Contribution of remuneration to supporting the business strategy and the long-term development of the company

The calculation of the remuneration is mainly based on the size and complexity of the Instone Group, its economic situation and financial position, and its success and future prospects. Other material criteria for setting the remuneration include the duties and personal performance of the individual members of the Management Board. The remuneration system defines remuneration that is competitive in national and international comparison, which creates added value for customers, employees, shareholders and other stakeholders by defining performance criteria relating in particular to the long-term and sustainable success of the company and linking them with challenging targets. These targets set by the Supervisory Board for variable remuneration are in line with the corporate strategy and ensure the synchronisation of the remuneration of the Management Board and the long-term development of the company through a link with corporate planning.

B. Procedures for Determining and Implementing the Remuneration of the Management Board and for Reviewing the Remuneration System

Responsibility for preparing the remuneration system, setting the actual total emoluments of the individual members of the Management Board and the regular review of the remuneration system lies with the Supervisory Board of Instone Real Estate Group SE. The Supervisory Board has set up a remuneration committee, which is responsible, in particular, for advising on the contracts of employment of the members of the Management Board and for preparing the relevant resolutions as well as preparing setting the targets for the variable remuneration components and their assessment by the Supervisory Board. The Supervisory Board reviews the remuneration system at regular intervals on the basis of the preparations and recommendations of the remuneration committee. If the Supervisory Board determines that action must be taken, it decides on any changes deemed necessary and the remuneration system is presented to the Annual General Meeting again for approval if required.

The Supervisory Board may call on external consultants to help it fulfil its duties and they must be independent of the Management Board and Instone Real Estate Group SE and has in fact done so for the preparation of the current remuneration system. The rules of procedure of the Supervisory Board contain provisions for dealing with potential conflicts of interest in the Supervisory Board, which include disclosure of potential conflicts of interest to the Chair of the Supervisory Board, a ban on participating and voting in the event of identified conflicts of interest and also apply to remuneration matters.

The Annual General Meeting shall decide on the remuneration system in the event of any significant change to the remuneration system but at least every four years. If the Annual General Meeting has not approved the remuneration system, a revised remuneration system must be submitted for approval to the next Annual General Meeting at the latest.

C. Determination and Appropriateness of Remuneration

In keeping with the remuneration system, the Supervisory Board has set the total target remuneration and relevant upper remuneration limits (caps) for each member of the Management Board. The remuneration is proportionate to the duties and performance of the Management Board member and to the situation of the Instone Group, will not exceed the usual remuneration without special reasons and is geared toward the long-term and sustainable development of the Instone Group. The appropriateness of the remuneration is regularly reviewed by the Supervisory Board. Both external and internal comparison analyses are carried out for this purpose.

Consideration of Employee Remuneration and Employment Conditions and Peer Group Comparison

The internal analysis was carried out as part of the preparation of the current remuneration system in the form of a vertical comparison of the remuneration and employment conditions of employees. The remuneration levels of the members of the Management Board were set in relation to the remuneration levels of the senior management and the workforce as a whole. These two employee groups were defined by the Supervisory Board. The senior management includes the managing directors of the subsidiaries and the workforce as a whole is made up of the full-time employees of the Instone Group in Germany (including senior management). The results of the vertical comparison were taken into account in determining the remuneration system and future adjustments to the remuneration level of the Management Board – including its development over time. To develop the remuneration system and check the appropriateness of the remuneration conditions, the Supervisory Board also carried out an external comparative analysis of remuneration levels using two peer groups (industry and growth peer groups). The members of the industry peer group were selected on the basis of six criteria (company size, sector, in other words direct competitors or companies in other sectors with comparable characteristics – in particular real estate, land, legal form, equity market basis and relevant labour markets) on the premise that they are as comparable as possible with Instone Real Estate Group SE. Due to the considerable growth of the Instone Group since the IPO, a second growth peer group was also formed, which is comparable with Instone Real Estate Group SE in terms of sales growth rates, company size and region.

D. Remuneration Components

The total remuneration of the individual members of the Management Board consists of various components. In terms of structure, the remuneration components for all members of the Management Board are regulated in the same way using estimates, since the amount of fringe benefits in particular may vary as part of the performance-independent remuneration:

TABLE 109	
Annual target remuneration	100%
- of which non-performance related emoluments	approx. 40%
- of which performance-based emoluments - short-term (STI)	approx. 25%
- of which performance-based emoluments - long-term (LTI)	approx. 35%

The remuneration of the Management Board consists of non-performance-related salary and benefits in kind, performance-related (variable) remuneration and (in the case of two Management Board members) pension commitments agreed before their appointment to the Management Board, for which the additions by the Company up to 2020 correspond to an annual pension benefit from the age of 65, which is expected to be between 3% and 5% of the current annual basic remuneration that is independent of the performance of the company. Variable remuneration is based on a multi-year assessment basis in order to create incentives for sustainable and long-term corporate development. The remuneration system explicitly stipulates that both positive and negative developments are taken into account. The Supervisory Board also sets a maximum amount (cap) for each variable remuneration component. Management Board remuneration is highly performance-related, with a particular focus on long-term variable remuneration.

Thus, the STI bonus amounts to approximately 62.5% for achieving 100% of the targets and approximately 125% of the non-performance related emoluments for achieving the maximum targets. Due to its even stronger weighting, the LTI bonus is approximately 87.5% for achieving 100% of the targets and approximately 262.5% of the non-performance related emoluments for achieving the maximum targets.

In principle, this remuneration covers all activities for the Company and for those activities with the Company under Sections 15 et seq. German Stock Corporation Act.

Non-performance related emoluments

The members of Instone Real Estate Group SE's Management Board receive non-performance-related emoluments in the form of a fixed base annual salary (base remuneration) and fringe benefits. The fixed annual base salary is paid in twelve equal instalments at the end of a month, and for the last time for the full month in which the Management Board employment contract ends.

The members of the Management Board also receive non-performance-related fringe benefits. These include, for example, the use of a company car and the payment of premiums for accident insurance with payments at a standard market level and are taken into consideration in the maximum remuneration of the Management Board.

Performance-based emoluments

The performance-based remuneration components consist of a variable remuneration element with a (one-year) short-term incentive [STI] and a variable remuneration element with a multi-year assessment basis (long-term incentive [LTI]). Due to the design of the components, the share of the LTI outweighs the share of the STI in the target remuneration.

If the Management Board member is not entitled to remuneration for the entire financial year underlying the calculation, a corresponding pro rata reduction of this variable remuneration component is made.

One-Year Variable Remuneration – Short-Term Incentive (STI)

The one-year variable remuneration in the form of the STI is linked to

- the financial result or performance of the Instone Group in the underlying financial year (financial targets) and
- the strategy and sustainability goals defined for the individual members of the Management Board.

Variable compensation – STI

FIGURE 025



The financial targets set out in the STI, which account for a total of 75% of the STI bonus base amount, are made up of earnings after tax (EAT [adjusted]) and the volume of sales contracts, both being weighted identically with 37.5% each. Both the EAT (adjusted) and the volume of sales contracts are key operating financial and management key figures and performance indicators of the Instone Group and are part of the company’s forecast. Both financial targets are therefore decisive for the corporate strategy of the Management Board and the long-term development of the Instone Group. In the view of the Supervisory Board, the measurement of short-term variable remuneration on the basis of these key operating financial and management indicators and performance indicators seems appropriate in order to ensure that the Management Board is incentivised to implement the corporate strategy. The EAT (adjusted) result-based key figure is also the benchmark for the dividend policy. The real estate business key performance indicators of the volume of sales contracts includes all sales-related transactions, such as notarised real estate purchase agreements, individual orders from customers and rental income. Both financial targets are derived from the corporate planning prepared by the Management Board and approved by the Supervisory Board and the forecast, and are set uniformly for the Management Board for each bonus year. The EAT (adjusted) and the volume of sales contracts are determined on the basis of the adjusted results of operations on which the financial reporting of Instone Real Estate Group SE is based and which is explained in more detail in the management report on page 133 et seqq.

The linking of the one-year variable remuneration with these key financial and management key figures of the Instone Group serves to ensure profitable and sustainable growth. In addition, the selection of these targets provides incentives for the Management Board to act in accordance with the corporate strategy and the planning approved by the Supervisory Board or to exceed the forecast communicated to the capital market in the best case scenario.

The strategy and sustainability targets relevant for the relevant bonus year are set individually by the Supervisory Board for each bonus year and for each member of the Management Board. The Supervisory Board usually sets two to four targets for each member of the Management Board which serve to implement corporate strategy and long-term corporate development. The strategy and sustainability targets are included in the STI bonus at 25%. This gives the Supervisory Board the opportunity to define central, not necessarily financial targets for the Management Board in the company's interest and to link them to the personal performance of the Management Board members. These targets may include environmental concerns such as CO₂ reduction, customer and employee satisfaction, the value of investor sales or the improvement of corporate financing as well as the promotion and development of the new nyoo product line (affordable housing) or the construction of subsidised housing. To ensure sufficient transparency and traceability of the achievement of objectives, the Supervisory Board ensures that targets are set or criteria defined for the targets, the achievement of which can ideally be determined and measured using quantitative methods. The Supervisory Board can weigh the annual strategy and sustainability targets differently, whereby each individual target must be weighted with a minimum of at least 25% within the strategy and sustainability targets.

An STI bonus base amount in euros is agreed for each member of the Management Board in their contract of employment. The payment amount of this variable compensation component is set depending on the achievement of the targets for which the Supervisory Board sets the target or threshold values to be achieved for each performance period, then as follows:

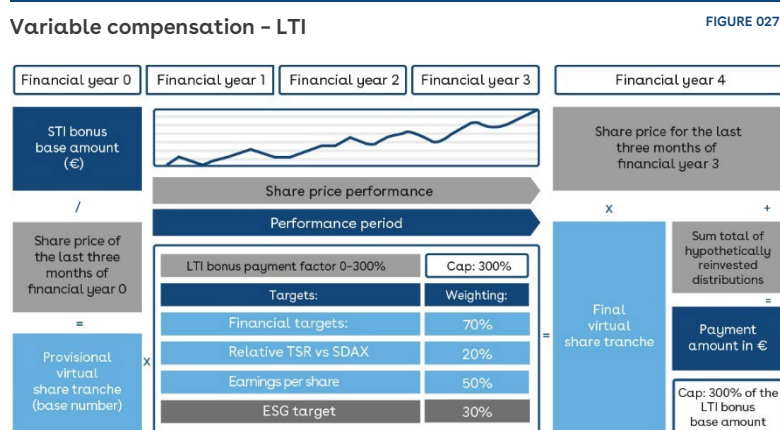
- At the end of the relevant bonus year (performance period), the Supervisory Board defines the target achievement for each individual target and converts the target achievement into an overall target achievement, taking into account the weighting of all the individual targets. The maximum target achievement for each individual STI target is capped at 175%.
- The overall target achievement is assigned to an STI payout factor using the bonus curve shown in figure 026. If the overall target achievement falls below 75% (**lower target limit**), there is no entitlement to a payment of the STI bonus. Due to the ambitious target setting, above-average performance by the members of the Management Board is disproportionately rewarded: If the overall target achievement is 150% or more (**target cap**), the STI payout factor is 200%. The STI payout factor for an overall target achievement of between 100% and 150% is calculated on a proportional basis. If the overall target achievement is between 75% and 100%, the STI payout factor corresponds to the overall target achievement on a linear basis.
- The STI payout factor is multiplied by the agreed STI bonus base amount and thus results in the payout amount of the STI bonus in euros for the performance period. The payout amount may reach a maximum of 200% of the STI bonus base amount (**cap**). The payment is made in the month following approval of the audited annual financial statements of the Company.

Below is an example of the overall goal achievement at STI and the resulting STI payout factor:



Multi-Year Variable Remuneration (Long-Term Incentive (LTI))

Another component of variable remuneration is that the members of the Management Board are also promised multi-year variable compensation in the form of an LTI bonus on the basis of a share-based virtual performance share plan. By linking the share price of Instone Group shares, incentives are provided for the Management Board to promote the long-term and sustainable development of the Instone Group. In addition, the interests of shareholders and the Management Board are strengthened.



The amount of any LTI bonus depends on

- The amount of the LTI bonus base amount and the average share price used as a basis at the time of the allocation of the virtual share tranche in financial year 0, in other words the financial year before the start of the three-year performance period,
- Achieving financial and non-financial ESG targets during a three-year performance period and
- The share price performance (taking into account dividends) of Instone Real Estate Group SE during the three-year performance period.

The assessment period for the multi-year variable remuneration is therefore a total of three years.

The financial targets set out in the LTI are the development of the adjusted earnings per share (**EPS**) and the total shareholder return (share price performance taking into account dividends) of Instone Real Estate Group SE compared to the SDAX (**relative TSR**) representing a total of 70% of the LTI bonus base amount and weighted at 50% and 20% respectively. Both financial targets are derived from the corporate planning prepared by the Management Board and approved by the Supervisory Board and the forecast, and are set uniformly for the Management Board for each three-year performance period.

The **EPS target** sets a target by which the Management Board is incentivised to increase the long-term profitability of the company on the basis of the multi-year performance period. This creates an incentive to manage the company for profit while at the same time generating sustainable growth in the long-term in the interest of the shareholders. The EPS target is set in the form of an aggregated target value over the performance period. The EPS target is calculated on the basis of the adjusted results of operations on which the financial reporting of Instone Real Estate Group SE is based and which is explained in more detail in the management report on page 133 et seqq.

The **relative TSR** provides an incentive for the Management Board to deliver above-average performance compared to other listed companies. The development of the share price also reflects the increase in the value of the company from the shareholder's point of view. The Supervisory Board considers the SDAX, which consists of companies of a comparable size and in which the Instone Group share was listed until the end of the last financial year, to be an appropriate benchmark. However, since the Instone Group share is currently no longer listed in the SDAX or in the event that the SDAX is subject to significant changes or that other developments occur that no longer make a reference to the SDAX appear appropriate, the Supervisory Board may also choose another suitable share index as a reference value for the remuneration system.

The Supervisory Board also sets a non-financial **ESG** (Environmental, Social and Governance) target, which accounts for 30% of the LTI bonus base amount. The ESG target, which is set uniformly for each annual LTI tranche granted to all members of the Management Board, is intended

to encourage the sustainable development of the Instone Group in accordance with the Company's ESG strategy. The Supervisory Board will define a target that is in line with the interests of the company's stakeholders and is geared toward achieving a long-term, three-year target. The measurement of the target achievement is ideally designed to be quantifiable.

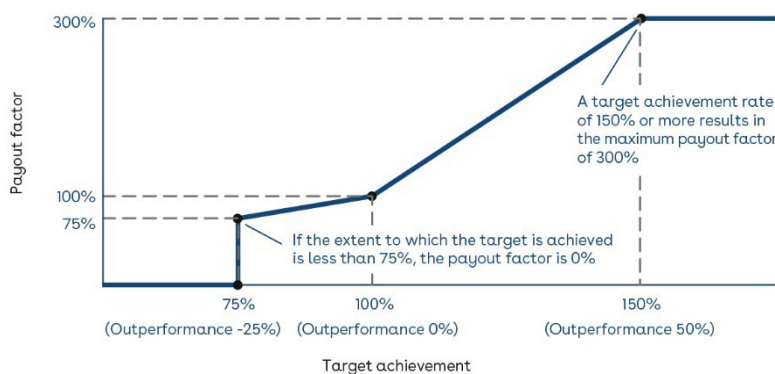
An LTI bonus base amount in euros is agreed for each member of the Management Board in their contract of employment. This is divided by the average volume-weighted Instone Group share price of the last three months of the financial year before the start of the performance period to determine a provisional tranche of virtual shares allocated to the relevant Management Board member (**base number**). The payment amount of this variable compensation component is set depending on the achievement of the targets for which the Supervisory Board sets the target or threshold values to be achieved for each performance period and the share price performance of Instone Group shares, then as follows:

- At the end of the three-year performance period, the Supervisory Board decides the achievement of targets for each individual target.
- The target achievement for each individual target is assigned to an LTI payout factor using the bonus curve shown in figure 029. Taking into account the relevant weighting of the individual target, a total payout factor is formed from the individual LTI payout factors defined in this way. Due to the ambitious target setting, above-average performance by the members of the Management Board is disproportionately rewarded: If the target achievement is 150% or more for an individual target (**upper target limit**), the relevant LTI payout factor for this individual target is 300%. The LTI payout factor for a target achievement of between 100% and 150% is calculated on a proportional basis. If the target achievement for an individual target is 100% or less, the LTI payout factor corresponds to the relevant target achievement (subject to and up to a **lower target limit** defined by the Supervisory Board).
- To determine the relative TSR, the final price of the Instone Group share is compared to the initial price. For the purpose of smoothing out the initial and final price, the volume-weighted average of the closing prices of the Instone Group share in Xetra trading (or a comparable successor system) of the Frankfurt Stock Exchange over the previous three months is used to determine the initial and final price, including dividend payments, are also used for the final price, assuming reinvestment in Instone Group shares during the performance period. For the calculation of the development of the SDAX (as a performance index), the initial value is the arithmetic mean of the closing balances in the SDAX of the last three months before the beginning of the performance period and the final value is the arithmetic mean of the closing balances of the SDAX over the last three months of the relevant three-year performance period. The target achievement for the relative TSR and the pro rata LTI payout factor is 100% if, at the end of the performance period, the development of the share price (including dividend payments, assuming reinvestment in Instone Group shares during the performance period) of the Instone Group share corresponds to the development of the SDAX. If the target achievement for the relative TSR is less than 75%, this target is considered to have been missed and it is shown in figure 028.

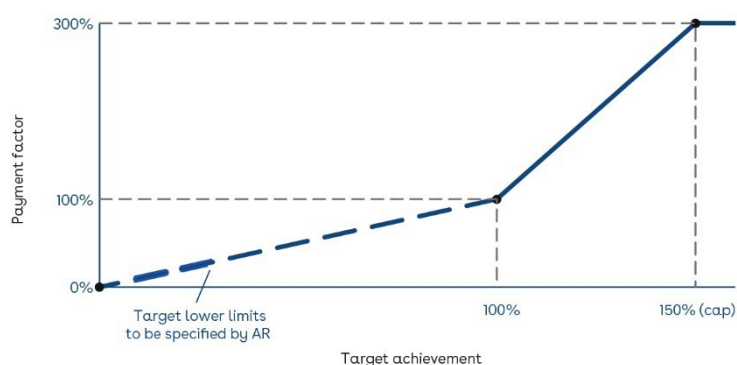
→ The base number of virtual shares is multiplied by the total payout factor and the average volume-weighted share price of the last three months prior to the end of the last financial year of the performance period, taking into account dividend payments, assuming reinvestment in Instone Group shares during the performance period (total shareholder return approach), in order to equate the Management Board with a real shareholder. The payment is made after the end of the performance in the month following approval of the audited annual financial statements of the Company.

The following is an example of the bonus curves for the relative TSR target (see figure above) and for calculating the additional LTI payout factors (EPS target and ESG target) (see figure below):

Bonus curve - relative TSR FIGURE 028



Bonus curve - LTI payout factors FIGURE 029



In the event of an extraordinary development in the share price, the Supervisory Board is entitled to take into account a reasonable longer period before the end of the relevant bonus year for calculating the average closing price. If capital measures lead to a reduction or in-

crease in the number of Instone Group shares (for example, share splits or share consolidation), this effect is taken into account by means of suitable calculations when determining the target achievement and its effect is neutralised.

The payout amount of the LTI bonus is capped at an amount corresponding to 300% of the LTI bonus base amount (LTI cap).

Share Ownership Guideline

To strengthen the long-term development and encourage the investment of the Management Board in Instone Real Estate Group SE, the members of the Management Board are obliged by a Share Ownership Guideline to complete a four-year development phase by acquiring shares in Instone Real Estate Group SE in the amount of a gross annual salary that is independent of their performance and holding them for the entire term of their Management Board contract, starting with their appointment to the Management Board. The equivalent value is based on the purchase price of the shares. The shares already held by a member of the Management Board are added to this figure.

If the relevant Management Board member has acquired shares in the amount of a gross annual salary not dependent on performance, the ownership level must not fall below this threshold by up to 50% for a maximum period of six months.

In this case, the Management Board member is obliged to add to the number of shares held within a period of six months up to the amount of a gross annual salary that is not dependent on performance.

E. Definition of Maximum Remuneration and Temporary Deviations from the Remuneration System

Maximum remuneration

Under Section 87a (1) sentence 2 No. 1 of the German Stock Corporation Act (AktG), the Supervisory Board has set a maximum amount for the total of all remuneration components, including fringe benefits and pension commitments. This amounts to €3.1 million for the Chairman of the Management Board (CEO) and €2.35 million for the other members of the Management Board. The maximum remuneration defined by the Supervisory Board takes into account the findings of the peer group analysis as well as the strongly performance and growth-focused structure of the Management Board remuneration system and is intended to enable the market-based and company-specific development of the Management Board remuneration in the interest of the company.

Temporary Deviations from the Remuneration System

A deviation from the remuneration system is possible on an exceptional basis for the Supervisory Board under the legal provision of Section 87a (2) sentence 2 AktG if exceptional circumstances make a deviation necessary in the interest of the long-term well-being of the company. This requires a Supervisory Board resolution that establishes the need for a deviation in a transparent and justified manner. The components of the remuneration system specifically

affected by the deviation and the necessity of the deviation must also be explained to the shareholders in the remuneration report. A deviation may be made if the described requirements are satisfied, in particular from the performance criteria of the variable remuneration, the ratio of the components of the target remuneration and for exceptional fringe benefits.

F. Opportunities for the Company to Reclaim Variable Remuneration Components

The contracts of employment of Management Board members contain provisions that give the Supervisory Board discretion to retain (malus) or recover (clawback) part or all of the variable remuneration components. The requirement for the application of these regulations is grossly negligent and serious violation of statutory or contractual duties or the Company's internal codes of conduct. In such cases, the Supervisory Board may, at its reasonable discretion, reduce and retain variable remuneration components that have not yet been paid out or demand repayment of variable remuneration components that have already been paid out.

The aforementioned claims shall lapse two years after the end of the assessment period of the relevant variable remuneration component.

G. Remuneration-Related Legal Transactions

Terms and conditions for the termination of remuneration-related legal transactions

The term of the Management Board contracts runs in parallel with the term of appointment of the Management Board member as decided by the Supervisory Board. Each contract of employment has a fixed term and therefore does not contain an ordinary right of termination. The right to extraordinary termination is unaffected.

Compensation for Dismissal

If the employment contract of a member of the Management Board is terminated extraordinarily by the Company for good cause before the end of the term of the LTI bonus (so-called "bad leaver case"), this will result in the expiry of all rights arising from the LTI bonus which is attributable to a period before the expiry of the respective term of three years.

If the contract of employment of a Management Board member ends before the end of the term of the LTI bonus and the other requirements for a "bad leaver case" do not exist at the same time (so-called "good leaver case"), the entitlement to the LTI bonus from performance periods that are already ongoing and, if applicable, pro rata for the upcoming performance period will remain in force.

Special termination rights were agreed with the members of the Management Board in the event of a change of control. The members of the Management Board are entitled to a severance payment if, in addition to a change of control, the basis on which they can run the business suffers a significant adverse effect, in other words if the Management Board member loses their position, the Company is merged, all or a significant portion of the Company's assets are transferred to third party legal entities that do not belong to the Instone Group, a

control and/or profit transfer agreement is concluded with the Company as a dependent company, the legal form of the Company is changed and the Management Board member thereby loses the independence granted by the German Stock Corporation Act or the SE-VO or if the decision-making powers of the terminating Management Board member suffer significant adverse effect for no material reason. Under the employment contract of a Management Board member, the conclusion of a control and/or profit transfer agreement with the Company as obligated parties does not qualify as a significant adverse effect in the running of the business under certain conditions. In addition, the members of the Management Board have special termination rights in the event of dismissal due to a loss of confidence at the Annual General Meeting or resignation from office for a material reason.

In the event that a special right of termination is exercised, the terminating member of the Management Board is entitled to a severance payment in the amount of 1.5 gross annual remuneration, whereby this severance payment is reduced pro rata temporis if the remaining term of the employment contract that is less than 1.5 years. No severance claim exists if the appointment ends due to dismissal for a material reason within the meaning of Section 626 BGB or due to good cause within the meaning of Section 84 (3) of the German Stock Corporation Act (AktG), which is not based on the loss of confidence at the Annual General Meeting.

Variable remuneration components shall also be paid out in the event of premature termination of activities on the Management Board on the basis of the assessment bases originally agreed (performance targets, performance periods etc.) and due dates.

Pension commitments

Two members of the Management Board still have a company pension plan in the form of individual contractual pension agreements which are valid after reaching the minimum pensionable age of 65 years. These two pension agreements were agreed well before the IPO or the appointment of the members entitled to benefits to the Management Board in 2008 and 1987 and will continue to be implemented.

The two members of the Management Board entitled to the pension provision are credited with the pension component for the duration of the pension commitment as part of this company pension provision model in accordance with the pension agreements with them which form the basis. This will be credited from the time they reach the age of 65 with a specific monthly payment amount, and will cumulatively reflect the respective pension entitlement under the company pension scheme. The respective amount of the monthly pension component is calculated on the basis of the monthly non-performance-related cash remuneration of the members of the Management Board entitled to the benefit, multiplied by an age factor, which maps an appropriate interest rate, and another fixed amount to be determined annually. The necessary provisions for the pension components and the resulting pension obligations are calculated annually in actuarial terms. The amount of the credited pension components decreases with the progressive duration of the pension agreements with otherwise unchanged fixed non-performance-related emoluments.

II. Remuneration of Management Board members in the 2023 financial year

The following part of the remuneration report provides details of the specific application of the remuneration system to the members of the Management Board and the remuneration of the individual members of the Management Board in the 2023 financial year.

The remuneration report for the 2022 financial year was approved by the Annual General Meeting of Instone Real Estate Group SE on 14 June 2023 by more than 92% of the votes cast, so there was no reason to change the remuneration system, to question its implementation or the way in which the remuneration of the Management Board and Supervisory Board is reported.

Total remuneration

The total remuneration granted and owed to the current members of the Management Board for the 2023 financial year within the meaning of Section 162 (1) sentence 1 AktG amounted to a total of €2,190 thousand. Under the explanatory memorandum to Section 162 (1) AktG, the amounts due during the reporting period and already received by the individual member of the Management Board or whose due payment has not yet been made must be stated as the remuneration granted and owed (inflows). The following table shows the total remuneration under these principles, broken down by remuneration components and individually for the current members of the Management Board for the 2023 financial year and the previous year.

Remuneration under Section 162 (1) sentence 1 AktG

TABLE 110

In thousands of euros

	Kruno Crepulja		Dr. Foruhar Madjlessi ³		David Dreyfus ⁴		Andreas Gräf	
	CEO		CFO		CFO		COO	
	2023	2022	2023	2022	2023	2022	2023	2022
Non-performance related emoluments	526	525	283	437	148	0	406	406
One-off								
cushion bonus ¹	0	0	0	0	300	0	0	0
Fringe benefits ²	30	29	4	5	3	0	15	15
Short-term variable remuneration (STI)	0	351	0	316	0	0	0	309
Long-term variable remuneration (LTI)	195	446	163	0	0	0	117	268
Total	751	1,351	450	758	451	0	538	998
Maximum remuneration	3,100	3,100	2,350	2,350	2,145	0	2,350	2,350

¹ The one-off cushion bonus is the results of Mr Dreyfus taking up his position on the Management Board and is in compliance with the remuneration system.

² Excluding pension costs. These are shown separately below.

³ Member of the Management Board until 31 July 2023.

⁴ Member of the Management Board since 1 September 2023.

The maximum remuneration specified by the Supervisory Board under Section 87a (1) sentence 2 No. 1 AktG for the members of the Management Board was not exceeded in the year under review. There was no repayment or retention of variable remuneration or deviations from the remuneration system.

In the past financial year, no advances were paid to members of the Management Board and no loans were made. The members of the Management Board neither received nor were they promised benefits from third parties with regard to their activities on the Management Board in the 2023 financial year.

In the past financial year, the company paid a cushion bonus to Management Board member David Dreyfus of €300 thousand, which his Management Board contract of employment includes as compensation for the elimination of an expected bonus payment for the 2023 financial year from his work for his previous employer and was payable by the end of the 2023 financial year.

One-Year Variable Remuneration – Short-Term Incentive (STI)

STI 2022

In the 2022 financial year, the STI's overall target achievement was less than 75%, so that no claim for the STI bonus was made in the 2022 financial year as a result of the failure to meet the required target lower limit. The short-term variable remuneration granted and owed in the 2023 financial year, in other words the variable remuneration for the 2022 financial year STI bonus earned was €0. Table 111 below shows the weighting, the agreed target values and the actual value (in each case, as far as these can be quantified), the resulting target achievement together with upper target limits as well as the corresponding STI bonus in euros for the STI targets (i) adjusted EAT, (ii) volume of sales contracts and (iii) strategy and sustainability targets.

The objectives relating to personal strategy and sustainability targets include a uniform target for all members of the Management Board based on employee satisfaction and loyalty. For Mr Crepulja, these also contain a more specific product development-specific objective, for Mr Gräf a more specific objective for expanding the product range and for Dr Madjlessi a more specific objective relating to a strategic initiative. The respective target achievement was assessed by way of an overall evaluation of both targets.

STI financial year 2022 – payment 2023

TABLE III

Board member	Target	Weighting	STI bonus base amount	Targets set for the 2022 financial year		Information on target achievement				STI bonus		
				Value	In %	Value	In %	Value	In %		Payout factor (in %)	
			In thousands		Target upper limit	Target achievement				In thousands of euros		
			In %	of euros	Value	In %	Value	In %	Value	In %	Payout factor (in %)	In thousands of euros
Kruno Crepulja	EAT (adjusted)	37.5		€95.0 million	100	€166.3 million	175	€50.0 million	52.6		52.6	
CEO	Volume of sales contracts	37.5		€1,000.0 million	100	€1,750.0 million	175	€292.1 million	29.2		29.2	
	Strategy and sustainability goals ¹	25.0		n/a	100	n/a	175	n/a	100.0		100.0	
Total			100.0	325	100	€650 thousand	150	55.7	55.7		0.0	
Dr. Foruhar Madjljessi	EAT (adjusted)	37.5		€108.2 million	100	€166.3 million	175	€50.0 million	52.6		52.6	
CFO	Volume of sales contracts	37.5		€1,371.2 million	100	€1,750.0 million	175	€292.1 million	29.2		29.2	
	Strategy and sustainability goals ¹	25.0		n/a	100	n/a	175	n/a	100.0		100.0	
Total			100.0	270	100	€540 thousand	150	49.4	49.4		0.0	
Andreas Gräf	EAT (adjusted)	37.5		€108.2 million	100	€166.3 million	175	€50.0 million	52.6		52.6	
COO	Volume of sales contracts	37.5		€1,371.2 million	100	€1,750.0 million	175	€292.1 million	29.2		29.2	
	Strategy and sustainability goals ¹	25.0		n/a	100	n/a	175	n/a	100.0		100.0	
Total			100.0	250	100	€500 thousand	150	55.7	55.7		0.0	

¹ The achievement of targets in terms of the personal targets and the strategy and sustainability goals were evaluated by way of an overall assessment and are therefore not mapped individually for the defined goals (not shown).

STI 2023 – payment 2024

For the performance period of the financial year 2023, the Supervisory Board determined the target achievement on 11 March 2024 and converted it into an overall target achievement, taking into account the weighting of the individual targets.

The table shows the weighting, the agreed target values and the actual value (if these can be quantified in each case), the resulting target achievement, the target limits and the payment factors (if applicable).

The objectives for the personal strategy and sustainability targets include uniform cost-cutting targets defined for all members of the Management Board. For Mr Crepulja, these also include a more specific objective relating to a strategic initiative, a more specific objective for

Mr Gräf for reviewing and realigning specific sales strategies, for Dr Madjlessi the development of ICS-specific organisational structures and for Mr Dreyfus the successful implementation of these structures. The respective target achievement was assessed by way of an overall evaluation of both targets.

STI financial year 2023 – payment 2024

TABLE 112

Board member	Target	Weighting	STI bonusbase amount	Targets set for the 2023 financial year		Information on target achievement				STI bonus	
				Value	In %	Target upper limit		Target achievement		Payout factor (in %)	In thousands of euros
						Value	In %	Value	In %		
			in thousands of euros								
Kruno Crepulja	EAT (adjusted)	37.5	€45.0 million	100	€78.8 million	175	€48.2 million	107.1	114.2		
CEO	Volume of sales contracts	37.5	€150.0 million	100	€262.5 million	175	€211.4 million	140.9	181.8		
	Strategy and sustainability goals ¹	25.0	n/a	100	n/a	175	n/a	130.0	160.0		
Total			100.0	325	100	€650 thousand	150	125.5	151.0	490.8	
Dr. Foruhar Madjlessi ²	EAT (adjusted)	37.5	€45.0 million	100	€78.8 million	175	€48.2 million	107.1	114.2		
CFO	Volume of sales contracts	37.5	€150.0 million	100	€262.5 million	175	€211.4 million	140.9	181.8		
	Strategy and sustainability goals ¹	25.0	n/a	100	n/a	175	n/a	130.0	160.0		
Total			100.0	175	100	€350 thousand	150	125.5	151.0	264.3	
David Dreyfus ³	EAT (adjusted)	37.5	€45.0 million	100	€78.8 million	175	€48.2 million	107.1	114.2		
CFO	Volume of sales contracts	37.5	€150.0 million	100	€262.5 million	175	€211.4 million	140.9	181.8		
	Strategy and sustainability goals ¹	25.0	n/a	100	n/a	175	n/a	130.0	160.0		
Total			100.0	92	100	€184 thousand	150	125.5	151.0	138.9	
Andreas Gräf	EAT (adjusted)	37.5	€45.0 million	100	€78.8 million	175	€48.2 million	107.1	114.2		
COO	Volume of sales contracts	37.5	€150.0 million	100	€262.5 million	175	€211.4 million	140.9	181.8		
	Strategy and sustainability goals ¹	25.0	n/a	100	n/a	175	n/a	130.0	160.0		
Total			100.0	250	100	€500 thousand	150	125.5	151.0	377.5	

¹ The achievement of targets in terms of the personal targets and the strategy and sustainability goals were evaluated by way of an overall assessment and are therefore not mapped individually for the defined goals (not shown).

² Member of the Management Board until 31 July 2023. The STI bonus base amount shown reflects this pro rata temporis.

³ Member of the Management Board since 1 September 2023. The STI bonus base amount shown reflects this pro rata temporis.

Multi-Year Variable Remuneration (Long-Term Incentive (LTI))

Allocation of LTI 2023–2026 (new)

At the end of the 2023 financial year, the provisional tranche of virtual shares (base number) shown in the table below was allocated to the members of the Management Board on the basis of the parameters set out below for the performance period from 1 January 2024 up to and including 31 December 2026 (LTI 2023–2026 [new]).

The targets for the LTI 2023–2026 (new) are set using the existing specifications of the remuneration system (I.D. of this remuneration report).

The definition and measurement of the target achievement and the payment of the LTI 2023–2026 (new) will take place after the end of the performance period in the 2026 financial year.

Long-term variable remuneration (LTI)

TABLE 113

In thousands of euros

	Kruno Crepulja	Dr. Foruhar Madjlessi ¹	David Dreyfus ²	Andreas Gräf
	CEO	CFO	CFO	COO
Tranche	LTI 2023–2026	LTI 2023–2026	LTI 2023–2026	LTI 2023–2026
LTI bonus base amount	455.0	245.0	128.0	350.0
Allocation rate (in €)	6.20	6.20	6.20	6.20
Base number (in units)	73,387.1	39,516.1	20,698.9	56,451.6
LTI cap limit	1,365.0	735.0	384.0	1,050.0

¹ Member of the Management Board until 31 July 2023. The LTI bonus base amount shown reflects this pro rata temporis.

² Member of the Management Board since 1 September 2023. The LTI bonus base amount shown reflects this pro rata temporis.

LTI tranches granted

The LTI tranches granted as of 31 December 2023 are shown in the table below, broken down by individual members of the Management Board.

The LTI tranches have a term of three years and are only paid out at the end of the relevant term at the average closing prices of the Instone Group share determined at that time.

In the case of the LTI tranches referred to as “(old)”, which were still granted under the remuneration system until 30 June 2021, the basic number of virtual shares granted is multiplied by the average closing price of the Instone Group share during the last 20 trading days of the relevant term, plus any dividend paid. The payout amount calculated in this way is capped for each virtual share in the LTI tranches (old) at the amount that corresponds to 200% of the initial value determined for the relevant bonus year. For the determination of the LTI initial value at the time the LTI tranches were granted, a planned/actual comparison was made of the adjusted earnings before tax for the bonus year as well as the two previous years and virtual shares were allocated at the average price during the last 20 trading days before the end of the bonus year. During the term of the LTI tranches (old), no performance criteria are applied,

so the final payout amount is therefore exclusively dependent on the share price performance of Instone Group shares.

For the LTI tranches referred to as (new), the payment is made using the outline parameters described in I. D. of this remuneration report.

LTI tranches

TABLE 114

In thousands of euros

		Basic number of virtual shares (in units)	Share price For payment (in euros)	LTI bonus (in thousands of euros)	Payment
Kruno Crepulja, CEO	LTI 2020-2023 (old)	14,861.2	8.11	120.5	January 2024
	LTI 2021-2024 (old)	8,654.8	n/a	n/a	January 2025
	LTI 2021-2024 (new)	10,990.3	n/a	n/a	in 2025
	LTI 2022-2025 (new)	57,017.5	n/a	n/a	in 2026
Dr. Foruhar Madjlessi, CFO¹	LTI 2020-2023 (old)	12,384.3	8.11	100.4	January 2024
	LTI 2021-2024 (old)	7,212.4	n/a	n/a	January 2025
	LTI 2021-2024 (new)	7,669.1	n/a	n/a	in 2025
	LTI 2022-2025 (new)	47,368.4	n/a	n/a	in 2026
David Dreyfus, CFO²	LTI 2020-2023 (old)	0.0	n/a	n/a	January 2024
	LTI 2021-2024 (old)	0.0	n/a	n/a	January 2025
	LTI 2021-2024 (new)	0.0	n/a	n/a	in 2025
	LTI 2022-2025 (new)	0.0	n/a	n/a	in 2026
Andreas Gräf, COO	LTI 2020-2023	8,916.7	8.11	72.0	January 2024
	LTI 2021-2024 (old)	5,192.9	n/a	n/a	January 2025
	LTI 2021-2024 (new)	8,454.1	n/a	n/a	in 2025
	LTI 2022-2025 (new)	43,859.7	n/a	n/a	in 2026

¹ Member of the Management Board until 31 July 2023.

² David Dreyfus has been a member of the Management Board since 1 September 2023 and will only participate in LTI Tranche 2023-2026.

Pension commitments

The following table shows the contributions (additions) to the pension plan attributed to the individual Management Board members and the corresponding itemised cash values under the IFRSs and HGB.

Pension commitments		TABLE 115		
In thousands of euros				
		2023	Allocation	2022
Kruno Crepulja (CEO)	German Commercial Code (HGB)	472.6	41.9	430.7
	IFRS	307.1	71.7	235.4
Andreas Gräf (COO)	German Commercial Code (HGB)	435.2	31.2	404.0
	IFRS	300.2	60.8	239.4
	German Commercial Code (HGB)	907.8	73.1	713.8
	IFRS	607.3	132.5	767.9

The pension obligations and the corresponding cash values in individualised form according to IFRS and HGB to former members of the Management Board are shown in the following overview.

Pension commitments of former members of the Management Board		TABLE 116		
In thousands of euros				
		2023	Allocation	2022
Pension commitments of former members of the Management Board	German Commercial Code (HGB)	1,491.5	12.8	1,478.7
	IFRS	1,083.1	144.0	939.1

Share Ownership Guideline

The share ownership guideline agreed with all members of the Management Board was continued to be satisfied by the Management Board members in the 2023 financial year. Management Board member David Dreyfus has already begun to build up the share position specified in the Management Board remuneration system. The following table shows the shareholding of the members of the Management Board as of 31 December 2023 as reported to the Company:

Shareholding		TABLE 117	
		Number of shares	Investment in registered capital in %
Kruno Crepulja (CEO)		105,775	0.225
David Dreyfus (CFO) ¹		17,983	0.038
Andreas Gräf (COO)		50,319	0.107

¹ Member of the Management Board since 1 September 2023.

Remuneration decisions by the Supervisory Board in the 2023 financial year

In March 2023, following the resignation of Dr Foruhar Madjlessi from the Management Board, the Supervisory Board concluded a contract of employment with Mr David Dreyfus to succeed Dr Foruhar Madjlessi in the position of CFO of the Company, which contains the appropriate provisions on the remuneration of Mr David Dreyfus for the Management Board.

III. Supervisory Board remuneration

Remuneration system

The remuneration of the Supervisory Board is set out in Section 14 of Instone Real Estate Group SE's Articles of Association and is designed as a purely fixed remuneration.

On 9 June 2021, the Annual General Meeting of Instone Real Estate Group AG approved the proposal to approve the system for the remuneration of the members of the Supervisory Board, together with a resolution to amend the Articles of Association of Instone Real Estate Group SE, with a majority of 99.05% of the votes cast.

According to the remuneration system approved by the Annual General Meeting, Supervisory Board members receive a fixed annual remuneration of €75.0 thousand. The Chairman of the Supervisory Board receives double and the Deputy Chairman one and a half times the remuneration. Members of the Audit Committee receive an additional remuneration in the amount of €15.0 thousand whilst members of the Compensation and Nomination Committees shall each receive an additional €7.5 thousand per financial year. The respective committee chair receives twice the remuneration. Reasonable out-of-pocket expenses are also reimbursed to the members of the Supervisory Board by the Company. In addition, the Company has included the members of the Supervisory Board in a D&O group insurance policy for executive bodies, for which a deductible of the members of the Supervisory Board has not been agreed. No performance-related remuneration or meeting attendance amounts are paid to Supervisory Board members.

Supervisory Board remuneration

TABLE 118

In thousands of euros

	Remuneration for 2023 financial year (earned)			Remuneration for 2022 financial year (in-		
	Remuneration	Remuneration	Remuneration	Remuneration	Remuneration	Remuneration
	Role	Role		Role	Role	
General Com-	Committees	Total	General Committee	Committees	Total	
Stefan Brendgen	150.0	34.1	184.1	150.0	30.0	180.0
Dr. Jochen Scharpe	112.5	37.5	150.0	112.5	40.8	153.3
Dietmar P. Binkowska	75.0	15.0	90.0	75.0	15.0	90.0
Thomas Hegel ¹	33.9	13.6	47.5	75.0	30.0	105.0
Christiane Jansen	75.0	7.5	82.5	75.0	4.2	79.2
Stefan Mohr ²	41.3	12.4	53.7	-	-	-
Sabine Georgi ³	37.4	0.0	37.4	-	-	-
Total remuneration	525.1	120.1	645.2	487.5	120.0	607.5

¹ Member of the Supervisory Board until 14 June 2023.

² Member of the Supervisory Board since 14 June 2023.

³ Member of the Supervisory Board since 3 July 2023.

If a member of the Supervisory Board does not belong to the Supervisory Board or to a committee for the entire financial year, their remuneration is reduced pro rata temporis.

Remuneration of the members of the Supervisory Board during the 2023 financial year

The total remuneration of the Supervisory Board in financial year 2023 was €645.2 thousand (previous year: €607.5 thousand). Of which, €525.1 thousand (previous year: €487.5 thousand) was remuneration for work on the General Committee. Remuneration for work in committees amounted to €121.0 thousand (previous year: €120.0 thousand). Table 118 above shows the remuneration paid to the members of the Supervisory Board under Section 162 (1) sentence 1 AktG, in other words the remuneration granted and owed for the activity in the 2022 financial year (inflows), paid in the first quarter of 2023, and the remuneration earned for the activities of the Supervisory Board in the financial year 2023 is reported on an individual basis.

As a representative of the company's largest individual shareholder, Mr Stefan Mohr voluntarily waived his remuneration for his work on the company's Supervisory Board and its committees. The other members of the Supervisory Board voluntarily waived 10% of the remuneration they earned in the 2023 financial year.

In the 2023 financial year, the Companies of the Instone Group did not pay or grant any remuneration or other benefits to members of the Supervisory Board for services rendered in a personal capacity, in particular advisory and agency services. Nor were members of the Supervisory Board granted any advances or credits.

V. Vertical comparison

The following table provides a comparison of the annual change in remuneration, the earnings development of the company and the average remuneration of employees on a full-time equivalent basis over the last five financial years under Section 162 (1) sentence 2 No. 2 AktG.

The remuneration of the management board members on which the vertical comparison is based was determined on the basis of remuneration granted/owed under Section 162 (1) AktG. All employees employed in the entire period from 1 January to 31 December are considered to be the relevant comparison group of employees according to the definition in Section 267 (5) HGB of the Instone Group in Germany. The average remuneration for this comparison group was calculated on the basis of remuneration paid, taking into account the employment rate.

Vertical comparison						TABLE 119
Changes in %						
Comparison period	2019 vs. 2018 ¹	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021	2023 vs. 2022	
Management Board members						
Kruno Crepulja	35	0	-14	89	-44	
Dr. Foruhar Madjlessi ²	-	115	-23	21	-41	
David Dreyfus ³	-	-	-	-	-	
Andres Gräf	57	0	-11	63	-46	
Supervisory Board members						
Stefan Brendgen	-1	0	10	18	2	
Dr Jochen Scharpe	14	1	10	14	-2	
Marija Korsch ⁴	9	-8	5	-	-	
Dietmar P. Binkowska ⁵	-	3	13	24	0	
Thomas Hegel ^{6,7}	-	9	14	23	0	
Christiane Jansen ⁸	-	-	-	4	4	
Stefan Mohr ⁹	-	-	-	-	-	
Sabine Georgi ¹⁰	-	-	-	-	-	
Average employee remuneration	-	7	0	7	-7	
Net income/loss for the year of Instone Real Estate Group SE (under HGB individual financial statement)	-172	-17	369	-50	-33	
Adjusted EAT (under IFRS consolidated financial statements)	453	-61	136	-48	-4	

¹ Information for the members of the Supervisory Board and the Management Board is extrapolated to the full calendar year 2018, since the appointment as members of the executive bodies was made during the course of the conversion of the company into a stock corporation under Dutch law on 13 February 2018.

² Member of the Management Board from 1 January 2019 to 31 July 2023

³ Member of the Management Board since 1 September 2023.

⁴ Board members resigned during the year in 2021. Value extrapolated to the entire calendar year 2021.

⁵ Board members joined during the year 2019. Value extrapolated to the entire calendar year 2019.

⁶ Board members joined during the year 2019. Value extrapolated to the entire calendar year 2019.

⁷ Board members resigned during the year in 2023. Value extrapolated to the entire calendar year 2023.

⁸ Board members joined during the year 2021. Value extrapolated to the entire calendar year 2021.

⁹ Member of the Supervisory Board since 14 June 2023.

¹⁰ Member of the Supervisory Board since 3 July 2023.

Acknowledgment of the remuneration report

REPORT OF THE INDEPENDENT AUDITOR ON THE AUDIT OF THE REMUNERATION REPORT IN ACCORDANCE WITH SECTION 162 (3) AKTG

To Instone Real Estate Group SE, Essen/Germany

Audit Opinion

We conducted a formal audit of the remuneration report of Instone Real Estate Group SE, Essen/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 IDW Quality Management Standards. 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 Executive Board and the Supervisory Board

The executive 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 their related disclosures, that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

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.

Düsseldorf/Germany, 11 March 2024

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed: Rolf Künemann
Wirtschaftsprüfer
(German Public Auditor)

Signed: Nicole Meyer
Wirtschaftsprüferin
(German Public Auditor)

III. Further information on the convocation notice

1. Total number of shares and voting rights

At the time this the Annual General Meeting is convened, the share capital of the Company amounts to EUR 46,988,336.00, divided into 46,988,336 no-par value bearer shares, each granting one vote at the Annual General Meeting. The total number of shares and voting rights thus amounts to 46,988,336. At the time of convocation, the Company holds 3,665,761 treasury shares from which it has no rights.

2. Requirements for participating in the meeting and exercising voting rights

In accordance with Article 19.3 of the Articles of Association, only the shareholders who register for the Annual General Meeting and provide proof of their shareholding are entitled to participate in the Annual General Meeting and to exercise their voting rights. Proof of shareholding, for which proof of shareholding issued in text form by the final depository pursuant to Section 67c (3) AktG shall be sufficient, must refer to the close of business of the 22nd day before the Annual General Meeting (record date), i.e. the close of business on 14 May 2024 (24:00 CEST); this is due to the statutory amendment to Section 123 (4) sentence 2 AktG by the German Financing for the Future Act dated 11 December 2023, which takes precedence over the existing provision in Article 19.4 of the current Articles of Association. To restore parallelism between the new statutory provision and the Articles of Association of the Company after the aforementioned change to legislation in December 2023, a corresponding amendment to the Articles of Association is envisaged under agenda item 7 of the Annual General Meeting's agenda. According to the legislative history materials of the German Financing for the Future Act, close of business means 24:00 (in this case: CEST).

The Company must receive registration in written or electronic form (Section 126b of the German Civil Code (*Bürgerliches Gesetzbuch - BGB*)) in German or English at the following address (by post or e-mail) at least six days before the Annual General Meeting, not including the day of the Annual General Meeting or the day of receipt, therefore by no later than the end of **29 May 2024 (24:00 CEST)**:

Instone Real Estate Group SE
c/o Computershare Operations Center
80249 Munich
e-mail: anmeldestelle@computershare.de

The proof of shareholding must be received by the Company at the aforementioned address no later than on the sixth day prior to the General Meeting, not including the day of the General Meeting and the day of receipt, i.e. also by the end of **29 May 2024 (24:00 CEST)** at the latest.

Only those shareholders who have provided proof of their shareholding on time will be authorised to participate in the Annual General Meeting and exercise their voting rights. Authorisation to participate in the Annual General Meeting and the extent of voting rights will be exclusively determined by shareholdings as at the record date. The record date is not a restriction on disposals of shares; in particular, they can be acquired or sold regardless of the record date. Disposals of shares after the record date do not affect the right to participate or the extent of voting rights. The same applies to acquisitions of additional shares after the record date. Persons who did not hold any shares as at the record date and who only became shareholders thereafter are not entitled to

participate in the Annual General Meeting on 5 June 2024 or to vote at it, unless they have been otherwise authorised to do so.

3. Procedure for voting by (electronic) postal vote

Shareholders can submit and amend their votes by way of written or electronic postal vote. In particular, votes can be sent electronically using the access-protected Investor-Portal of Instone Real Estate Group SE at <https://ir.de.instone.de/websites/instonereal/English/6000/annual-general-meeting.html>. This option exists until 4 June 2024 (24:00 CEST).

The form reproduced on the entrance card can be used to send postal votes by other means. The form for postal voting can also be downloaded on the Company's website at <https://ir.de.instone.de/websites/instonereal/English/6000/annual-general-meeting.html>. Votes sent by post or e-mail must be received at the following address (post or e-mail) by 4 June 2024 (24:00 CEST) to count at the Annual General Meeting:

Instone Real Estate Group SE
c/o Computershare Operations Center
80249 Munich
e-mail: anmeldestelle@computershare.de

Postal votes sent by means other than the InvestorPortal can also be amended or revoked using the InvestorPortal.

4. Procedure for proxy voting

4.1 *Authorisation of a third party*

Shareholders can also have their voting rights or other rights in connection with the Annual General Meeting exercised by an authorised representative, e.g. by their custodian bank or a shareholder association. In the event of proxy voting as well, shareholders must register on time as set out above under "Requirements for participating in the meeting and exercising voting rights".

Written or electronic form is required to grant or revoke power of attorney and to provide proof of authorisation (see 4.2 below for exceptions for voting representatives in accordance with Section 135 AktG). The authorisation form contained on the registration confirmation can also be used to grant power of attorney.

The authorisation form can also be downloaded on the Company's website at <https://ir.de.instone.de/websites/instonereal/English/6000/annual-general-meeting.html>.

Power of attorney can be granted or revoked either:

- (1) **by 4 June 2024 (24:00 CEST)** in written or electronic form sent to the Company exclusively at the following address (by post or e-mail)

Instone Real Estate Group SE
c/o Computershare Operations Center
80249 Munich
e-mail: anmeldestelle@computershare.de

or submitted using the InvestorPortal of Instone Real Estate Group SE at <https://ir.de.instone.de/websites/instonereal/English/6000/annual-general-meeting.html>; or

- (2) in written or electronic form sent to the authorised representative.

If the power of attorney is issued to the authorised representative in written or electronic form, unless stipulated otherwise by Section 135 AktG (see 4.2), the Company must receive proof, in written or electronic form, of this authorisation. Proof of authorisation can be sent to the Company at the above address, including the electronic channel described there (e-mail). It can also be provided on the day of the Annual General Meeting at the entry of the Annual General Meeting.

Proxy forms that can be used to grant power of attorney will be sent to registered shareholders with the registration confirmation. The use of the InvestorPortal by an authorised representative requires that the authorised representative receives the access data sent with the registration confirmation from the grantor of the power of attorney, unless the access data has been sent directly to the authorised representative. The use of the access code by the authorised representative shall also be deemed proof of authorisation.

4.2 *Proxy voting through an intermediary, shareholder association or equivalent persons (Section 135 AktG)*

If power of attorney is granted to an intermediary, a shareholder association or an equivalent person or institution in accordance with the provisions of stock corporation law, written or electronic form is not required to grant or revoke power of attorney in accordance with the statutory provisions. It is sufficient if the declaration of power of attorney is verifiably held by the authorised representative. Intermediaries, shareholder associations and equivalent persons or institutions in accordance with Section 135 AktG can stipulate different regulations for their own authorisation; please ask your authorised representative in this regard. The Company does not require separate proof of authorisation in such cases.

4.3 *Authorisation of voting representatives of the Company*

We offer all shareholders and their authorised representatives the opportunity to be represented by our voting representatives. If you authorise voting representatives appointed by the Company, they must be issued instructions for exercising voting rights. The authorisation and the instructions must be issued in written or electronic form. In particular, authorisations and instructions for the voting representatives of the Company can be issued, amended or revoked using the access-protected InvestorPortal of Instone Real Estate Group SE at <https://ir.de.instone.de/websites/instonereal/English/6000/annual-general-meeting.html> until 4 June 2024 (24:00 CEST).

In order to authorise voting representatives by other channels, the authorisation and instruction form reproduced on the registration confirmation and available for download at the Company's website <https://ir.de.instone.de/websites/instonereal/English/6000/annual-general-meeting.html> can also be used. Authorisations and instructions sent by post or e-mail must be received at the following address (post e-mail) by 4 June 2024 (24:00 CEST) to count at the Annual General Meeting:

Instone Real Estate Group SE
c/o Computershare Operations Center
80249 Munich
e-mail: anmeldestelle@computershare.de

Power of attorney can be revoked or instructions can be amended by post or e-mail provided that this is also received in written or electronic form at the above address by **4 June 2024 (24:00 CEST)**. Power of attorney can be revoked or instructions can be amended using the InvestorPortal even if the InvestorPortal was not used to issue the power of attorney.

On the day of the Annual General Meeting, powers of attorney and instructions to the voting representatives of the Company may also be issued, amended or revoked at the entrance and exit control to the Annual General Meeting until the beginning of the voting.

Voting representatives cannot be authorised to exercise shareholders' right to speak and to obtain information, put forward motions or file objections.

4.4 Supplementary information on the exercise of voting rights

If voting rights are exercised in due time via several channels (letter, e-mail, electronically via the InvestorPortal or pursuant to section 67c (1) and (2) sentence 3 AktG in conjunction with Article 2 (1) and (3) and Article 9 (4) of the Implementing Regulation ((EU) 2018/1212)) by postal vote or proxy and, if applicable, instructions are issued, these will be taken into account in the following order, irrespective of the time of receipt: 1. electronically via the InvestorPortal, 2. pursuant to section 67c (1) and (2) sentence 3 AktG in conjunction with Article 2 (1) and (3) and Article 9 (4) of the Implementing Regulation ((EU) 2018/1212), 3. by e-mail, 4. by letter and 5. by other means specified in the convocation notice.

If several postal votes or proxies and instructions are received in due time via the same transmission channel, the declaration received last shall be binding. A later vote as such shall not be deemed to be a revocation of an earlier vote. The last revocation of a declaration received in due time shall be decisive.

If declarations with more than one form of voting right exercise are received in the same way, the following shall apply: postal votes shall have priority over the granting of power of attorney and, if applicable, instructions to the authorised voting representatives of the Company, and the latter shall have priority over the granting of power of attorney and instructions to an intermediary, a shareholders' association, a voting rights advisor pursuant to Section 134a AktG and a person equivalent to these pursuant to Section 135(8) AktG.

The votes cast by postal ballot or proxy and, if applicable, instructions to the proxies of the Company on agenda item 2 (appropriation of the balance sheet profit) shall remain valid even in the event of an adjustment of the proposal for the appropriation of the profit as a result of a change in the number of shares entitled to dividends.

5. Supplementary motions for the agenda at the request of a minority in accordance with Art. 56 of the SE Regulation, Section 50(2) of the German SE Implementation Act (*SE-Ausführungsgesetz – SEAG*) in conjunction with Section 122(2) AktG

Shareholders whose combined shares constitute at least a pro rata amount of the share capital of Instone Real Estate Group SE of EUR 500,000 (500,000 shares) can request that items be added to the agenda and announced. Each new item must be accompanied by a statement of grounds or proposed resolution. The request must be submitted to the Management Board of Instone Real Estate Group SE and must be received by the Company at least 30 days before the Annual General Meeting (not counting the day of receipt or the day of the Annual General Meeting), therefore by no later than 5 Ma y 2024 (24:00 CEST), at the following address:

Instone Real Estate Group SE
The Management Board
Grugaplatz 2-4
45131 Essen
Germany

6. Counter-motions and nominations by shareholders in accordance with Sections 126(1), 127 AktG

Counter-motions and nominations by shareholders in accordance with Sections 126, 127 AktG must be sent exclusively to the following address (by post or e-mail):

Instone Real Estate Group SE
Investor Relations
Grugaplatz 2-4
45131 Essen
Germany
e-mail: hauptversammlung@instone.de

All counter-motions and nominations to be published in accordance with Sections 126, 127 AktG will be made available to the other shareholders on the Internet at <https://ir.de.instone.de/websites/instonereal/English/6000/annual-general-meeting.html>, together with the name of the shareholder, the statement of grounds required for counter-motions and any position taken by management, provided that they are received at the above address by no later than 21 Ma y 2024 (24:00 CEST).

7. Shareholders' right to ask questions in accordance with Section 131(1) AktG

Upon verbal request at the general meeting, each shareholder shall be provided with information by the executive board on the affairs of the company, including the legal and business relations with affiliated companies, as well as on the situation of the group and the companies included in the consolidated financial statements, to the extent that the information is necessary for a proper assessment of the item on the

agenda and there is no right to refuse information pursuant to Section 131(3) AktG.

In order to ensure the orderly conduct of the general meeting, the chairman of the meeting is authorised, pursuant to Article 20 section 2 of the articles of association, to impose reasonable time limits on the shareholders' right to speak and ask questions.

8. Documents/publications on the website

From the time that the Annual General Meeting is convened, all documents to be made available in accordance with Section 124a AktG will be published on the Company's website at <https://ir.de.instone.de/websites/instonereal/English/6000/annual-general-meeting.html>. This website also contains further explanations of shareholders' rights in accordance with Art. 56 of the SE Regulation, Section 50(2) SEAG, Sections 122(2), 126(1), 127 and 131(1) AktG plus other information, in particular on participation in the Annual General Meeting and on issuing power of attorney and instructions.

9. Further information on the vote

The scheduled votes on agenda items 2 to 6 are binding, the scheduled vote on agenda item 7 has a recommendatory character within the meaning of Table 3 of the Implementing Regulation (EU) 2018/1212. In each case, there is the possibility to vote yes (in favour) or no (against) or to abstain from voting (abstention).

All times stated refer to Central European Summer Time (CEST) as applicable to Germany. In relation to Coordinated Universal Time (UTC), UTC = CEST minus two hours.

Essen, April 2024

Instone Real Estate Group SE
The Management Board

Information for shareholders on data protection regarding the collection of data for the purposes of the Annual General Meeting

On the basis of the applicable data protection provisions, in connection with the Annual General Meeting on 5 June 2024, the Company processes personal data (in particular the name, date of birth, address and other contact data for the shareholder, number of shares, type of share ownership, possibly the name and address of any shareholder representative authorised by the respective shareholder) as the controller as referred to by data protection law. Information for shareholders on data protection can be found on the Company's website at <https://ir.de.instone.de/websites/instonereal/English/6000/annual-general-meeting.html>.

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