

**VANTAGE  
TOWERS**



**Invitation to  
the Annual General Meeting  
2021**



**Vantage Towers AG**  
Düsseldorf  
ISIN: DE000A3H3LL2

## Invitation to the Annual General Meeting 2021

Dear Shareholders,

We invite you to the Annual General Meeting 2021. It will take place on Wednesday, 28 July 2021, 10.00 a.m. Central European Summer Time (= 8.00 a.m. Coordinated Universal Time - UTC) as a virtual General Meeting without the physical presence of the shareholders or their proxies. The entire General Meeting will be streamed live (video and audio) to our shareholders and their proxies via the password protected shareholders' portal of the Company. The voting rights have to be exercised exclusively by means of electronic postal ballot (*elektronische Briefwahl*) or by granting a power of attorney to and instructing of the Company-appointed proxies in accordance with the provisions and explanations set out hereunder following the agenda.

<sup>1</sup> This translation is intended for convenience purposes only and solely the German version of the invitation to and agenda of the Annual General Meeting of Vantage Towers AG is legally binding.

## Agenda

- 1 Presentation of the adopted annual financial statements and the approved consolidated financial statements as well as the combined management report of Vantage Towers AG and the group as at 31 March 2021, the report of the Supervisory Board and the explanatory report of the Management Board pursuant to sections 289a (1) and 315a (1) of the German Commercial Code (*Handelsgesetzbuch - HGB*) in conjunction with article 83 (1) sentence 2 of the Introductory Act to the German Commercial Code (*Einführungsgesetz zum Handelsgesetzbuch - EGHGB*)**

The aforementioned documents are available on the Company's website at <https://www.vantagetowers.com/investors/annual-general-meeting-en>. The Supervisory Board has approved the annual financial statements and the consolidated financial statements prepared by the Management Board. The annual financial statements are therefore adopted; no resolution has to be taken by the General Meeting under agenda item No 1.

- 2 Resolution on the appropriation of balance sheet profits**

The Management Board and the Supervisory propose that the balance sheet profits in the amount of EUR 283,238,068.40 as set out in the adopted financial statements as of 31 March 2021 be appropriated as follows:

Payment of a dividend in the amount of each EUR 0.56 for 505,782,265 no par value share carrying dividend rights:	EUR 283,238,068.40
Balance sheet profit	EUR 283,238,068.40

The number of shares carrying dividend rights for the financial year 2020/2021 may change until the General Meeting. In such case, an appropriately adjusted proposal will be submitted to the General Meeting with regard to the appropriation of balance sheet profits, based on an unchanged distribution of EUR 0.56 for each no-par value share carrying dividend rights. The dividend payment is due on 2 August 2021.

- 3 Resolution on the ratification of the acts of the members of the Management Board**

The Management Board and the Supervisory Board propose that the actions of the Management Board members who held office in the financial year 2020/2021 be ratified for said period.

- 4 Resolution on the ratification of the acts of the members of the Supervisory Board**

The Management Board and the Supervisory Board propose that the actions of the Supervisory Board members who held office in the financial year 2020/2021 be ratified for said period.

**5 Election of the auditor and group auditor for the financial year 2021/2022 as well as the auditor for a potential review of the condensed financial statements and the interim management report for the first half of the financial year 2021/2022**

The Supervisory Board proposes to elect

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Köln

as the auditor and group auditor for the financial year 2021/2022 as well as the auditor for a potential review of the condensed financial statements and the interim management report for the first half of the financial year 2021/2022

The Supervisory Board's proposal is based on the recommendation of the Audit, Risk and Compliance Committee of the Supervisory Board. The Audit, Risk and Compliance Committee stated that its recommendation is free from influence by a third party and no clause restricting the choice within the meaning of Article 16 (6) of the EU Audit Regulation has been imposed upon it.

**6 Resolution on the approval of the remuneration system for the members of the Management Board**

Upon the recommendation of its Remuneration and Nomination Committee, the Supervisory Board has resolved a remuneration system for the members of the Management Board of Vantage Towers AG. The remuneration system is closely aligned with the corporate strategy and longterm in nature. It provides comprehensive incentives to ensure both strong financial performance as well as ecological and social development on the basis of transparent and professional governance.

The new remuneration system is presented in the section "Information on agenda item 6: Remuneration system for the members of the Management Board".

Section 120a (1) of the AktG stipulates that, upon each material change and at a minimum every four years, the General Meeting of listed companies must resolve on the approval of the remuneration system for Management Board members as presented by the Supervisory Board.

The Supervisory Board proposes that the remuneration system for members of the Management Board, as published in the convocation of the General Meeting on 28 July 2021, be approved.

**7 Resolution on the confirmation of the remuneration of the Supervisory Board members**

The remuneration of the members of the Supervisory Board is set out in Article 13 of the Articles of Association of the Company. The remuneration is structured as fixed remuneration, the detailed amounts of which depend on the assumed tasks in the Supervisory Board and its committees. A variable remuneration which is subject to the achievement of a certain success or targets is not foreseen for the members of the Supervisory Board.

The remuneration of the Supervisory Board members and the underlying system is presented in the section “Information on agenda item 7: Remuneration of the members of the Supervisory Board”.

Section 113 (3) of the AktG provides that the remuneration of the members of the Supervisory Board is to be submitted to the General Meeting of listed companies for resolution every four years, whereby a confirmatory resolution is sufficient.

The Management Board and the Supervisory Board propose to resolve:

The remuneration of the members of the Supervisory Board in accordance with Article 13 of the Articles of Association of the Company, including the underlying system as published in the convocation of the Annual General Meeting be confirmed.

\*\*\*

### **Information on agenda item 6:**

#### **Remuneration system for the members of the Management Board**

The Supervisory Board proposed under agenda item 6 in accordance with Section 120a (1) of the AktG to approve the remuneration system of the members of the Management Board of Vantage Towers AG. The remuneration system is applicable for any new service agreements and has been taken into account with respect to the service agreements entered into with the current members of the Management Board. The remuneration system as resolved by the Supervisory Board is as follows:

#### **Remuneration System for the Management Board of Vantage Towers AG**

### **1 Objectives and Principles of the remuneration system**

#### **1.1 Objectives**

The remuneration system for the members of the management board of Vantage Towers AG (the “**Management Board**” and Vantage Towers AG, the “Company”) makes a significant contribution to promoting the business strategy and the long-term development of the Company. Through the structure of the remuneration components and the underlying performance conditions, which are described in detail below, the remuneration of the Management Board members is linked to the achievement of key corporate goals of the Company.

The current remuneration structure has been designed to support the Company’s short-term priorities and long-term strategy whilst aiding the attraction and retention of the talent necessary to fulfil these objectives. The fixed remuneration elements of the structure have been designed to ensure the Company remains competitive in the wider marketplace for talent whilst our variable incentive elements align management with our business priorities (see below under 4.5 and 4.6 for further details on how the variable elements of the remuneration structure achieve this). The Management Board members are incentivised to work towards the achievement of these short-term and long-term goals.

The remuneration system is clear, comprehensive and coherent and complies with the requirements of the German Stock Corporation Act (*Aktiengesetz* – “**AktG**”) and the recommendations of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex* – “**GCGC**”). It should be noted, however, that the members of the Management Board participate currently in long term incentive programs of Vodafone Group Plc granted in the financial years which ended on 31 March 2019, 2020 and 2021, the details of which – including the changes thereto – are set out in Section 8. Since such long term incentive programs do not provide for a minimum period of four years until they are accessible to the beneficiaries, the ongoing entitlement under these long-term incentive awards could be considered to be a deviation from recommendation G. 10 sentence 2 GCGC, according to which the long-term variable remuneration components shall be accessible to Management Board members only after a period of four years. Therefore, the Company has declared for precautionary reasons a deviation from such recommendation for the remainder of the term of these long-term incentive awards.

## 1.2 Principles

The remuneration system is based on the following principles, to which the Supervisory Board of the Company (“**Supervisory Board**”) adheres – and, with respect to the current remuneration of the Management Board members, has adhered – when determining the remuneration of the Management Board members:

### 1.2.1 Promotion of the Company’s business strategy and long-term development

By defining performance conditions related to the Company’s long-term success and sustainability, the remuneration system makes a significant contribution to the business strategy. Through long-term variable remuneration components which also include non-financial target conditions (environmental, social and governance – “**ESG**”), the remuneration system promotes sustainable development and long-term success of the Company.

### 1.2.2 Alignment of pay and performance

By determining an adequate relation between fixed remuneration and short and long-term incentives and adequate target conditions for variable remuneration components, the remuneration system aligns payment and performance of the Management Board members.

### 1.2.3 Appropriateness

The remuneration of Management Board members will be determined considering their tasks and performance and the Company’s economic situation. It shall be appropriate in comparison to the remuneration granted by our competitors and to the senior management and other employees of the Company.

#### **1.2.4 Shareholder and Stakeholder interests**

By linking variable remuneration to performance of the Company, the remuneration system contributes to aligning the interests of the Management Board with the interests of shareholders and stakeholders of the Company. The Management Board members are in addition required to hold a certain percentage of their annual base remuneration in shares of the Company.

#### **1.2.5 Compliance**

The remuneration of the Management Board members of the Company shall be compliant with all applicable statutory and regulatory requirements.

## **2 Establishment, implementation and review of the remuneration system**

### **2.3 General process**

**2.1.1** The Supervisory Board determines the remuneration system for the Company's Management Board members in accordance with Sec. 87 and 87a AktG and the applicable recommendations of the GCGC, and based on this system, the actual remuneration of each individual Management Board member. The Supervisory Board is supported in this task by its remuneration and nomination committee ("Committee"). The Committee develops and recommends the remuneration system for the members of the Management Board based on the aforementioned legal framework. Except for the resolution on the remuneration system and the determination of the actual remuneration of each individual Management Board member, the Supervisory Board may delegate the activities described below to the Committee, which shall then perform these tasks and prepare the respective resolutions. Any subsequent reference to the Supervisory Board shall to this extent also apply to the Committee.

**2.1.2** The Committee shall also prepare the regular review of the remuneration system by the Supervisory Board as well as the annual remuneration report on the remuneration granted and owed to each individual current and former member of the Management Board.

**2.1.3** The Supervisory Board and the Committee may consult external advisors (e.g. remuneration experts) if required. When mandating any external advisors, the Supervisory Board and the Committee verify and monitor the independence of such advisors from the Management Board and the Company.

**2.1.4** The remuneration system adopted by the Supervisory Board will be presented to the annual general meeting for approval. The annual general meeting of the listed Company shall resolve on the approval of the remuneration system for the members of the Management Board presented by the Supervisory Board whenever there is a significant change to the remuneration system, but at least every four years.



**2.1.5** In case the remuneration system is not approved by the annual general meeting, the Supervisory Board will in accordance with Sec. 120a (3) AktG present a revised remuneration system at the next annual general meeting at the latest.

**2.1.6** The current remuneration system applies to all Management Board members as of 26 January 2021 (provided that the short-term and long-term incentives described in Sections 4.5 and 4.6 shall be granted beginning with the fiscal year 2021/2022), as well as for all new service contracts to be concluded with Management Board members and for reappointments.

## **2.4 Determination of the actual target remuneration**

The Supervisory Board will at the beginning of each fiscal year review and determine in accordance with the remuneration system the variable remuneration in relation to the target total remuneration for each member of the Management Board that is commensurate with the tasks and performance of the respective member of the Management Board and the situation of the Company. The target total remuneration shall not exceed the usual level of remuneration without specific reasons.

The Supervisory Board pays particular attention to ensuring that the target total remuneration is appropriate in comparison to market practice. In order to assess the marketability of the specific target total remuneration of Management Board members, the Supervisory Board makes both a horizontal and a vertical comparison.

### **2.2.1 Horizontal comparison**

Due to the size and complexity of the Company, remuneration data from companies comprising the DAX, MDax and a Pan-European comparator market are used for determining the market appropriateness. To establish a basis for comparison, Vantage Towers' relative positioning within the respective comparison market is determined based on country, sector, revenue, market capitalization as well as company structures. The market appropriateness of the remuneration for the Management Board members is reviewed on that basis.

### **2.2.2 Vertical comparison**

To ensure that the remuneration of the Management Board members is aligned with the remuneration principles elsewhere in the Company, the Supervisory Board takes into account the internal remuneration structure within the Company. It considers the remuneration of senior managers and the workforce of the Company as a whole, and how remuneration has developed over time, in relation to the remuneration of the Management Board members.

## **2.5 Determination of the actual amount of remuneration**

After the end of every fiscal year, the Supervisory Board shall establish the actual amount of individual variable remuneration to be granted/delivered, depending on target achievement.

## **2.6 Review of the remuneration system and actual remuneration**

The Supervisory Board regularly reviews the appropriateness of the remuneration system and the actual remuneration of Management Board members based on a horizontal and vertical assessment as described in section 2.2 above. In case significant changes to the remuneration system are necessary, but at least every four years, the remuneration system will be presented to the annual general meeting for approval in accordance with Sec. 120a (1) AktG.

## **2.7 Conflicts of interests**

With regard to the avoidance and management of potential conflict of interests in connection with determining, implementing and reviewing the remuneration system and the actual remuneration, the Supervisory Board will closely adhere to all relevant provisions of the AktG, the process set out in the Supervisory Board's rules of procedure and the recommendations of the GCGC.

## **2.8 Temporary deviation**

The Supervisory Board may in case of extraordinary circumstances temporarily deviate from the remuneration system if it should be necessary for the long-term wellbeing of the Company. Such extraordinary circumstances include for example a severe financial or economic crisis or events of comparable effects. The Supervisory Board may deviate from the remuneration system (i.e. provisions related to the process of determination of remuneration and the overall remuneration structure) and its individual remuneration components and performance conditions or implement new remuneration components. Any deviation from the remuneration system requires a prior resolution of the Supervisory Board.

## **3 Maximum remuneration**

In accordance with Sec.87a (1) sent. 2 no. 1 AktG, the Supervisory Board determines a maximum amount for the total remuneration (including fringe benefits and pension contributions), which in each case refers to the total of all payments to a Management Board member that result from the remuneration regulations in one fiscal year. The maximum remuneration amounts to EUR 13,000,000 for the Chairperson of the Management Board (CEO), and to EUR 4,000,000 for each, the Chief Financial Officer (CFO) and the General Counsel. If the maximum remuneration is exceeded in a fiscal year, the Supervisory Board shall be entitled to adjust the payout amount of the STI and/or the amount of shares to be transferred under the LTI Plan equal to the amount by which the maximum remuneration has been exceeded.

Furthermore, the payout amount of the STI (as described in detail below) and the number respectively value of Notional Shares granted under the LTI as an award (as described in detail below) are each capped at 200% of the respective target value.

## **4 Remuneration Components**

The remuneration system comprises of performance-related and non-performance-related components (i.e. variable and fixed components), which together form the

total remuneration of each individual member of the Management Board. Variable components comprise of both, short-term incentives and long-term incentives. Furthermore, the Management Board members receive certain fringe benefits, pensions benefits and other allowances (e.g. transitional allowances) where appropriate. The Supervisory Board also has the right to grant the Management Board members a special remuneration for extraordinary performance (see below section 4.8).

The relative share of all fixed and variable remuneration components is explained in relation to the target total remuneration. The target total remuneration shall be the sum of all remuneration amounts in a year (including pension contributions, fringe benefits and transitional allowances, if any) in the event of 100% target achievement. Accordingly, the target total remuneration for each fiscal year comprises of the fixed annual salary, the target value of the STI set at the grant date for 100% target achievement, and the value of the LTI set for 100% target achievement, the pension contributions, transitional allowances and all fringe benefits.

Taking into account the pension, transitional allowances and fringe benefits, the share of the fixed remuneration (i.e. fixed annual salary, pension contributions, transitional allowances and fringe benefits) for the CEO, CFO and General Counsel is 26% to 36%, 42% to 52% and 39% to 49% of the target total remuneration, while short-term performance-based remuneration accounts for 18% to 28%, 15% to 25% and 16% to 26% and long-term performance-based remuneration for 41% to 51%, 28% to 38% and 30% to 40% of the target total remuneration.

The actual percentages may deviate by a small margin in future fiscal years and in case of the appointment of new members of the Management Board. The deviations may particularly result from varying stock prices, the respective dividend equivalent (section 4.6), and the annual expenses in respect of fringe benefits and under consideration of the tranches described in section 8.

The individual components of Management Board members' remuneration are described in detail below:

#### **4.1 Fixed remuneration**

The Management Board members will receive a fixed remuneration per fiscal year which shall be paid in twelve equal instalments at the end of each month.

#### **4.2 Fringe benefits**

The Management Board members will also receive the following fringe benefits:

##### **4.2.1 Car for business and private use or equivalent cash allowance**

A car for business and private use or an equivalent cash allowance in lieu of the car, subject to the Management Board member's choice. The Company bears all the costs associated with the maintenance and use of the vehicle, including insurance, vehicle taxes, repairs, consumables, etc.

#### **4.2.2 D&O Insurance**

The Management Board members are included in the insurance coverage for financial losses (D&O Insurance) subject to a deductible at the minimum level according to Sec. 93 (2) sent. 3 AktG (10% of the loss up to one and a half times the fixed annual remuneration).

#### **4.2.3 Accident insurance**

Existing accident insurance policy for the Management Board members will be continued as far as legally possible. New Management Board members will also be included in insurance coverage for accidents.

#### **4.2.4 Pension, health and care insurance and medical examination**

The Company pays the Management Board members' subsidies for pension, health and care insurance corresponding to an employer's contributions that would be due if the Management Board members were fully liable for statutory social security. The Management Board members are further entitled to undergo a thorough medical examination once a year at the Company's expense.

#### **4.2.5 Supplementary enhanced sick pay**

In the event of temporary incapacity for service resulting from illness, accident or any other reason for which a Management Board member is not responsible, the Company will pay the fixed salary pro rata for the duration of the incapacity for a period of up to twelve months (up to the end date of the Management Board service contract at the latest).

#### **4.2.6 Tax Services**

Where agreed with the Supervisory Board, Management Board members are entitled to use tax services at the expense of the Company for the preparation of the tax return.

#### **4.2.7 Additional health insurance**

Where agreed with the Supervisory Board, the Company may bear additional health insurance costs for Management Board members and their close family members.

### **4.3 Transitional allowance**

Where appropriate, e.g. in case of relocations from other countries, the Supervisory Board may grant transitional allowances to compensate for any inconveniences or hardship resulting from the event triggering such allowances. Currently, the Company grants to V. Badrinath and T. Reisten transitional allowances.

### **4.4 Pension benefits**

The members of the Management Board participate in the Vodafone pension scheme for senior executives (*Vodafone Pensionsplan Führungskräfte*). This scheme provides for oldage, death and disability benefits in form of a one-time

pension capital payment, however, the beneficiary may request a payment in instalments or annuity of the payment. In this case, the pension payments are increased by one percent p.a. The monthly contribution of the Company under this scheme amounts to 3% of the fixed monthly base salary up to the applicable income threshold and 16% of the fixed monthly base salary above the applicable income threshold. The members of the Management Board can make additional contributions by salary conversion (*Entgeltumwandlung*) on a voluntary basis to increase the benefits outlined hereinafter.

The pension contributions are invested in investment funds. In this respect, the member of the Management Board can choose between certain investment alternatives with different risk profiles. The structure of the investment is based on a lifecycle model.

Under the Vodafone pension scheme for senior executives, the Management Board members are entitled to old-age pension payments after reaching the age of 62 or the age of 60, respectively, if the Management Board member joined the group prior to 1 January 2012. The amount of the old-age pension benefits depends on the contributions made (*beitragsorientierte Leistungszusage*). Deviating from the Vodafone pension scheme for senior executives, the minimum pay-out in the case of death amounts to four times the respective annual fixed salary (gross). The minimum pay-out for invalidity (i.e. if the member of the Management Board leaves the Company due to partial or full reduction in earning capacity (*Erwerbsminderung*) before the age of 62 or the age of 60, respectively, if the Management Board member joined the group prior to 1 January 2012) remains at three times the respective annual fixed salary (gross).

Claims under the Vodafone pension scheme for senior executives vest according to the provisions of the German Company Pensions Act (*Betriebsrentengesetz*) after three years since the pension promise was made, i.e. the Management Board member will keep any vested pension expectancy if he leaves the Company prior to a pension event.

#### **4.5 Short-term incentives ("STI")**

The STI is used to incentivise the delivery of performance over a single fiscal year, with conditions and targets agreed and set each year by the Supervisory Board.

The conditions and targets will be used to drive and communicate the key priorities of the business for that relevant year. The STI is a performance-based bonus with a one-year performance period. The target value of the STI for a full fiscal year amounts to 100% of the annual fixed salary for the CEO, 60% for the CFO and 60% for the General Counsel, in each case based on the annual fixed salary for the same fiscal year. The STI is limited to the amount of 200% of the target value. The STI is paid at the latest until four months after the end of the fiscal year for which the STI is paid.

The conditions and targets are determined as follows:

#### 4.5.1 Performance Conditions

The amount of the STI to be paid to each individual member of the Management Board is based on the achievement of certain values for the following performance conditions:

- Adjusted EBITDAaL (expected to be weighted 30%)  
which means Adjusted EBITDA less recharged capital expenditure revenue, and after depreciation on lease-related right of use assets and deduction of interest on lease liabilities. Recharged capital expenditure revenue represents direct recharges to Vodafone of capital expenditure in connection with upgrades to existing sites. Adjusted EBITDA means operating profit before depreciation on lease-related right of use assets, depreciation, amortization and gains/losses on disposal for fixed assets, and excluding impairment losses, restructuring costs arising from discrete restructuring plans, other operating income and expense and significant items that are not considered by management to be reflective of the underlying performance of the Group.
- Recurring Free Cash Flow (“FCF”) (expected to be weighted 30%)  
means Recurring Operating Free Cash Flow (as defined hereinafter) less tax paid and interest paid, excluding interest paid on lease liabilities. Recurring Operating Free Cash Flow is Adjusted EBITDAaL plus depreciation on lease-related right of use assets and interest on lease liabilities, less cash lease costs and maintenance capital expenditure. On a pro forma basis, cash lease costs are calculated based on the sum of depreciation on lease-related right of use assets and interest on lease liabilities that were incurred by the Group excluding the effects from lease reassessment of the IFRS 16 lease liability and right of use asset on the sum of the associated depreciation on lease-related right of use assets and interest on lease liabilities, which have a non-cash impact in the respective period. Maintenance capital expenditure is defined as capital expenditure required to maintain and continue the operation of the existing tower network and other passive infrastructure, excluding capital investment in new sites or growth initiatives.
- Incremental non-Vodafone revenue (expected to be weighted 20%)  
which means revenues that are received from sources other than Vodafone.
- Non-Financial KPI (expected to be weighted 20%)  
which means key performance indicators that are not related to financial performance such as technical performance indicators (e.g. building/realisation on time and at costs) and quality related performance indicators (e.g. availability). The Supervisory Board may also determine ESG criteria as non-financial KPIs such as compliance, sustainability, diversity/women’s quota, innovation, client satisfaction or efficiency improvement.

Any financial performance conditions included in the STI will focus on the immediate strategic focus – for example the use of a revenue performance condition may reflect a focus on growth whilst an FCF measure incentivises prudent cash management and capital discipline. Non-financial metrics will also have a strong strategic relevance and will be measured using robust and quantifiable metrics.

#### **4.5.2** Determining achievement of performance conditions and pay-out of STI

The detailed requirements of the STI, in particular the financial and non-financial targets applicable from time to time and the weighting of the performance conditions, are set by the Supervisory Board at its reasonable discretion after coordination with the members of the Management Board, normally, at the latest two months after the start of the respective fiscal year. When determining the detailed STI requirements, the Supervisory Board observes the principles set out in Section 2.2 (determination of the actual target remuneration) above.

The Supervisory Board will for each fiscal year determine the requirements to be achieved with respect to each financial performance condition in order to reach the target level (i.e. 100% target achievement) as well as achievement targets, at least for 100% target achievement, of non-financial performance conditions. The requirements, targets or values so determined with respect to financial and non-financial performance conditions shall be transparent and verifiable and enable an understandable determination of the target achievement, both with respect to its basis and its amount. With respect to non-financial performance conditions, the Supervisory Board may determine, instead of a certain range and a median of 100% target achievement, only a certain stand-alone target which is to be achieved (or a combination of a range and certain stand-alone targets).

After the end of every fiscal year, the Supervisory Board establishes the STI amount to be delivered, depending on the degree of target achievement. The degree of target achievement for financial performance conditions is calculated linearly between 0 and 200% by comparing the achieved value of the respective fiscal year to the set target range. Regarding non-financial KPIs, the Supervisory Board assesses the performance of the individual Management Board members, based on the set achievement targets, and determines their respective achievement.

The STI is normally paid at the latest until four months after the end of the fiscal year for which the STI is paid. The STI will be paid in cash and the members of the Management Board are not restricted in disposing of such cash after its payment.

If a Management Board service contract is terminated during a calendar year, the STI will be granted pro rata temporis, unless otherwise specified in the

Management Board service contract including its annexes. The target value for the STI will be set pro rata temporis. The amount of the pay-out will continue to be based on the originally agreed targets and conditions and will occur at the respective due date. In case the Company is entitled to terminate a Management Board member's service contract or appointment for good cause (Sec. 626 German Civil Code) or if a Management Board member resigns from office without good cause, the member of the Management Board shall not be entitled to an STI. Except for cases of temporary deviations from the remuneration system in accordance with Section 2.5 (temporary deviations) above, the retroactive adjustment of performance conditions for the STI is excluded.

## 4.6 Long-term incentives ("LTI")

### 4.6.1 General Principles

The LTI which will be in respect of three full years is granted annually and used to incentivise the delivery of performance over a vesting and holding period of in total four years, with conditions, targets and maximum target levels agreed and set each year by the Supervisory Board.

The conditions and targets will be used to incentivise delivery of sustained performance over the long-term to enhance the long-term Company value. Under the long-term incentive plan, the members of the Management Board are granted conditional rights in relation to shares of the Company ("**Notional Shares**"). The applicable performance period will be three fiscal years. Following the performance period, actual shares will be transferred to the members of the Management Board in accordance with the principles described hereinafter and must be held by the Management Board members for a further period ("**Holding Period**").

Each member of the Management Board has a target award level for each grant of Notional Shares. The annual target amount for a member of the Management Board equals 200% of the annual fixed salary for the CEO, 100% of the annual fixed salary for the CFO and 100% of the annual fixed salary for the General Counsel, in each case based on the annual fixed salary for the same fiscal year. The initial allocation of Notional Shares at the grant date is based on an assumed maximum achievement of the performance conditions and the number of Notional Shares so granted represents 200% of the Notional Shares awarded for the respective target award level. The LTI, i.e. the Notional Shares, will normally be granted near the beginning of a fiscal year for three full years.

Actual shares granted under the LTI must continuously be held in the Management Board members' securities deposit (or a nominee's securities deposit on behalf of the Management Board member) during the Holding Period and the Supervisory Board may request evidence of such continuous



holding. While the Management Board members enjoy all rights and benefits to which a shareholder is entitled from the actual shares received under an LTI during the Holding Period, they may neither sell or dispose nor monetarise the value of the shares otherwise. The Holding Period ends on the fourth anniversary of the grant date of the Notional Shares, or any later date, as determined by the Supervisory Board.

The Management Board members shall in addition participate in dividend distributions in relation to the Notional Shares granted on the grant date by way of granting further Notional Shares ("**Dividend Equivalent**"). In this context, the dividend per share paid by the Company to its shareholders during the period between the grant date and the date of the transfer of actual shares under the LTI to the Management Board members will be multiplied with the number of Notional Shares granted at the grant date. Such EUR-amount will be divided through the closing price of the Company's shares in XETRA trading on the Frankfurt Stock Exchange on the first trading day on which the Company traded "ex dividend", the result of which shall constitute the (fraction of) company shares that will be added to the Notional Shares. These additional Notional Shares will be treated as if granted at the grant date for the purpose of determining the number of Notional Shares which will vest (see below section 4.6.4).

#### 4.6.2 Performance Conditions

The number of actual shares vesting and to be transferred to each individual member of the Management Board under the LTI is based on the achievement of certain values for the following performance conditions:

- Recurring Free Cash Flow (FCF) (expected to be weighted not less than 50%)  
means Recurring Operating Free Cash Flow (as defined below) less tax paid and interest paid, excluding interest paid on lease liabilities. Recurring Operating Free Cash Flow is Adjusted EBITDAaL plus depreciation on lease-related right of use assets and interest on lease liabilities, less cash lease costs and maintenance capital expenditure. On a *pro forma* basis, cash lease costs are calculated based on the sum of depreciation on lease-related right of use assets and interest on lease liabilities that were incurred by the Group excluding the effects from lease reassessment of the IFRS 16 lease liability and right of use asset on the sum of the associated depreciation on lease-related right of use assets and interest on lease liabilities, which have a non-cash impact in the respective period. Maintenance capital expenditure is defined as capital expenditure required to maintain and continue the operation of the existing tower network and other passive infrastructure, excluding capital investment in new sites or growth initiatives.
- Total shareholder returns ("**TSR**") (expected to be weighted not more than 50% together with ESG criterion)

which means the total amount returned by an investment to the investor in company shares, taking into account the stock price development and the dividends paid by the Company in a given period, the calculation of which will be determined by the Supervisory Board.

- ESG (expected to be weighted not more than 50% together with the TSR criterion)

means environmental, social and governance factors, as determined by the Supervisory Board, e.g. compliance, sustainability, diversity/women's quota, innovation, client satisfaction, efficiency improvement.

The relative weightings will be reviewed annually but anticipated to be 60% Recurring Free Cash Flow, 30% TSR and 10% ESG for the first LTI grant.

Any financial performance conditions included in the LTI will focus on the long-term strategic priorities of the business. As per Section 4.5, an FCF measure incentivises prudent cash management and capital discipline with its importance to the business underlined by its inclusion under both the short-term and long-term variable incentive elements of the remuneration structure. The use of TSR as a performance measure, as well as the fact the LTI is delivered in shares, ensures that management is focused on the long-term interests of Vantage Towers AG's shareholders. The inclusion of an ESG measure reflects the importance of ensuring Vantage Towers AG's network is key enabler for a sustainable digital society, and will be measured against robust and quantifiable metrics.

#### **4.6.3 Determining details of performance conditions**

The detailed requirements of the LTI are governed by the service contract, a long-term incentive plan as well as by the determinations to be made by the Supervisory at the beginning of each fiscal year. In this respect, the Supervisory Board will normally determine:

- the date on which the Notional Shares will be granted (grant date),
- the number of Notional Shares to be granted by dividing the maximum annual LTI amount (i.e. 200% of the target amount) by the relevant stock price (being the closing price of Vantage Towers AG's shares in XETRA trading on the day immediately prior to the date of grant or a certain average stock price in a period immediately prior to the relevant date to take into account unusual high volatility in the Company's stock price),
- the applicable performance conditions as well as the weighting of the performance conditions. This includes the determination of the Supervisory Board of (i) minimum requirements to be achieved with respect to each performance condition in order to receive Notional Shares, (ii) requirements to be achieved with respect to each financial performance condition in order to reach the target level (i.e. 100% target achievement) and (iii) a maximum achievement level in which context the maximum LTI amount shall be

delivered. For non-financial performance criteria, the targets to be achieved are to be set at least for 100% target achievement. The requirements, targets or values so determined with respect to financial and non-financial performance conditions shall be transparent and verifiable and enable an understandable determination of the target achievement, both with respect to its basis and its amount. With respect to non-financial performance conditions, the Supervisory Board may determine, instead of a certain range only a certain standalone target which is to be achieved (or a combination of a range and certain stand-alone targets).

The above determination will be made in accordance with the principles set out in Section 2.2 (determination of the actual target remuneration) above within the first two months of each fiscal year as regards the performance conditions and the first three months of each fiscal year as regards the grant date and number of Notional Shares.

During an ongoing performance period, the Management Board members have no claim to receive any actual shares (or any actual dividend equivalents, see section 4.6.1 above) or to any payment or benefits with respect to the LTI applicable for such performance period.

#### **4.6.4 Determining achievement of performance conditions**

Normally, within the first three months of each fiscal year or at a date the Supervisory Board reasonably determines (provided that such date does not fall into a closed period according to Art. 19 (11) of the EU Market Abuse Regulation), the Supervisory Board determines the gross number of Notional Shares (as increased in the context of the Dividend Equivalent) that will vest subject to any malus (as described in section 5.1 below) based on the following:

- (i) The gross number of Notional Shares that vest is calculated in relation to each performance condition (as described in 4.6.1 above) separately.
- (ii) The achievement of a performance condition is expressed as a percentage figure (if applicable) in relation to its maximum amount or requirements determined by the Supervisory Board. Any overachievement exceeding such maximum amount or requirements will not be considered.
- (iii) If the achievement of a performance condition is less than the respective performance threshold achievement level determined by the Supervisory Board, no Notional Shares in relation to this performance condition vest.
- (iv) The achievement of financial performance conditions will be calculated on a point to point basis, between a performance threshold achievement level and a performance target level and a performance maximum level, whereas in case of an achievement of a performance threshold, at least 25% of the relevant Notional Shares shall generally vest, in case of the achievement of the performance target level at least 50% of the relevant Notional Share shall generally vest and in case of the achievement of the performance maximum level 100%

of the relevant Notional Shares shall generally vest. With respect to the ESG performance condition, the respective ESG performance targets will be determined at grant, and the long-term remuneration attributable to this performance condition will be determined after the end of the performance period (see also above section 4.6.3).

If the Management Board service contract or the appointment of a Management Board member is terminated prior to the vesting of any Notional Shares, the award shall continue to be in effect, whereas, if not already reflected in the award, the number of notional shares awarded to the Management Board member shall be reduced on a prorata basis taking into account the period from the grant date until the termination or, if the Management Board member is released from his or her duties, until the commencement of the release period, and the remaining period until the third anniversary of the grant date unless otherwise specified in the Management Board service contracts of the Management Board members or an annex thereto. The target values for LTI will be set pro rata temporis. The amount of the actual grant (and Dividend Equivalent) will continue to be based on the originally agreed targets and conditions and will be delivered at the respective due date.

The same applies in case of a change of control or if the listing of the Company in accordance with Section 39 (2) German Stock Exchange Act (*Börsengesetz*) terminates ("**Delisting**"), with the proviso that for the calculation of the prorata calculation the period of the fiscal year until the change of control or Delisting and the remaining fiscal year shall be decisive and with the further proviso that instead of a transfer of Company shares, the Management Board members will receive the equivalent value in cash, calculated on the basis of the stock price of the Company shares in XETRA trading on the trading day immediately prior to the date the change of control or delisting become public.

In the case of a demerger of the Company, certain distributions or certain transactions (including rights issues, issuance of free shares and stock split), which in the opinion of the Supervisory Board would affect the current or future value of any granted Notional Shares or grant of actual shares, the Supervisory Board may (i) allow Notional Shares to vest, or (ii) adjust the number of Notional Shares or the terms of the LTI to balance the effects. In case of (i), the Notional Shares will only vest to the extent that any performance condition has been satisfied and subject to any other conditions the Supervisory Board may decide to impose. The Notional Shares will lapse as to the balance. The Supervisory Board may also decide that the number of Notional Shares which will vest will be reduced pro rata to reflect the acceleration of vesting. In case of (ii), the Supervisory shall determine the effect of the measure on the value of the Notional Shares and decide on either an adjustment of the number of Notional Shares Awards for which the same

conditions apply and/or on an adjustment of the terms of the LTI, in particular in respect of price and term, in each case to balance the direct effects from the measure.

In the case of other unforeseen events, the Supervisory Board is entitled to change, cancel or adjust the performance conditions during an ongoing performance period without the Management Board members' consent if such change, cancellation or adjustment serves to take reasonable account of such unforeseen events.

In case the Company is entitled to terminate a Management Board member's service contract or appointment for good cause (Sec. 626 German Civil Code) or if a Management Board member resigns from office without good cause, the member of the Management Board shall not be entitled to any future grants or future vesting under or in connection with the LTI (including to any actual shares or Dividend Equivalents).

Except for situations described above, the performance conditions (and the proportions thereof) for Notional Shares granted shall not be subsequently changed or waived.

#### **4.7 Special remuneration for extraordinary performance**

The Supervisory Board has the right to grant the Management Board members a special remuneration for extraordinary performance. The decision is at the sole discretion of the Supervisory Board. This does not constitute a claim by the board members to receive such special remuneration. The special remuneration is also considered for maximum limit for all remuneration components.

### **5 Malus and clawback provisions**

Variable remuneration components (i.e. STI and LTI as described above) may be reduced (malus) or reclaimed (clawback) by the Company in certain scenarios:

#### **5.1 Malus**

Prior to the payment (or granting of instruments) of a variable remuneration component, whose value has been calculated on the basis of the applicable criteria ("**Baseline Value**"), the Supervisory Board will perform a review as to whether the Baseline Value has to be amended because of violations of stipulations on integrity or compliance by the Management Board members in the relevant period. The amount that results from this possible correction is paid out to the member of the Management Board whereas any instruments, in particular shares, will vest after the vesting date considering such possible correction. In the event of a relevant misconduct, the Baseline Value amount may be reduced by up to 100% of the maximum Notional Shares at reasonable discretion of the Supervisory Board ("**Malus**"). Such misconduct can arise out of individual misconduct (i.e. intentional or grossly negligent unethical or criminal behaviour or breach of duties, including intentional or grossly negligent violation of monitoring or organisational duties) or organi-

sational misconduct attributable to the Management Board members. In this context, in particular the following applies:

- Conduct is to be viewed as unethical if it violates the sense of decency of all persons who think justly and equitably (e.g. discrimination or harassment).
- Conduct is to be viewed as being in breach of duty if it violates principal or ancillary duties deriving from the management board service contracts, an assumed role in a governing body, internal rules and codes of conduct, or applicable laws.

## 5.2 Clawback

In the event that a relevant misconduct, which would have entitled the Company's Supervisory Board to reduce the Baseline Value or forfeit it in full, becomes known at a later date, the Company is entitled, at its reasonable discretion, to claim back the gross pay-out amount in part or in full ("**Clawback**"). The Clawback also applies in cases in which it becomes known at a later date that the key figures on which the determination of the variable remuneration was based upon were false and the variable remuneration based on the correct figures would have been lower or amounted to zero. If variable remuneration components are granted in shares, a possible Clawback includes the EUR value of the shares that were transferred. The decisive factor in this respect is the closing price of the shares in the XETRA trading system (or a comparable downstream system) on the transfer date or, if the transfer date is not a stock exchange trading day, on the following trading day. This also applies if a member of the Management Board commits a relevant misconduct during a holding period (or similar restrictions).

Clawback is excluded if more than three years have passed since payment/transfer of the variable remuneration component was made.

Further claims of the Company against Management Board members arising from their misconduct may exist without prejudice to any Malus and Clawback.

## 6 Share based remuneration

In addition to the granting of shares under the LTI and the related requirements and conditions already described in section 4.6 above, each member of the Management Board is obliged to hold a certain value of shares in the Company. The CEO will be required to hold a value equivalent to 300% of the annual fixed salary (gross) in shares of the Company. For the other members of the Management Board, the share ownership obligation will be set at a value equivalent to 100% of the annual fixed salary (gross) for the CFO and 50% of the annual fixed salary (gross) for the General Counsel. The members of the Management Board have to fulfil such holding obligation no later than five years after the commencement of his or her appointment as member of the Company's Management Board, provided that the appointment continues until this date. The fulfilment of this obligation for Company shares will be verified for the first time after a five-year build-up phase and annually thereafter. For the calculation of the achievement of this personal investment, the annual fixed salary granted in the fifth year of appointment and the average closing prices in the XETRA trading

system (or a comparable successor system) during the last three months immediately preceding the fifth anniversary of the appointment (and the respective periods in the following years) shall be decisive.

In case a Management Board member has not fulfilled his personal investment obligation as described above, the Supervisory Board may reduce outstanding variable remuneration components and/or deliver an outstanding STI fully or partly in shares instead of cash in accordance with this remuneration system, any legal requirements and the recommendations of the GCGC.

The share ownership guidelines provide further incentives for the Management Board members towards the long-term Company value creation in addition to and beyond the performance period of the LTI, and contributes to the alignment of the interests of the Management Board members with the interests of shareholders of the Company.

## **7 Details on remuneration-related legal transactions**

The remuneration of the members of the Management Board is granted on the legal basis of Management Board member service contracts under the following conditions:

### **7.1 Terms and the conditions of their termination, including the respective notice periods**

The Management Board service contracts have a fixed term. The contracts of the current members of the management board, V. Badrinath, T. Reisten and C. Sommer end on 31 December 2023, respectively. Upon expiry of this term, the Management Board service contracts are automatically extended for the duration of a reappointment if the respective Management Board member is reappointed as a member of the Management Board of the Company, unless otherwise agreed.

An ordinary termination of the service contracts is excluded. The right to terminate the Management Board service contracts extraordinarily according to Sec. 626 of the German Civil Code (*Bürgerliches Gesetzbuch* – “BGB”) remains unaffected. The service contracts terminate automatically at the latest when the Management Board members reach the statutory standard retirement age applicable to them under the statutory pension scheme.

The Management Board service contracts also terminate, unless they terminate earlier in accordance with provisions described above, in the case that a board member becomes permanently incapacitated for work during the term of the contract, six months after the end of the month in which the permanent incapacity was established.

Furthermore, if the tenure of a member of the Management Board ends prematurely, their service contract terminates automatically without any requirement for giving notice of termination subject to the notice periods specified in Sec. 622 (2) BGB. When calculating the notice period, the entire duration of the service relationship with the Company, including any service/employment prior to joining the Management Board, shall be taken into account. The Company is entitled to

release the respective Management Board member from his duties during the period between the end of the appointment of the Management Board member as a member of the Management Board to the termination of the Management Board service contract, by complying with the obligation to continue to pay the fixed annual salary as agreed in the service contract. Such time of release will be considered for the STI, but not for the LTI. Untaken holiday will be offset against the time of release. Sec. 615 sent. 2 BGB shall apply.

If a Management Board service contract is terminated during a calendar year, the fixed salary and the variable remuneration (STI and LTI as described in detail above) as well as other remuneration components will be settled pro rata temporis, unless otherwise specified in the Management Board service contracts including their annexes. The target values for STI and LTI will be set pro rata temporis. The amount of the pay-out, respectively of the grant, will continue to be based on the originally agreed targets and conditions and will occur at the respective due date. Further, the effects of the termination of the Management Board service contract on the LTI will be determined by the applicable Company's long-term incentive plan unless otherwise specified in the Management Board service contracts including their annexes.

If the Company is entitled to terminate this Management Board service contract for good cause or in case of an unjustified resignation from office by a Management Board member, the Management Board member is not entitled to the STI or LTI for the respective fiscal year.

Except for the amendments of the LTI as described section 4.6.4, the service contracts do not provide for change of control clauses.

## **7.2 Severance payments**

In the event of a termination of a Management Board service contract before the end of its fixed term described above, any severance payment to compensate the remuneration of the Management Board members (including all fringe benefits and benefits in kind) are limited to two fixed annual salaries („**Severance Cap**“). If the remaining duration of the Management Board service contract is less than two years, the Severance Cap shall be reduced pro rata temporis. A possible severance payment will not be paid if the Company would be entitled to terminate a Management Board service contract according to Sec. 626 BGB or in case of resignation of the board member without good cause for which the Company is responsible.

## **7.3 Main features of the pension and early retirement schemes**

Main features of the pension and early retirement schemes have already been described in section 4.4.

## **8 Treatment of Vodafone entitlements**

The members of the Management Board participate currently in long term incentive programs of Vodafone Group, granted to them in the fiscal years 2018/2019, 2019/2020 and 2020/2021. Such long-term incentive programs would (if not amen-



ded), subject to the level of achievement of the performance conditions, result in the vesting of shares in Vodafone Group Plc, in June 2021, June 2022 and June 2023. The long term incentive awards are – except for the performance conditions – comparable to the long term incentive system described under section 4.6, also with respect to the granted number of notional shares and their calculation.

In order to align the long-term incentive programs of Vodafone Group with Vantage Towers AG business targets, the following shall apply:

- The long-term incentive award granted in the fiscal year 2018/2019 shall result in the vesting of shares in Vodafone Group Plc, subject to the level of achievement of the performance conditions as agreed with Vodafone Group Plc.
- The long-term incentive award granted in the fiscal year 2019/2020 shall result in the vesting of shares in Vantage Towers AG instead of Vodafone Group Plc, subject to the level of achievement of the performance conditions. For the fiscal years 2019/2020 and 2020/2021, the performance conditions agreed with Vodafone Group Plc continue to apply. For the fiscal year 2021/2022, it is assumed that the target performance has been achieved.
- The long-term incentive award granted in the fiscal year 2020/2021 shall result in the vesting of shares in Vantage Towers AG instead of Vodafone Group Plc, subject to the level of achievement of the performance conditions. For the fiscal year 2020/2021, it shall be assumed that the target performance has been achieved. For the fiscal years 2021/2022 and 2022/2023, the performance conditions described in section 4.6.2, and thus the same performance conditions as for long-term incentive programs granted by Vantage Towers AG, shall apply.

Such amendments ensure that the long-term incentives which have not yet vested do properly incentivise the members of the Management Board, whereby the cut-off between Vodafone and Vantage related targets was made on 1 April 2021, i.e. between the fiscal years 2020/2021 and 2021/2022. In addition, the financial year 2020/2021 will only be considered as “on target”. As the change of legal form and IPO of the Company were both at the end of the financial year 2020/2021, the period in the fiscal year 2020/2021 during which Vantage Towers AG was a (listed) stock corporation is negligible in relation to a three years performance period applicable to the long-term incentives. An alignment during a financial year would therefore have caused an unnecessary material complexity.

As described, the long-term incentive awards were granted by Vodafone Group Plc and Vantage Towers AG does not assume the position as grantor. However, Vantage Towers AG will reimburse Vodafone Group Plc on a pro rata basis. The relevant cut-off date for such reimbursement is 1 April 2020, since the current members of the Management Board worked for the Vantage business already in the financial year 2020/2021. Therefore, with respect to the long-term incentive program granted in the fiscal year 2019/2020, the reimbursement amounts to two third of the expenses of Vodafone Group Plc, and with respect to the long-term incentive program granted in the fiscal year 2020/2021, the entire expenses of Vodafone Group Plc will be reimbursed.

The STI granted to the Management Board members under the current managing director service contracts, which have been replaced by the Management Board service contracts, shall be executed on the basis of the performance targets for the fiscal year 2020/2021 and paid out on the agreed pay-out date by the Company. The target value for the STI shall remain unchanged.

\*\*\*

### **Information on agenda item 7:**

#### **Remuneration of the members of the Supervisory Board**

In accordance with section 113 (3) of the AktG, it shall be resolved on the remuneration of the Supervisory Board under agenda item 7. In this context, the Management Board and Supervisory Board propose to confirm the remuneration of the Supervisory Board as set out in Article 13 of the Articles of Association of the Company, including the underlying system. The system of the Supervisory Board remuneration is to be described, by applying Section 87a (1) sentence 2 of the AktG accordingly, as follows:

#### **General**

The remuneration of the members of the Supervisory Board is specified in Article 13 of the Articles of Association of the Company. Accordingly, the members of the Supervisory Board receive a fixed remuneration for their activities, the amount of which depends in detail on the tasks assumed in the Supervisory Board or its committees. A variable remuneration, which depends on the achievement of certain success or targets, is not foreseen for the members of the Supervisory Board. In detail, Article 13 of the Articles of Association of the Company stipulates the following:

- „13 Remuneration of the members of the Supervisory Board
- 13.1 Each member of the supervisory board will receive a fixed remuneration for each financial year of membership in the supervisory board in the following amount:
  - 13.1.1 chairperson of the supervisory board: EUR 300,000.00
  - 13.1.2 deputy chairperson: EUR 150,000.00
  - 13.1.3 each further member of the supervisory board: EUR 80,000.00
- 13.2 Each chairperson of a committee of the supervisory board additionally receives a fixed remuneration of EUR 15,000.00 for each full financial year in which the activity as chairperson of the committee concerned was exercised.
- 13.3 Members of the supervisory board who were members of the supervisory board or chairperson or deputy chairperson of the supervisory board for only part of the financial year will receive a remuneration on a pro rata temporis basis. This applies accordingly to the remuneration as chairperson of a committee.
- 13.4 The remuneration will be due at the end of the relevant financial year.
- 13.5 The company may take out liability insurance in favour of the members of the supervisory board to cover the legal liability arising from the activity as member of the supervisory board.“

### **Specific Structure**

The remuneration of the Supervisory Board is structured as a purely fixed remuneration. This corresponds to the suggestion G.18 sentence 1 of the German Corporate Governance Code ("GCGC") of 2020 ("GCGC 2020"). In accordance with G.17 GCGC 2020, the remuneration for certain function holders within the Supervisory Board is increased in order to appropriately take into account the higher time expenditure for their special activities. In detail, the following applies to the amount of the Supervisory Board remuneration:

- The (ordinary) members of the Supervisory Board receive a fixed annual remuneration of EUR 80,000.00.
- Deviating from this, the remuneration of the Chairperson of the Supervisory Board amounts to EUR 300,000.00, the remuneration of the Deputy Chairperson amounts to EUR 150,000.00.
- Chairpersons of Supervisory Board committees shall receive an additional fixed annual remuneration of EUR 15,000.00.

Members of the Supervisory Board who belong to the Supervisory Board for only part of a financial year will receive a remuneration on a pro rata temporis basis. This applies accordingly to the remuneration as chairperson of a committee.

The remuneration will be due at the end of the relevant financial year.

An attendance fee is not been granted.

### **Contribution to the promotion of the business strategy and the long-term development of the company**

The structure of the Supervisory Board remuneration as purely fixed remuneration strengthens the independence of the Supervisory Board members in the context of their supervisory activities. The fixed remuneration ensures that the decisions of the supervisory board cannot influence the remuneration of the individual members and thus cannot be improperly influenced. This strengthened and independent supervision promotes the business strategy of Vantage Towers AG and contributes to the long-term and sustainable development of the Company.

### **Procedure**

The Supervisory Board will regularly review, at the latest for resubmission to the General Meeting in four years, whether the remuneration of its members continues to be appropriate and also complies with the recommendations of the GCGC. In doing so, the Supervisory Board will also consider companies comparable to Vantage Towers AG and the Supervisory Board remuneration granted there as a benchmark.

In contrast, the remuneration of the employees of Vantage Towers AG and its group companies will not be taken into account for this purpose - other than in the review of the appropriateness of the Management Board remuneration. The reason for this is that the tasks and responsibilities of a Supervisory Board member are fundamentally different from those of employees. This corresponds to the fact that the so-called vertical comparison with the remuneration and employment conditions of employees within the meaning of section 87a (1) sentence 2 no. 9 of the AktG cannot reasonably be made.

In its review of the appropriateness of Supervisory Board remuneration, the Supervisory Board may seek advice and support from an external independent expert. It will decide on this on a case-by-case basis.

Depending on the outcome of the review and its assessment, the Supervisory Board may, together with the Management Board, submit a proposal to the General Meeting to adjust the Supervisory Board's remuneration. Such an adjustment requires an amendment to the Articles of Association in Article 13. Such an amendment to the Articles of Association requires, in addition to the corresponding resolution of the General Meeting, a registration with the commercial register of the company in order to be effective. Irrespective of this, the General Meeting shall resolve on the remuneration of the members of the Supervisory Board, including the underlying system, every four years at the latest. A resolution confirming the remuneration is also possible.

It is in the nature of things that the members of the Supervisory Board are involved in the design of the remuneration system applicable to them. However, the inherent conflicts of interest are counteracted by the fact that the decision on the ultimate structure of the remuneration system is assigned by law to the General Meeting and a resolution proposal by both the Supervisory Board and the Management Board is submitted to it.

\*\*\*

## Requirements for participation in the General Meeting and for exercising voting rights

### Registration

Article 15.1 sentence 1 of the Articles of Association of the Company stipulates that only those shareholders who are registered in the share register and who registered properly and in due time at the address provided for that purpose in the convocation of the General Meeting have the right to attend and vote at the General Meeting.

Please note that a participation in this year's virtual General Meeting can only be exercised by authorising the Company-appointed proxies. Voting rights can also be exercised by means of an electronic postal ballot even without participating in the General Meeting. Other persons can also be authorised, however they may likewise only exercise voting rights by electronic postal ballot or by (sub)authorising the Company-appointed proxies. For details, please refer to the following sections.

The registration must be received by the Company no later than 21 July 2021, 24:00 CEST (= 22:00 UTC). Pursuant to Article 15.1 sentence 4 of the Articles of Association of the Company, the registration must be in text form and in German or English. It shall be sent to the following address:

Vantage Towers AG  
c/o Computershare Operations Center  
80249 München

Fax: +49 89 30903-74675  
E-Mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

Alternatively, the password-protected shareholders' portal can be used to register for the General Meeting. It can be found at the internet address:

<https://www.vantagetowers.com/investors/annual-general-meeting-en>

Shareholders may access the shareholders' portal by entering their shareholder number and corresponding password (PIN), which can be found in the documents sent to them about the convocation of the General Meeting.

### Re-Registration Stop

Section 67 (2) sentence 1 of the AktG provides that rights and obligations arising from shares in relation to the Company exist only for and against the person registered in the share register. Accordingly, the decisive factor for the voting right is the number of shares registered in the share register on the day of the General Meeting. For technical reasons, however, during the last six days before the General Meeting and on the day of the General Meeting itself, no changes will be made in the share register (so-called reregistration stop). The reregistration stop will therefore start on 21 July 2021, 24:00 CEST (= 22:00 UTC) (so-called Technical Record Date). It does not lead to a restriction of any dispositions of the shares. However, in relation to the Company the voting rights and all

other shareholder rights remain with the seller registered in the share register until the new registration. All purchasers of shares in the Company are therefore requested to submit registration applications in due time before the re-registration stop.

Virtual General Meeting without the physical presence of the shareholders or their proxies

Due to the ongoing COVID-19 pandemic, the Management Board, with the consent of the Supervisory Board, has decided that this year's General Meeting will be held as a virtual General Meeting without the physical presence of the shareholders or their proxies. The legal basis for this is Section 1 (2) sentence 1 and (6) of the German Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic from 27 March 2020 (COVID-19 Act), extended and amended by Art. 11 of the Act on the Further Shortening of the Residual Debt Exemption Procedure and on the Adjustment of Pandemic-Related Provisions in Company, Cooperative, Association and Foundation Law and in Tenancy and Lease Law from 22 December 2020, BGBl. I 2020, p. 3328.

For this purpose, the following shall apply:

- (i) The entire General Meeting will be transmitted as video and audio via the Company's password-protected shareholders' portal (see also the section „Transmission of the General Meeting“).
- (ii) Shareholders may exercise their voting rights via electronic communication (by electronic postal ballot) and by granting of powers of attorney. In addition, proxies may also be granted by other means, namely by post. For further details, please refer to the following sections „Voting by proxy“ and „Voting by electronic postal ballot“.
- (iii) Shareholders are granted the right to ask questions by means of electronic communication (please refer to the section „Shareholders' Rights - Right to ask questions“).
- (iv) Shareholders who exercised their voting rights in accordance with (ii) above are given the opportunity to object to resolutions of the General Meeting, waiving the requirement to appear at the General Meeting in deviation from section 245 no. 1 of the AktG.

Shareholders who have registered in due time and whose shares are registered in the share register of the Company can also access the password-protected shareholders' portal at

<https://www.vantagetowers.com/investors/annual-general-meeting-en>

on the day of the General Meeting. There they can also exercise their voting rights by electronic communication (by electronic postal ballot) on the day of the General Meeting and grant proxies and issue instructions to the Company-appointed proxies on how to exercise their voting rights. During the course of the General Meeting, they can also object to a resolution of the General Meeting where applicable. Shareholders may gain the required access to the shareholders' portal on the day of the General Meeting by entering their shareholder number and corresponding password (PIN), which can be found in the documents sent to them about the convocation of the General Meeting.

With regard to the right to ask questions, the Management Board, with the consent of the Supervisory Board, decided that questions must be submitted by electronic communication at least one day before the General Meeting. Further information can be found in the section „Shareholders’ Rights - Right to ask questions“.

## Voting by proxy

### Authorising a third party

Shareholders may have their voting rights exercised by proxy, e.g. by an intermediary, a shareholders’ association, a proxy advisor or also by any other third party of their choice (who must then, however, in turn use electronic postal ballot or the proxies appointed by the Company to cast their votes for this year’s virtual General Meeting). Even in the case of proxy voting, the shareholder must register for the General Meeting in due time. The use of the password-protected shareholders’ portal by a proxy also requires that the grantor of the power of attorney provides the proxy with the necessary access data.

Pursuant to section 134 (3) sentence 3 of the AktG, the granting of a power of attorney, its revocation and the proof of authorisation vis-à-vis the Company must be in text form (section 126b of the German Civil Code). The Company offers the password-protected shareholders’ portal for granting and revoking powers of attorney, which can be accessed on the Company’s website at:

<https://www.vantagetowers.com/investors/annual-general-meeting-en>

The shareholders’ portal will also be available during the virtual General Meeting. The necessary access data for the shareholders’ portal can be found in the documents sent to shareholders about the convocation of the General Meeting. In addition, the power of attorney and any revocation thereof may be submitted in text form to the Company at the postal address, fax number or e-mail address below

Vantage Towers AG  
 c/o Computershare Operations Center  
 80249 München  
 Fax: +49 89 30903-74675  
 E-Mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

or in text form vis-à-vis the proxy. If the power of attorney is granted by declaration vis-à-vis the proxy, proof of the authorisation vis-à-vis the Company in text form is required. This can also be sent to the Company at the above address (including the e-mail address). For convenience, shareholders may use the power of attorney form, which is available on the Company’s website at:

<https://www.vantagetowers.com/investors/annual-general-meeting-en>

For organisational reasons, we kindly request that the power of attorney or proof of authorisation be sent to the above postal address, fax number or e-mail address by 18:00 CEST (= 16:00 UTC) on 27 July 2021.

Special considerations must be taken into account if the proxy is granted to an intermediary, a shareholders' association, a proxy advisor or a person treated as such pursuant to section 135 (8) of the AktG. Only the legal provisions of section 135 AktG apply in this case. Please note that intermediaries, shareholders' associations, proxy advisors and persons of equal standing may themselves make specifications for their own authorisation, which are to be requested from the respective person to be authorised. This also applies to the required form of authorisation.

### **Authorisation of proxies appointed by the Company**

In addition, the Company offers its shareholders the opportunity to authorise proxies appointed by the Company and bound by the voting instructions before or even during the virtual General Meeting (until the beginning of the voting). Please note that also in this case, the shareholder must register for the General Meeting in due time.

The power of attorney and the issuance of instructions to the proxies appointed by the Company must also be in text form, as must any revocation thereof and any amendments thereto.

For the granting of powers of attorney and instructions to the proxies appointed by the Company or for their revocation or amendment, the Company offers the password-protected shareholders' portal, accessible on the Company's website at:

<https://www.vantagetowers.com/investors/annual-general-meeting-en>

The shareholders' portal is also available for this purpose during the virtual General Meeting until the beginning of the voting. Shareholders can find the required access data for the shareholders' portal in the documents sent to shareholders about the convocation of the General Meeting.

In addition, shareholders may use the power of attorney form, which is available on the Company's website at

<https://www.vantagetowers.com/investors/annual-general-meeting-en>

to grant power of attorney and issue instructions to the Company's appointed proxies. The completed form may be sent to the Company prior to the General Meeting to the following postal address, fax number or e-mail address:

Vantage Towers AG  
c/o Computershare Operations Center  
80249 München  
Fax: +49 89 30903-74675  
E-Mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

In this case, for organisational reasons, the completed form must be received by the Company at the above postal address, fax number or e-mail address by 18:00 CEST (= 16:00 UTC) on 27 July 2021.



The proxies appointed by the Company will vote according to the instructions given by the shareholders. Without the issuance of instructions, the power of attorney is invalid as a whole. Please note that the proxies will not accept any powers of attorney and instructions to exercise the right to ask questions and speak, to submit motions or to file objections against resolutions of the General Meeting.

### **Voting by electronic postal ballot**

Shareholders may also exercise their voting rights by electronic postal ballot without attending the virtual General Meeting. Please note that also in this case a registration of the shareholder in due time is required.

For the transmission of electronic postal ballots or for their revocation or amendment, the Company offers the password-protected shareholders' portal, accessible on the Company's website at:

<https://www.vantagetowers.com/investors/annual-general-meeting-en>

For this purpose, the shareholders' portal is also available during the virtual General Meeting until the beginning of the voting. Shareholders can find the required access data for the shareholders' portal in the documents sent to shareholders about the convocation of the General Meeting.

Please note that postal voting by other means, namely by post, fax or e-mail, is not provided for.

### **Transmission of the General Meeting**

The entire General Meeting will be broadcasted live in video and audio on the Company's password-protected shareholders' portal, accessible at <https://www.vantagetowers.com/investors/annual-general-meeting-en>. Shareholders can access the shareholders' portal by entering their shareholder number and corresponding password (PIN), which can be found in the documents sent to them about the convocation of the General Meeting. The place within the meaning of the German Stock Corporation Act at which the General Meeting is held and from which it is transmitted is Industrie-Club Düsseldorf, Elberfelder Straße 6, 40213 Düsseldorf. The physical presence of the shareholders and their proxies at this place is excluded. The only exception is for the Company's appointed proxies, to whom the shareholders may grant power of attorney and issue instructions for the exercise of their voting rights.

## Shareholders' rights

### Additions to the agenda

Shareholders whose combined shareholdings equal or exceed one-twentieth of the share capital or represent a proportionate interest in the share capital of EUR 500,000.00 (i.e. 500,000 shares) may request that items be placed on the agenda and announced. The requesting shareholders have to prove that they have been holders of the shares for at least 90 days prior to the day of receipt of the request and that they hold the shares until the decision of the Management Board on the request. Requests must be addressed in writing to

Vorstand der Vantage Towers AG  
Stichwort „Hauptversammlung“  
Prinzenallee 11-13  
40549 Düsseldorf

It must be received there by no later than 24:00 CEST (=22:00 UTC) on 27 June 2021.

Each new agenda item must be accompanied by the reasons therefor or a draft resolution.

To the extent not already announced in the convocation of the General Meeting, amendments to the agenda that require publication will be announced promptly upon receipt of the request in the Federal Gazette (*Bundesanzeiger*). Any such amendments will also be published on the Company's website and communicated to shareholders in accordance with the statutory requirements.

### Counter-motions and election proposals

Shareholders may submit to the Company counter-motions against a resolution proposal of the Management Board and/or the Supervisory Board as well as election proposals in accordance with section 126 (1) and section 127 of the AktG. Such counter-motions and election proposals are to be sent exclusively to the following postal address or e-mail address:

Vorstand der Vantage Towers AG  
Stichwort „Hauptversammlung“  
Prinzenallee 11-13  
40549 Düsseldorf  
agm@vantagetowers.com

Vantage Towers AG will immediately publish on its website any counter-motions and election proposals of shareholders which are to be made accessible and that are received at one of these addresses by midnight CEST (= 22:00 UTC) on 13 July 2021. Any comments by the administration will also be made available there.

Counter-motions or election proposals of shareholders, which are to be made accessible pursuant to sections 126, 127 of the German Stock Corporation Act (AktG), shall be deemed to have been made at the General Meeting pursuant to section 1 (2) sentence 3 of the COVID-19 Act if the shareholder making the motion or election proposal is duly legitimised and registered for the General Meeting (see section „ Requirements for participation in the General Meeting and for exercising voting rights“).

### **Right to ask questions**

For this year’s virtual General Meeting, the shareholders’ right to ask questions is governed by the provisions of the COVID-19 Act. Shareholders are granted the right to ask questions by means of electronic communication (section 1 (2) sentence 1 no. 3 COVID-19 Act).

The Management Board has decided, with the consent of the Supervisory Board, that questions must be submitted by electronic communication no later than one day before the General Meeting (section 1 (2) sentence 2 half-sentence 2 COVID-19 Act, see already the section „Virtual General Meeting without the physical presence of the shareholders or their proxies“). This means that the questions must be received by the Company no later than 26 July 2021, 24:00 CEST (= 22:00 UTC), using the password-protected shareholders’ portal. The shareholders’ portal is available at <https://www.vantagetowers.com/investors/annual-general-meeting-en>. The required access data for the shareholders’ portal can be obtained by the shareholders from the documents sent to them about the convocation of the General Meeting.

The Management Board decides how to answer questions according to its dutiful, free discretion (section 1 (2) sentence 2 half-sentence 1 COVID-19 Act).

### **Further explanations**

Further explanations of the aforementioned shareholder rights can be found on the Company’s website at:

<https://www.vantagetowers.com/investors/annual-general-meeting-en>

### **Total number of shares and voting rights**

At the time of convening the General Meeting, the share capital of the Company amounts to EUR 505,782,265.00, divided into 505,782,265 registered shares without par value. Each share grants one vote, so that at the time of convening there are 505,782,265 voting rights on the basis of the Articles of Association of the Company.

### **Further information on voting pursuant to Table 3 DVO (EU) 2018/1212**

Under agenda item 1, no resolution is proposed and therefore no vote is scheduled (for explanation see there). Under agenda items 2 to 5 as well as 7, the votes on the announced resolution or election proposals are binding, under agenda item 6 the vote on the announced resolution proposal is of recommendable nature. Shareholders may vote „yes“ (in favour) or „no“ (against) to all resolutions or abstain from voting, i.e. they may not participate in the vote.

**Publication on the Company's website**

The following information and documents, among others, are accessible via the Company's website at <https://www.vantagetowers.com/investors/annual-general-meeting-en> (cf. section 124a of the AktG):

- The content of the convocation, including an explanation of why no resolution is to be passed under agenda item 1, and the total number of shares and voting rights at the time of the convocation;
- the documents to be made accessible to the meeting;
- Forms that may be used when voting by proxy.

The voting results will also be announced on that website after the General Meeting. In addition, shareholders and shareholder representatives who voted at the General Meeting may access a text confirmation of the vote count pursuant to section 129 (5) of the AktG by using the password-protected shareholders' portal within one month after the day of the General Meeting.

**Information on data protection**

We attach great importance to the protection of your data and its processing in compliance with the law. In our data protection information we have summarised all information on the processing of personal data of our shareholders and their representatives. You can find the data protection information under the following link:

<https://www.vantagetowers.com/investors/annual-general-meeting-en>

**Düsseldorf, in June 2021**

**Vantage Towers AG**

**The Management Board**

## Notes

# Notes



**Vantage Towers AG**  
**Prinzenallee 11-13**  
**40549 Düsseldorf**

**[www.vantagetowers.com](http://www.vantagetowers.com)**