

Remuneration Report

1. Remuneration Report

The following remuneration report according to Section 162 German Stock Corporation Act (AktG) outlines and explains the remuneration of current and former Management Board and Supervisory Board members of home24 SE in financial year 2021.

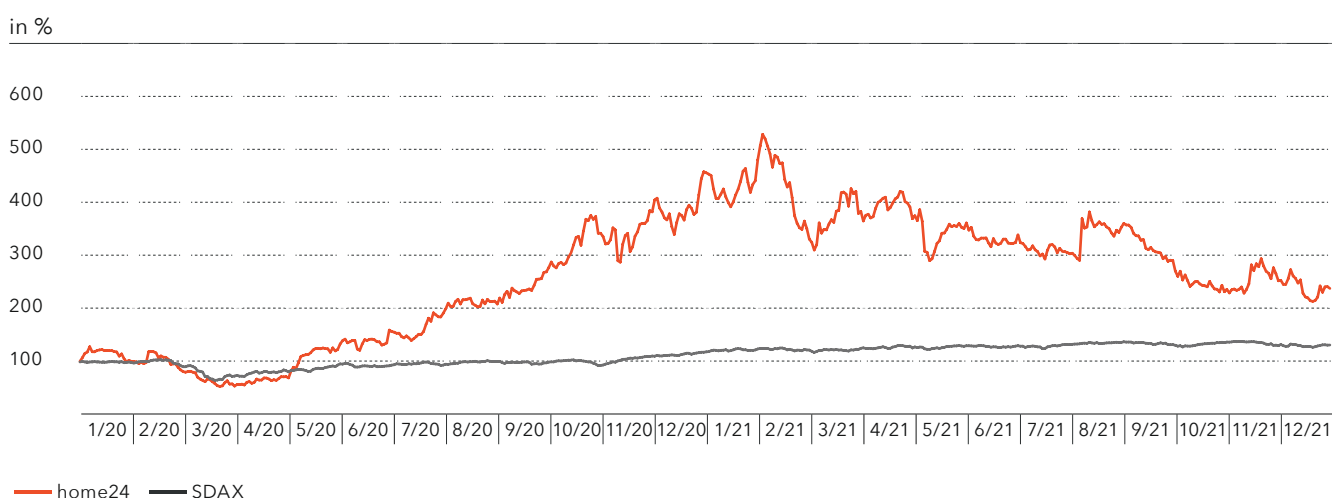
1.1. Review of Financial Year 2021

1.1.1. Business Performance and Share Price

The Company can look back on a successful financial year in 2021. In financial year 2021, the Company grew by 27% at constant currency (and therefore by 80% in the last two years at constant currency) and was able to generate positive adjusted EBITDA.

Financial year 2021 continued to be shaped by the impact of the COVID-19 pandemic, whose effects were also felt on the capital markets. The Company's share price was highly volatile, as already in financial year 2020:

Share Price Chart January 2020 to December 2021



It was necessary to reflect the strong share price fluctuations in the reporting period in the Management Board's long-term, share-based remuneration under the Long Term Incentive Plan 2019 (hereinafter the "LTIP"). More information on this is presented in this report in the section "Inclusion of the Management Board in the LTIP in 2021".

Additional information on the Company's share price performance and course of business in 2021 is available in the "home24 Share" and "Combined Management Report" sections in this Annual Report.

1.1.2. Changes in the Composition of the Management Board

As of the reporting date, the Management Board had three members. The term of office of Philipp Steinhäuser, the Company's current CFO, began on January 1, 2021. The appointment of former CTO Johannes Schaback ended as scheduled on March 31, 2021. During an interim period ending on March 31, 2021, the Management Board had four members.

More information on the changes in the composition of the Management Board can be found in the section "Corporate Governance Report" in this Annual Report.

1.1.3. Annual General Meeting on June 17, 2021

On May 1, 2021, the Supervisory Board voted in favor of a new remuneration system for the Management Board, which was presented for approval to the Company's Annual General Meeting on June 17, 2021. The remuneration system presented applies to all service contracts for Management Board members newly signed or extended after the end of the Company's Annual General Meeting on June 17, 2021. In terms of its content, the Management Board remuneration system presented for approval is essentially equivalent to the remuneration system for the Management Board adopted by the Supervisory Board on November 11, 2020, apart from a few amendments. The content of the amendments aimed to introduce more flexibility to the rules regarding the structure of the total target remuneration and the inclusion of the Management Board in the Company's LTIP, but did not represent any fundamental changes to the system.

The Company's Annual General Meeting approved the Management Board remuneration system presented with 68.39% of the votes cast. A total of 31.61% of the shareholders or shareholders' representatives cast votes against approving the Management Board remuneration system. The approval of the Management Board remuneration system was legally valid as the legally non-binding resolution on the approval of the remuneration system requires a simple majority of the votes cast pursuant to Section 120a (1) AktG. However, the Supervisory Board strives for a significantly higher percentage of votes in favor of this important topic in order to ensure the best possible alignment between the interests of the shareholders and management. For this reason, the Supervisory Board intends to present a new, revised remuneration system for the Management Board for approval to the 2022 Annual General Meeting which incorporates the changes requested by the investors.

Particular concerns expressed by investors regarding the Management Board remuneration system approved in 2021 included the performance target for long-term,

share-based variable remuneration under the Company's LTIP not being ambitious enough and the objective basis for the Supervisory Board's determination of the number of performance shares granted under the LTIP not being transparent enough.

The remuneration system for the Supervisory Board, which is governed by Article 14 of the Articles of Association, was approved by a majority of 99.98% of the votes cast at the Annual General Meeting on June 17, 2021. The vote was so strongly in favor that the Supervisory Board does not see any need to amend it at this time.

1.1.4. Changes in the Supervisory Board

As of the reporting date, the Supervisory Board still had four members, but its composition changed in 2021. The terms of office of all Supervisory Board members ended as scheduled with the conclusion of the Annual General Meeting on June 17, 2021. The Supervisory Board members Lothar Lanz (Chair) and Verena Mohaupt were re-elected by the Annual General Meeting on June 17, 2021. Magnus Agervald and Franco Danesi did not stand for re-election. Former Management Board member Dr. Philipp Kreibohm and Nicholas C. Denissen were newly elected instead, effective as of the end of the Company's Annual General Meeting on June 17, 2021.

More information on the changes in the composition of the Supervisory Board can be found in the section "Corporate Governance Report" in this Annual Report.

1.1.5. Remuneration Committee

At its constituting session on June 17, 2021, the four-member Supervisory Board decided to reinstate the Remuneration Committee, which had not existed since January 1, 2020. The Remuneration Committee consists of Supervisory Board members Verena Mohaupt (Chair), Lothar Lanz, and Nicholas C. Denissen.

The Remuneration Committee discussed options for adjusting the Management Board remuneration system together with an independent external remuneration expert. In this context, the external remuneration expert also reviewed and confirmed the appropriateness of the level of Management Board remuneration by comparing the Company with a peer group of 18 companies from the e-commerce, IT, media and entertainment industries. Eight of the 18 companies are headquartered in Germany, with the others headquartered in the rest of Europe. The remuneration of the Company's Management Board was evaluated to determine whether it was in line with the market, taking into account the major criteria of revenue, number of employees, and market capitalization of the peer group. The Management Board's target remuneration falls within the range of peer group figures on the whole. In terms of fixed and

short-term variable remuneration, the Management Group's target remuneration is relatively low – but this is compensated for by comparatively high long-term variable remuneration. This reflects the intentionally selected remuneration structure, which has an even more long-term horizon than the peer group.

The ratio of Management Board remuneration to the remuneration of the top-tier of executives in the Company (senior vice presidents, C-level positions, and vice presidents) and of the workforce (all employees, including upper management) of the home24 Group in Germany was also calculated and reviewed to determine its alignment with the market. In this regard, the remuneration was confirmed to be in line with the market by the external remuneration expert in view of the vertical remuneration structure of peer companies.

1.1.6. Extension of the Term of Office of Management Board Member Brigitte Wittekind

In December 2021, the term of office of Management Board member Brigitte Wittekind was extended by the Supervisory Board for one year to the end of December 31, 2022, and a corresponding service contract was signed based on the Management Board remuneration system approved by the Annual General Meeting on June 17, 2021. The Supervisory Board decided not to extend Brigitte Wittekind's service contract for longer than one year, because this would then have to be agreed based on the current remuneration system for the Management Board. As described above, despite this remuneration system for the Management Board being approved by the Annual General Meeting on June 17, 2021, the votes against were not insignificant, so the Supervisory Board intends to present an amended remuneration system for approval. In order to put this new remuneration system for the Management Board into effect as soon as possible, the Supervisory Board did not wish to enter into any multi-year obligations based on the current Management Board remuneration system. The negotiations with Brigitte Wittekind scheduled for the end of financial year 2022 concerning a possible further extension of her term of office on the Management Board can therefore be conducted on the basis of the remuneration system for the Management Board approved by the Annual General Meeting in 2022 that will hopefully be carried by a broader majority vote of investors.

1.2. Principles of the Current Remuneration System

The remuneration system for members of the Management Board helps to advance the business strategy and the Company's long-term development. It is clearly and understandably structured, and complies with the provisions of Section 87a AktG and, for the most part, the recommendations of the German Corporate Governance Code ("GCGC"). The incentives provided by the remuneration motivate the members of the Management Board to work towards the Company's long-term success. The Management Board remuneration system thus serves the interests of the shareholders as well as the employees, customers, and other stakeholders. At the same time, the remuneration of the Management Board, which is competitive and in line with market standards, is intended to ensure that the Company can continue to compete in Germany and internationally for the best candidates for its Management Board.

The remuneration of the Company's Management Board members is composed of fixed and variable components. The fixed, non-performance-related remuneration comprises the annual fixed cash remuneration plus market-standard fringe benefits. The variable remuneration is made up of a short-term component (bonus) and a long-term component (LTIP).

The Supervisory Board determines the annual total target remuneration of a Management Board member in advance, ensuring that this reasonably reflects the duties and performance of the Management Board member as well as the business situation, and the Company's success and outlook. Moreover, the Supervisory Board is responsible for ensuring that the total target remuneration is in line with the market. The long-term variable remuneration makes up by far the largest share of the total target remuneration.

Total Target Remuneration

Fixed (non-performance-related)	Variable (performance-related)	
	Bonus (short-term)	LTIP (long-term)
Basic salary + fringe benefits		
Cash remuneration		Share-based payment

Information on the applicable remuneration system along with additional information is available on the Company's website at: <https://www.home24.com/websites/homevierundzwanzig/English/4400/corporate-governance.html>.

1.3. Application of the Management Board Remuneration System in Financial Year 2021

The following section describes the application of the remuneration system in financial year 2021 for each individual remuneration component.

1.3.1. Fixed Remuneration

The fixed non-performance-related cash remuneration, the amount of which is based on the area of responsibility and experience of the relevant Management Board member, is paid in twelve monthly installments. During the reporting period, the annual fixed remuneration amounted to EUR 250,000 for Management Board Chairman Marc Appelhoff and Management Board member Brigitte Wittekind and to EUR 200,000 for Management Board member Philipp Steinhäuser. Former Management Board member Johannes Schaback received annual fixed remuneration of EUR 250,000 on the basis of the Management Board remuneration system approved by the Annual General Meeting on June 19, 2019.

In accordance with the provisions of the remuneration system, Management Board members also received market-standard fringe benefits, including in particular allowances for health insurance and monthly gross amounts representing the employer's contribution to statutory pension and unemployment insurance as well as free D&O and accident/disability insurance. In financial year 2021, the costs of the D&O insurance assumed by the Company totaled EUR 93 thousand (2020: EUR 47 thousand). Management Board members also received additional fringe benefits of EUR 42 thousand (2020: EUR 37 thousand).

The overall fixed remuneration granted in financial year 2021 is in compliance with the provisions of the current remuneration system. This ensures that the Company can continue to compete in Germany and internationally for the best candidates for its Management Board.

1.3.2. Short-Term Variable Remuneration

The short-term variable remuneration consists of an annual bonus, the maximum amount of which is governed by each individual Management Board service agreement. For all Management Board members, the maximum possible bonus for financial year 2021 was EUR 50,000. The Supervisory Board decided on the specific amount of the bonus earned by each member for the financial year in view of the attainment of their individual targets within the three-month period following the end of financial year 2021. However, the annual bonus is credited to the remuneration owed for financial year 2021 within the meaning of Section 162 AktG, because the underlying duties of the Management Board have already been performed in full.

1. Performance Criteria for the Annual Bonus 2021

In line with the provisions of the remuneration system, the Supervisory Board set ambitious performance targets at the start of financial year 2021 for the annual bonus contractually owed to Management Board members that were aligned with the Company's strategic, in addition to operational, goals. In addition to financial performance targets, these also included non-financial performance criteria. The specific performance criteria were selected by the Supervisory Board taking into account business conditions, particularly the budget adopted for 2021 and the improvement in non-financial aspects targeted for 2021. This is why financial targets have been set with regard to revenue performance, profitability based on adjusted EBITDA, and cash position as of the end of 2021. Depending on the degree to which the financial targets are met, the Management Board could earn up to 80% of the maximum bonus achievable for 2021. The Supervisory Board also determined that it will take particular account of aspects relating to improving sustainability and customer satisfaction when assessing the achievement of non-financial targets. Depending on the degree to which the non-financial targets are met, the Management Board could earn up to 20% of the maximum bonus achievable for 2021. The exact presentation of the agreed targets, as well as their degree of achievement, are shown below under 2.

Since the performance criteria for the annual bonus were specified by the Supervisory Board in line with the corporate strategy, the incentive structure uses short-term variable remuneration to promote implementation of the corporate strategy and the sustainable growth of the Company.

2. Application of the Performance Criteria

After the end of financial year 2021, the Supervisory Board determined the degrees of target achievement based on the results achieved, as outlined clearly in the overview below. The Supervisory Board chose to view the Management Board as a team and considered target achievement for all three Management Board members as a unit.

When exercising its discretion to determine the achievement of the non-financial targets, the Supervisory Board primarily considered the renewed increase in customer satisfaction as measured by the NPS score, the reduction in Scope I and II carbon emissions, and obtaining an ESG rating from an external rating agency that is in the upper range of peer companies.

	Assessment criteria	Target achievement
Financial targets (weighting: 80 %)		
Revenue growth of the home24 Group ¹ at constant currency	If revenue growth falls below 16.3%, no bonus is paid.	109%
	If revenue growth comes in at 26.3%, a bonus of 26.7% is paid.	
	If revenue growth is at least 36.3%, a bonus of 53.4% is paid.	
Profitability based on adjusted EBITDA ²	If adjusted EBITDA falls below 0.3%, no bonus is paid.	0%
	If adjusted EBITDA is at least 5.3%, a bonus of 26.7% is paid.	
Cash position at year-end ³	If the cash position amounts to EUR 63.6 million or less at year-end, no bonus is paid.	0%
	If the cash position amounts to at least EUR 88.6 million, a bonus of 26.7% is paid.	
Non-financial targets (weighting: 20%)		
Sustainability	Consideration of sustainability/GRC aspects at the discretion of the Supervisory Board	100%
Customer satisfaction	Consideration of customer-related, operational KPIs such as NPS, out-of-stock rate, delivery time compliance at the discretion of the Supervisory Board	

¹ If revenue growth is between 16.3% and 36.3%, the amount is pro-rated on a linear basis.

² If adjusted EBITDA comes in at between 0.3% and 5.3%, the amount is pro-rated on a linear basis.

³ If the cash position amounts to between EUR 63.6 million and EUR 88.6 million, the amount is pro-rated on a linear basis. Cash effects resulting from the IPO of home24 subsidiary Mobly S.A. in Brazil at the start of financial year 2021 are not reflected in the calculation of the cash position. This is also true of balance sheet items that influence the cash position, such as marketing expenditure in Q4/2021 and current assets, and are not within the scope of ordinary business.

For financial year 2021, the following annual bonus (which will be paid out in the second quarter of 2022) was calculated based on the target achievement determined:

Management Board member	Amount paid out (in EURk)
Marc Appelhoff	25
Brigitte Wittekind	25
Philipp Steinhäuser	25
Johannes Schaback	6
Total	81

1.3.3. Long-Term Variable Remuneration

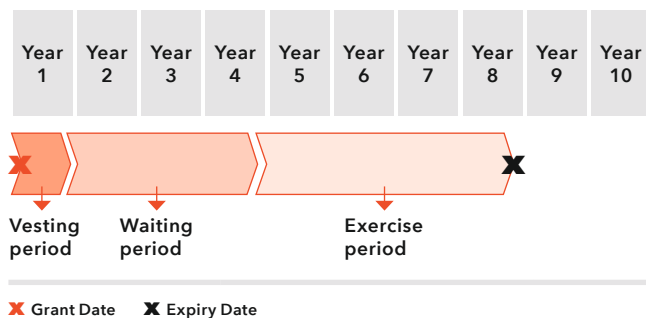
The Management Board receives performance shares under the Company's LTIP as long-term, share-based variable remuneration.

1. Description of the LTIP

The LTIP enables the Management Board to participate in increases in the Company's equity value by receiving performance shares that are linked to the increase in value of the Company's shares. The performance shares are structured as options. Beneficiaries receive the difference in value between the share price at the exercise date and the base price determined upon issue of the performance shares. The difference in value is settled in the form of either Company shares or cash at the discretion of the Company. As a rule, the shares vest twelve months after the effective date. According to the currently applicable LTIP terms, the performance shares can generally be exercised after a four-year holding period, as long as they are vested and the average revenue growth rate (adjusted for non-recurring effects) for the home24 Group in the four years following granting of the performance shares (waiting period) is not less than 10%.

The performance shares may be exercised within four years of the expiration of the waiting period (exercise period).

Last updated: 2021



To the extent that the Company settles claims from the exercise of performance shares in the form of shares, beneficiaries are not subject to any rules regarding how long they are required to hold these corresponding shares.

2. Inclusion of the Management Board in the LTIP in 2021

The members of the Management Board received the following performance shares for their activities in financial year 2021 with economic effect as of January 1, 2021:

Management Board member	Number	Grant date ¹	Base price (in EUR)
Marc Appelhoff	56,163	11.03.21	9.93
Marc Appelhoff	47,275	07.05.21	9.93
Brigitte Wittekind	46,210	11.03.21	9.93
Brigitte Wittekind	39,309	07.05.21	9.93
Philipp Steinhäuser	72,200	11.11.20	9.93
Johannes Schaback	–	–	–

¹ Grant date as defined in the LTIP terms and conditions, start of the four-year waiting period

The number of performance shares to be granted in each contract year and the method for determining the base price for the annual tranches is agreed in the underlying multi-year service agreements for the Management Board members. As contractually agreed, the Supervisory Board based the base price for the performance shares granted to the Management Board in financial year 2021 on the average closing price of home24 shares in XETRA trading in the third quarter of 2020.

The number of performance shares to be granted for each contract year was specified when the Management Board employment contracts were signed. This calculation takes into account the fact that the Management Board in its current size should essentially receive around 1% of the Company's increase in value per year via the LTIP.

The individual total target remuneration for each Management Board member specified when their contracts are signed cover all remuneration components and assume 100% target achievement for the variable remuneration components. The value of the performance shares is calculated using a Black-Scholes model. Since the binding number of performance shares for the annual tranches is generally agreed when the contracts are signed, the total target remuneration may vary, because the value of the performance shares to be granted changes depending on share price performance and volatility. To nonetheless ensure the market conformity of the annual remuneration, particularly the performance shares to be allocated annually, the Management Board service agreements for all Management Board members specify an individual amount that an annual tranche of performance shares may not exceed ("LTIP cap").

Based on his service agreement, Management Board Chair Marc Appelhoff has the right to be granted 103,438 performance shares for financial year 2021 with a base price of EUR 9.93 (average closing price of home24 shares in XETRA trading in the third quarter of 2020). However, this tranche would have exceeded the LTIP cap agreed in his service agreement amounting to EUR 790,000, which was to be calculated according to the terms of the service agreement effective January 1, 2021. Marc Appelhoff was therefore initially only granted a tranche of 56,163 performance shares with a base price of EUR 9.93 on March 11, 2021.

The LTIP cap agreed in the service agreement for Brigitte Wittekind was also exceeded: Brigitte Wittekind would have had the right to be granted 85,519 performance shares with a base price of EUR 9.93 (average closing price of home24 shares in XETRA trading in the third quarter of 2020). However, this tranche would have exceeded the LTIP cap agreed in her service agreement amounting to EUR 650,000, which was to be calculated according to the terms of the service agreement effective January 1, 2021, as in the case of Marc Appelhoff. For this reason, Brigitte Wittekind was therefore initially only granted a tranche of 46,210 performance shares with a base price of EUR 9.93 on March 11, 2021.

The LTIP cap was applied mainly because, as of the date applicable for determining the value of the performance shares to be issued (January 1, 2021), the home24 share price in XETRA trading around the turn of the year 2020/2021 exceeded EUR 22 for a time and therefore almost marked its highest point in twelve months in the midst of significant volatility.

This problem did not arise for Management Board member Philipp Steinhäuser. Philipp Steinhäuser was granted a tranche of 72,200 performance shares with a base price of EUR 9.93 for his first contract year on November 11, 2020, with economic effect as of January 1, 2021, based on his service agreement. On November 11, 2020, home24's share price was around EUR 15 in XETRA trading, much less than on January 1, 2021. As a result, the value of a performance share calculated according to the Black-Scholes model at this time was far lower than was the case as of January 1, 2021, the date applicable for Brigitte Wittekind and Marc Appelhoff.

The Company's Supervisory Board decided on May 3, 2021, to grant Marc Appelhoff and Brigitte Wittekind each a second tranche of performance shares with economic effect as of January 1, 2021. In particular, the Supervisory Board had determined that it was only the volatility of the Company's share price and in this case particularly the sharp and unforeseen rise in the share price in the fourth quarter of 2020 that led to the LTIP cap being reached. The contractual method for calculating the number of performance shares to be granted led to an undesirable situation in which Marc Appelhoff and Brigitte Wittekind would have each received some 45% fewer performance shares than originally agreed – and thus fewer performance shares than new Management Board member Philipp Steinhäuser. In contrast, it was contractually agreed with Marc Appelhoff and Brigitte Wittekind that they should receive ~ 0.39% (Marc Appelhoff) and ~ 0.32% (Brigitte Wittekind) of any increase in the Company's value. This type of volatile share price development in such a short time period could not have been foreseen at the time the contracts with Marc Appelhoff and Brigitte Wittekind were signed. If such a scenario had been considered, the Supervisory Board would have stipulated a more flexible rule for determining the value of the tranche to be granted for a given year, e.g., by basing the calculation on an average of the share price over a reference period.

For this reason, Management Board members Marc Appelhoff and Brigitte Wittekind were granted an additional 47,275 and 39,309 performance shares, respectively, on May 7, 2021. The base price was EUR 9.93 in both cases. The granting of this second tranche of performance shares was linked to the additional performance target of the home24 Group achieving revenue growth at constant currency and non-recurring effects of no less than 20% in financial year 2021.

The Supervisory Board is aware that taking this approach could be considered a deviation from the remuneration system in place, if construed narrowly. However, the Supervisory Board considered this deviation necessary for the reasons outlined above. From the Supervisory Board's point of view, there would not have been a good justification to explain why an extraordinary share price situation on an arbitrarily chosen date led to a situation in which the CEO and the Management Board member responsible for operations, which is strategically highly important, would receive significantly fewer performance shares for financial year 2021 than the newly appointed CFO. In order to provide sufficient incentive and adhere to the principle of awarding remuneration in line with role and responsibilities, the Supervisory Board considered this correction to be advisable.

The Management Board is especially incentivized to work toward the sustainable, long-term success of the Company by the prospect of long-term, share-based variable remuneration with performance shares, which make up a vast majority of its members' total remuneration.

3. Exercise of LTIP Performance Shares in Financial Year 2021

In financial year 2021, Management Board members Marc Appelhoff, Brigitte Wittekind, and Philipp Steinhäuser as well as former Management Board members Christoph Cordes and Dr. Philipp Kreibohm each exercised performance shares from the LTIP that were granted to them

in 2017 at a base price of EUR 0.02. The performance shares were granted as Management Board remuneration only to Marc Appelhoff, Christoph Cordes, and Dr. Philipp Kreibohm in 2017, because at that time Brigitte Wittekind and Philipp Steinhäuser were not yet members of the Company's Management Board. In return for assigning their remuneration claims from the LTIP to the Company, the claims arising from the performance shares exercised were settled by granting each Management Board member new shares of the Company from Conditional Capital 2019 as follows:

Governing body member	Position	Claim from exercised performance shares (in EURk)	Number of shares granted for settlement	Date
Marc Appelhoff ¹	Management Board Chairman	1,549	93,626	06.07.2021
Brigitte Wittekind	Management Board member	54	3,521	09.07.2021
Philipp Steinhäuser	Management Board member	33	2,018	06.07.2021
Christoph Cordes	Former Management Board member	1,161	70,219	06.07.2021
Dr. Philipp Kreibohm	Former Management Board member	346	21,859	07.07.2021

¹ The performance shares exercised by Marc Appelhoff had been granted to him in 2017 for a total performance period of four years, with one quarter of the performance shares granted with economic effect as of January 1 of each of the years 2017 to 2020.

The currently serving Management Board members have not sold the shares of the Company granted to them during the reporting period and are therefore as shareholders of the Company are incentivized to work toward a sustained increase in the Company's value.

1.3.4. Compliance with Maximum Remuneration Thresholds

The total remuneration for an individual Management Board member is limited to a maximum of EUR 15 million per year by the Management Board service contracts. However, due to the overall remuneration structure with a majority made up of long-term, variable remuneration, which is linked to the Company's share price performance, this maximum threshold can only be reached if the Company's valuation multiplies during an LTIP tranche period. The possible cap on an amount exceeding this maximum threshold is exercised when the claims arising from the LTIP performance shares issued for the relevant year are settled after the waiting period is over. In financial year 2021, the Company kept the Management Board's remuneration within the maximum threshold.

1.3.5. Clawback

After payment of the annual bonus, the Management Board members are generally free to do as they choose with the amount granted. However, since November 11, 2020, the remuneration system has provided the Supervisory Board with the option of requesting full or partial repayment within three years after payment of the annual bonus, if it turns out that the bonus amount was unknowingly calculated by the Supervisory Board on the basis of incorrect information (clawback).

In the reporting period, all Management Board service agreements did not yet include this clawback clause. In accordance with the remuneration system, a clawback clause is included in all new Management Board service agreements signed. No variable remuneration components were clawed back from Management Board members in financial year 2021.

1.3.6. Other

1. Benefits upon Contract Termination

No contractual commitments are stipulated for the event of the early termination of Management Board activity. If a Management Board member becomes permanently unable to work, that Management Board member's service agreement expires at the end of the calendar quarter in which the permanent inability to work is determined.

2. Company Pension Plan

No company pension arrangements have been agreed with the Management Board members.

3. Post-contractual Non-Compete Obligation

The Management Board service agreements each include a post-contractual non-compete obligation, which stipulates that Management Board members are prohibited from working for one of the Company's competitors for a period of six months after the Management Board service agreement ends.

4. Third-party Benefits

In financial year 2021, no Management Board member was awarded or granted benefits from a third party for their Management Board activities.

5. Remuneration for Supervisory Board Activities

The Management Board members were neither awarded nor granted any remuneration in financial year 2021 for service on the supervisory boards of companies whether part of the Group or not.

1.4. Remuneration of the Supervisory Board in Financial Year 2021

The remuneration of Supervisory Board members of the Company is governed by Article 14 of the Articles of Association, according to which Supervisory Board members have the right to claim fixed remuneration payable after a given financial year. The amount of remuneration paid to the members of the Supervisory Board is determined according to each member's duties on the Supervisory Board and its committees. Ordinary members of the Supervisory Board receive fixed annual remuneration of EUR 30 thousand. By way of derogation, the Chair of the Supervisory Board receives fixed annual remuneration of EUR 90 thousand, while the Deputy Chair of the Supervisory Board receives such remuneration totaling EUR 45 thousand. The Chairman of the Audit Committee receives additional fixed annual remuneration of EUR 30 thousand, while members of the Audit Committee also receive such additional remuneration totaling EUR 10 thousand each. Members serving on the Supervisory Board or one of its committees for a fraction of a financial year receive pro-rated remuneration.

Supervisory Board members are covered by the Company's D&O insurance. The Company also reimburses Supervisory Board members for the reasonable expenses they incur when carrying out their Supervisory Board mandate as well as the VAT payable on their remuneration and expenses.

In financial year 2021, the Supervisory Board remuneration system was applied in accordance with the provisions of Article 14 of the Articles of Association. The Supervisory Board members did not receive any additional remuneration or benefits for services they provided individually, particularly consulting and brokerage services, in the reporting period. The members of the Supervisory Board also received neither loans nor advances, nor were any contingent liabilities assumed in their favor.

1.5. Remuneration Amounts

1.5.1. Management Board

The following table lists the fixed and variable remuneration components granted and owed to the current Management Board members in the financial year ended, including the respective relative share in accordance with Section 162 AktG. This includes the fixed remuneration paid out in the financial year, the fringe benefits accruing in the financial year, the annual bonus for financial year 2021, and the performance shares exercised in the financial year 2021 and granted to the current Management Board members in 2017. Refer to the explanation above under "1.3.3. Long-term Variable Remuneration" for information on the performance shares granted to the Management Board in financial year 2021.

	Marc Appelhoff Chairman of the Management Board/CEO since January 1, 2020				Brigitte Wittekind Ordinary Management Board member since January 1, 2020				Philipp Steinhäuser Ordinary Management Board member since January 1, 2021			
	2021		2020		2021		2020		2021		2020	
	EURk	in %	EURk	in %	EURk	in %	EURk	in %	EURk	in %	EURk	in %
Non-performance-related benefits												
Fixed remuneration	250	14%	250	40%	250	73%	250	58%	200	74%	–	n/a
Fringe benefits	13	1%	32	5%	12	4%	29	7%	13	5%	–	n/a
Total non-performance-related benefits	263	14%	282	45%	262	77%	279	65%	213	79%	–	n/a
One-year variable remuneration	25	1%	350	55%	25	7%	150	35%	25	9%	–	n/a
Multi-year variable remuneration	1,549 ¹	84%	0	0%	54 ²	16%	0	0%	33 ³	12%	–	n/a
Total performance-related benefits	1,574	86%	350	55%	79	23%	150	35%	58	21%	–	n/a
Pension expense	0	0%	0	0%	0	0%	0	0%	0	0%	0	n/a
Total Remuneration	1,837	100%	632	100%	341	100%	429	100%	271	100%	–	n/a

¹ The performance shares exercised by Marc Appelhoff had been granted to him in 2017 for a total performance period of four years, with one quarter of the performance shares granted with economic effect as of January 1 of each of the years 2017 to 2020.

² The performance shares exercised were not granted as Management Board remuneration in 2017, as Brigitte Wittekind was not a member of the Company's Management Board at that time.

³ The performance shares exercised were not granted as Management Board remuneration in 2017, as Philipp Steinhäuser was not a member of the Company's Management Board at that time.

The following table lists the fixed and variable remuneration components granted and owed to former Management Board members in the financial year ended, including the respective relative share in accordance with Section 162 AktG:

	Johannes Schaback Ordinary Management Board member until March 31, 2021				Christoph Cordes Ordinary Management Board member until December 31, 2019				Dr. Philipp Kreibohm Ordinary Management Board member until March 31, 2019			
	2021		2020		2021		2020		2021		2020	
	EURk	in %	EURk	in %	EURk	in %	EURk	in %	EURk	in %	EURk	in %
Non-performance-related benefits												
Fixed remuneration	63	88%	250	75%	–	n/a	–	n/a	–	n/a	–	n/a
Fringe benefits	3	4%	32	10%	–	n/a	–	n/a	–	n/a	–	n/a
Total non-performance-related benefits	66	92%	282	85%	–	n/a	–	n/a	–	n/a	–	n/a
One-year variable remuneration	6	8%	50	15%	–	n/a	–	n/a	–	n/a	–	n/a
Multi-year variable remuneration	0	0%	0	0%	1,161 ¹	100%	–	n/a	346 ²	100%	–	n/a
Total performance-related benefits	6	8%	50	15%	1,161	100%	–	n/a	346	100%	–	n/a
Pension expense	0	0%	0	0%	0	0%	0	n/a	0	0%	0	n/a
Total Remuneration	72	100%	332	100%	1,161	100%	–	n/a	346	100%	–	n/a

¹ The performance shares exercised by Christoph Cordes had been granted to him in 2017 for a total performance period of three years, with one third of the performance shares granted with economic effect as of January 1 of each of the years 2017 to 2019.

² The performance shares exercised by Dr. Philipp Kreibohm had been granted to him in 2017 for a total performance period of two years, with one half of the performance shares granted with economic effect as of January 1 of each of the years 2017 to 2018.

1.5.2. Supervisory Board

The remuneration of the Supervisory Board in financial year 2021 does not include variable remuneration components. The following table shows the fixed remuneration granted and owed to current and former members of the Supervisory Board in the financial year ended in accordance with Section 162 AktG.

	2021			2020		
in EURk	Basic remuneration	Additional remuneration for committee work	Total	Basic remuneration	Additional remuneration for committee work	Total
Lothar Lanz	90	10	100	90	10	100
Verena Mohaupt	30	30	60	30	30	60
Franco Danesi (until June 17, 2021)	14	5	19	30	10	40
Magnus Agervald (until June 17, 2021)	21	0	21	45	0	45
Dr. Philipp Kreibohm (since June 17, 2021)	24	0	24	0	0	0
Nicholas C. Denissen (since June 17, 2021)	16	5	21	0	0	0
Total	195	50	245	195	50	245

1.6. Changes in Remuneration and Earnings Over Time

The following comparison presents the annual changes in the remuneration of current and former Management and Supervisory Board members granted and owed, the Group's earnings performance, and the remuneration of employees stated as FTEs. The latter is based on the average wages and salaries of all employees of the home24 Group in Germany. In accordance with the transitional rule in Section 26j (2) Sentence 2 EGAktG, the comparison only covers financial years 2020 and 2021.

Remuneration granted and owed (in EURk)	2021	2020	Change	Change in %
Current Management Board members				
Marc Appelhoff	1,837	632	1,205	191%
Brigitte Wittekind	341	429	-88	-21%
Philipp Steinhäuser	271	–	n/a	n/a
Former Management Board members				
Dr. Philipp Kreibohm	346	–	n/a	n/a
Christoph Cordes	1,161	–	n/a	n/a
Johannes Schaback	72	332	-260	-78%
Employees remuneration on a full-time equivalent basis¹ (in EURk)	38	36	2	6%
Group earnings (in EURm)				
Loss for the period	-35.4	-17.1	-18.3	107%
Adjusted EBITDA	1.4	15.8	-14.4	-91%

¹ Average wages and salaries of employees in the total workforce of the home24 Group in Germany

1.7. Outlook for Financial Year 2022

The Company's Annual General Meeting will take place on June 14, 2022. In accordance with Section 120a (4) Sentence 1 AktG, this remuneration report will be presented to the Annual General Meeting for approval. As outlined above, the plan is to present to the Annual General Meeting an amended Management Board remuneration system for approval in accordance with Section 120a (1) AktG so as to obtain broader approval from the shareholders for the Company's Management Board remuneration system.

The Management Board service agreements for all three currently serving members expire as of December 31, 2022. The Supervisory Board will negotiate the currently planned extension of these Management Board contracts in good time and based on the Management Board remuneration system approved by the Annual General Meeting. The Supervisory Board will further ensure that the Management Board remuneration is reasonable overall and serves the long-term interests of the Company. In particular, it will consider the results of the horizontal and vertical comparison completed by an independent remuneration consultant in 2021.