

HORNBACH Holding AG & Co. KGaA
Group

2024/25

Remuneration Report

HORNBACH Holding AG & Co. KGaA is a publicly listed company with the legal form of a partnership limited by shares (*Kommanditgesellschaft auf Aktien* – KGaA). Pursuant to § 162 of the German Stock Corporation Act (*Aktiengesetz* – AktG), the management and supervisory boards of a listed company are required to prepare a clear and understandable report each year on the remuneration granted and owed to active and former members of the management and supervisory boards in the previous financial year. As a KGaA, HORNBACH Holding AG & Co. KGaA has a Supervisory Board, but does not have a Board of Management. The management of HORNBACH Holding AG & Co. KGaA is instead incumbent on the unlisted company HORNBACH Management AG as the General Partner. HORNBACH Management AG also has a Supervisory Board and a Board of Management.

The remuneration report compiled by the Supervisory Board of HORNBACH Holding AG & Co. KGaA and the General Partner HORNBACH Management AG for the 2023/24 financial year was approved by the Annual General Meeting of HORNBACH Holding AG & Co. KGaA on July 5, 2024 with a majority of 98.27% of the valid votes cast. The Supervisory Board of HORNBACH Holding AG & Co. KGaA and the General Partner HORNBACH Management AG have compiled a remuneration report pursuant to § 162 AktG for the 2024/25 financial year. This report on the one hand presents the remuneration granted and owed to the active and former members of the Supervisory Board of HORNBACH Holding AG & Co. KGaA. On the other hand, it voluntarily presents the remuneration granted and owed to active and former members of the Board of Management and Supervisory Board of HORNBACH Management AG. Moreover, the report explains the principles underlying the remuneration systems for members of the Board of Management and the Supervisory Boards of HORNBACH Holding AG & Co. KGaA and HORNBACH Management AG.

As in previous years already, the feedback received from investors on the remuneration report for the past financial year was accounted for in order to ensure transparent and detailed disclosure of the remuneration of the Board of Management and the Supervisory Board. Based on suggestions received, the remuneration report for the 2024/25 financial year has been revised, particularly in terms of its structure and degree of detail, to further increase the clarity and transparency of remuneration reporting. A review summarizing developments in the past financial year has been included at the beginning of the report. This way, the remuneration of the Board of Management of HORNBACH Management AG can be considered directly in conjunction with the Group's economic performance. Furthermore, overviews summarizing the composition of the relevant bodies have been included to enable dual mandates within the Group structure to be reported more clearly. To ensure complete presentation of the remuneration system, alongside variable remuneration components all fixed remuneration components and further contractually agreed aspects have been detailed. Furthermore, the principles underlying the remuneration system for members of the Board of Management of HORNBACH Baumarkt AG have been reported.

The remuneration report of HORNBACH Holding AG & Co. KGaA for the 2024/25 financial year will be submitted for approval to the 2025 Annual General Meeting on July 11, 2025.

I. Review of the 2024 Financial Year

The 2024/25 financial year was characterized in particular by a stable development in sales and a significant improvement in the gross margin at HORNBACH Holding AG & Co. KGaA. Consolidated sales grew by 0.6% to € 6,200 million despite the weak consumer climate notably in Germany. At the same time, the gross margin increased by one percentage point, as a result of which adjusted EBIT for the 2024/25 financial year rose by 6.0% to € 269.5 million (2023/24: € 254.2 million).

The earnings forecast was met in the 2024/25 financial year. In addition, one further location of the HORNBACH Baumarkt AG Subgroup was opened. This Subgroup was consequently operating a total of 172 locations at the end of the financial year on February 28, 2025, of which 73 were located outside Germany in other European countries. Moreover, the company further expanded its market share in several countries.

Particularly in view of the challenging consumer climate, the achievement of the company's financial targets in the 2024/25 financial year is a reflection of its highly efficient processes and consistent cost management, which enabled it to meet customers' requirements across all channels while upholding its price leadership.

The stable financial and strategic business performance of HORNBACH Holding AG & Co. KGaA is also reflected in the target achievement for the variable remuneration of the Board of Management of HORNBACH Management AG. Total target achievement for multiyear variable remuneration (MVR) amounts to 101.74%. For one-year variable remuneration (OVR), by contrast, total target achievement fell short of 100% target achievement, a development due in particular to the free cash flow target not being met and to the ambitious targets set for sales and EBIT.

II. Remuneration of Board of Management of HORNBACH Management AG

A. Board of Management of HORNBACH Management AG in the 2024/25 financial year

The Board of Management of HORNBACH Management AG comprised the following members in the 2024/25 financial year:

Member of Board of Management	Mandate at HORNBACH Management AG	Further remunerated mandates at Group
Albrecht Hornbach	Member and Chief Executive Officer (CEO) since October 9, 2015	– Supervisory Board Chair of HORNBACH Baumarkt AG
Karin Dohm	Chief Financial Officer (CFO) since January 1, 2021	– CFO of HORNBACH Baumarkt AG
Erich Harsch	Regular member of Board of Management since June 1, 2023	– CEO of HORNBACH Baumarkt AG

In the 2024/25 financial year, Albrecht Hornbach, Karin Dohm, and Erich Harsch received additional remuneration for their further mandates at HORNBACH Baumarkt AG. With the exception of HORNBACH Baumarkt AG, the remuneration paid to members of the Board of Management of HORNBACH Management AG is basically deemed as settlement for their activities at subsidiaries and shareholdings.

B. Overview of remuneration system for Board of Management of HORNBACH Management AG

The remuneration of the Board of Management for the 2024/25 financial year is based on the remuneration system adopted by the Supervisory Board of HORNBACH Management AG on December 18, 2019, which took effect as of March 1, 2020. This was amended by a resolution adopted on February 24, 2023, which took effect as of March 1, 2023 (remuneration system of Board of Management of HORNBACH Management AG).

The remuneration of members of the Board of Management comprises fixed and variable components. Fixed remuneration components for the members of the Board of Management are basic remuneration, ancillary benefits, and the company pension scheme. The variable components are one-year and multiyear variable remuneration. In addition, the remuneration system provides for further contractual aspects, such as share ownership guidelines (SOG) and malus and clawback regulations for members of the Board of Management.

The remuneration system for the Board of Management of HORNBACH Management AG essentially comprises the following components:

Component	Description
Fixed remuneration components	
Basic remuneration	Fixed annual salary paid in 12 equal monthly instalments at the end of each calendar month.
Ancillary benefits	<ul style="list-style-type: none"> – Company car for work and private use – Employer grant to health and nursing care insurance – Grant to voluntary pension insurance or, alternatively, to contributions to a life insurance policy amounting to 50% of the respectively valid pension insurance rate up to the amount of the assessment ceiling – Accident insurance – D&O insurance <p>Divergent rules apply in some cases for members of the Board of Management who are simultaneously members of the Board of Management of HORNBACH Baumarkt AG and already entitled to the respective ancillary benefit due to their employment relationship at that company.</p>
Company pension scheme	Defined contribution commitment (half-yearly pension contribution amounting to 12.5% of fixed gross annual salary) with variable interest.
Variable remuneration components	
One-year variable remuneration (EVV)	<p>Plan type: target bonus Performance period: one year Performance criteria (target achievement 0 - 200 %, figures as per consolidated financial statements):</p> <ul style="list-style-type: none"> – Sales (40%) at HORNBACH Holding AG & Co. KGaA – Free cash flow (30%) at HORNBACH Holding AG & Co. KGaA – EBT (30%) at HORNBACH Holding AG & Co. KGaA – Criteria-based modifier (0.8 – 1.2) <p>Cap: 200% of target amount</p>
Multiyear variable remuneration (MVV)	<p>Plan type: performance cash plan Performance period: four years Performance criteria (target achievement 0 - 200 %):</p> <ul style="list-style-type: none"> – ROCE premium over WACC (50%) at HORNBACH Holding AG & Co. KGaA Group – Relative TSR (25%) at HORNBACH Holding AG & Co. KGaA compared with SDAX – ESG criteria (25%) as per consolidated financial statements – Criteria-based modifier (0.8 – 1.2) <p>Cap: 200% of target amount</p>
Further contractual components	
Maximum remuneration	<p>Chief Executive Officer: € 2,040,000 Regular members of Board of Management: € 520,000</p>
Malus and clawback	Possibility to reduce OVR and/or MVR payment amount in the event of improper conduct on the part of a member of the Board of Management during the performance period by up to 100% (malus) and claim to repayment of OVR and/or MVR in the event of objectively erroneous consolidated financial statements (clawback).
Share ownership guidelines (SOG)	<p>Obligation to hold shares for duration of activity on Board of Management SOG target:</p> <ul style="list-style-type: none"> – Chief Executive Officer: 150% of one fixed gross annual salary – Regular members of Board of Management: 100% of one fixed gross annual salary <p>Members of the Board of Management are obliged to use 50% of MVR payment amount to buy shares in HORNBACH Holding AG & Co. KGaA.</p>

C. Overview of remuneration system for Board of Management of HORNBACH Baumarkt AG

The relevant remuneration system at HORNBACH Baumarkt AG for the 2024/25 financial year is based on the same principles as the remuneration system at HORNBACH Management AG. It includes the same remuneration components and further contractual aspects and links these to the same performance criteria with the same weightings – merely based in this case on corresponding references to HORNBACH Baumarkt AG.

In connection with the delisting of HORNBACH Baumarkt AG as of the conclusion of February 28, 2022, by resolution adopted on February 17, 2022 the Supervisory Board adapted the remuneration system for members of the Board of Management of HORNBACH Baumarkt AG such that, to the extent that their remuneration was previously based on the share price of HORNBACH Baumarkt AG, such remuneration would from March 1, 2022 refer to the share price of HORNBACH Holding AG & Co. KGaA.

The maximum remuneration for the Chief Executive Officer of HORNBACH Baumarkt AG amounts to € 2,703,750, while the maximum remuneration for regular members of the Board of Management amounts to € 1,822,500.

D. Remuneration of Board of Management of HORNBACH Management AG in the 2024/25 financial year

1. Target remuneration in the 2024/25 financial year

The following table presents the individual target remuneration and the relative shares of the individual remuneration components for the Chief Executive Officer of HORNBACH Management AG, Albrecht Hornbach:

Albrecht Hornbach (Chief Executive Officer since October 9, 2015)		
Component	Target (in €)	Share
Basic remuneration	480,000	41%
+ OVR	265,000	23%
= Cash remuneration	745,000	64%
+ MVR	425,000	36%
= Direct remuneration	1,170,000	100%

For the Board members Karin Dohm and Erich Harsch, as well as the target remuneration at HORNBACH Management AG the corresponding remuneration for their activity on the Board of Management at HORNBACH Baumarkt AG is also presented. The target remuneration and the relative shares of the individual remuneration components are structured as follows:

Karin Dohm (CFO since January 1, 2021)			Erich Harsch (Regular member of Board of Management since June 1, 2023)	
Component	Target (in €)	Share	Target (in €)	Share
Basic remuneration	562,000	43%	787,000	43%
at HORNBACH Management AG	112,000	8%	112,000	6%
at HORNBACH Baumarkt AG	450,000	34%	675,000	37%
+ OVR	310,000	23%	435,000	24%
at HORNBACH Management AG	60,000	5%	60,000	3%
at HORNBACH Baumarkt AG	250,000	19%	375,000	20%
= Cash remuneration	872,000	66%	1,222,000	66%
+ MVR	450,000	34%	625,000	34%
at HORNBACH Management AG	100,000	8%	100,000	5%
at HORNBACH Baumarkt AG	350,000	26%	525,000	28%
= Direct remuneration	1,322,000	100%	1,847,000	100%

There was no increase in target remuneration compared with the 2023/24 financial year.

The amount and structure of target remuneration are regularly reviewed by way of a market comparison. The most recent market comparison was performed in the 2023/24 financial year. By regularly reviewing remuneration, it is ensured that the Supervisory Board responsibly discharges its remuneration-related duties and safeguards appropriate and competitive remuneration for the Board of Management.

2. Fixed remuneration components

Basic remuneration

Basic remuneration constitutes a fixed contractually agreed annual salary that is paid in twelve equal monthly instalments. The amount of basic remuneration reflects the individual's role in the Board of Management, areas of responsibility, and market circumstances.

Ancillary benefits

The members of the Board of Management are granted contractually committed ancillary benefits. Among others, these include the provision of a company car for both work and private use. Furthermore, the members of the Board of Management receive an employer grant to health and nursing care insurance, as well as a grant to voluntary pension insurance or, alternatively, to contributions to a life insurance policy amounting to 50% of the respectively valid pension insurance rate up to the amount of the assessment ceiling.

In addition, the company has concluded accident insurance and pecuniary damage liability insurance (D&O insurance) for the members of the Board of Management.

Other than the ancillary benefits listed, no other ancillary benefits were granted to members of the Board of Management in the 2024/25 financial year.

Company pension scheme

The members of the Board of Management receive a company pension scheme in the form of a defined contribution commitment which also includes retirement, invalidity, and surviving dependent benefits. The company pension is paid after the individual has left the company and reached the age of 65. A pension contribution amounting to 12.5% of the fixed gross annual salary is paid on a half-yearly basis. The pension contributions calculated this way are subject to variable interest.

The following overview shows the present values of the amounts expended by HORNBACH Management AG and (if applicable) HORNBACH Baumarkt AG for the company pension scheme in the 2024/25 financial year on an individualized basis for the members of the Board of Management:

Pension expenses for company pension scheme

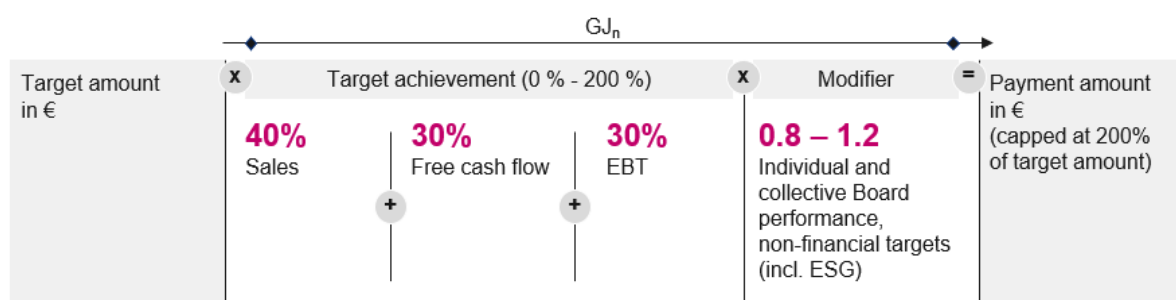
Member of Board of Management	Present value (in €)	Amount expended in 2024/25 financial year (in €)
Albrecht Hornbach	4,053,242	120,000
Karin Dohm	711,087	140,500
at HORNBACH Management AG	141,870	28,000
at HORNBACH Baumarkt AG	569,217	112,500
Erich Harsch	1,052,373	196,750
at HORNBACH Management AG	52,080	28,000
at HORNBACH Baumarkt AG	1,000,293	168,750

3. Variable remuneration components

One-year variable remuneration (OVR) 2024/25

OVR is a performance-related bonus with a one-year performance period. In the first step, OVR is dependent on the three financial performance criteria of sales, free cash flow, and earnings before taxes (EBT) at HORNBACH Holding AG & Co. KGaA (as stated in the consolidated financial statements), for which target achievement may range between 0% and 200%. In the second step, the Supervisory Board may apply a modifier in a range of 0.8 - 1.2 to account for the performance of the individual member of the Board of Management, the collective performance of the overall Board of Management, and the achievement of relevant non-financial targets, such as stakeholder and ESG (Environment, Social, Governance) targets. This approach not only provides incentives for continually increasing the company's earnings strength and internal financing potential, but also incentivizes the Board of Management to focus its activities on the growth strategy pursued by the company. After the end of the respective financial year, the degree of target achievement is calculated for OVR and the payment amount is determined for each member of the Board of Management depending on the degree of target achievement for the performance criteria and taking due account of the modifier. The OVR payment amount may amount to a maximum of 200% of the respective target amount.

The method underlying OVR is structured as follows:



Financial performance criteria

The Supervisory Board of HORNBACH Management AG sets targets for the individual financial performance criteria before the beginning of the respective financial year. Upon the conclusion of the financial year, target achievement is calculated for the individual financial performance criteria. To determine target achievement for the three financial performance criteria, for each criterion the Supervisory Board of HORNBACH Management AG compares the actual value upon expiry of the financial year with the actual value for the previous year (strategic growth rate).

For the 2024/25 financial year, the Supervisory Board set the following threshold, target and maximum values and, based on these values, determined the following degrees of target achievement. Target achievement values between the threshold and the target value and between the target value and the maximum value are interpolated on a linear basis.

Performance criteria at HORNBACH Holding AG & Co. KGaA	Weighting	Threshold (in € 000s) (0% target achievement)	Target value (in € 000s) (100% target achievement)	Maximum value (in € 000s) (200% target achievement)	Actual value (in € 000s)	Target achievement ¹
Sales	40%	6,000,000	6,300,000	6,600,000	6,199,989	66.66%
Free cash flow	30%	130,000	170,000	210,000	108,245	0.00%
EBT	30%	190,000	210,000	230,000	208,011	90.06%
Total target achievement						53.68%

¹ Variances attributable to rounding differences.

Modifier

The modifier is determined by the Supervisory Board of HORNBACH Management AG at its due discretion. The modifier generally amounts to 1.0 and may be adjusted to a value of between 0.8 and 1.2 if the financial performance criteria alone do not adequately reflect the performance of the member of the Board of Management.

For the 2024/25 financial year, the Supervisory Board defined the following criteria for the modifier before the beginning of the financial year:

Member of Board	Collective targets	Weighting	Non-financial targets	Weighting
Albrecht Hornbach	Further development of HORNBACH business models and development of new business models, implementation of S4HANA project and embedding transformation at company	40%	Management development and succession planning	30%
Karin Dohm				
Erich Harsch				
Modifier				1.0

For the 2024/25 financial year, the Supervisory Board set the modifier at 1.0.

Calculation of the payment amount for OVR 2024/25

Total target achievement for the OVR financial performance criteria is based on the individual degree of target achievement for the financial performance criteria. The payment amounts for the members of the Board of Management are determined by multiplying the respective target amounts with the total target achievement for the financial performance criteria and the modifier. This resulted in the following payment amounts for the members of the Board of Management of HORNBACH Management AG for the 2024/25 financial year:

Member of Board of Management	Target amount (in €)	Total target achievement for financial performance criteria ¹	Modifier (0.8 - 1.2)	Payment amount (in €)
Albrecht Hornbach	265,000	53.68%	1.0	142,257
Karin Dohm	60,000			32,209
Erich Harsch	60,000			32,209

¹ Presented with two decimal places; rounding differences may arise.

For their activity at HORNBACH Baumarkt AG, Karin Dohm and Erich Harsch additionally receive OVR from HORNBACH Baumarkt AG. This is structured by analogy with OVR at HORNBACH Management AG, but the financial performance criteria and modifier are measured on the level of the HORNBACH Baumarkt AG Group. Based on the individual target achievement for the financial performance criteria and the modifier, the following payment amounts apply for HORNBACH Baumarkt AG:

Member of Board of Management	Target amount (in €)	Total target achievement for financial performance criteria ¹	Modifier (0.8 - 1.2)	Payment amount (in €)
Karin Dohm	250,000	82.01%	1.0	205,033
Erich Harsch	375,000			307,549

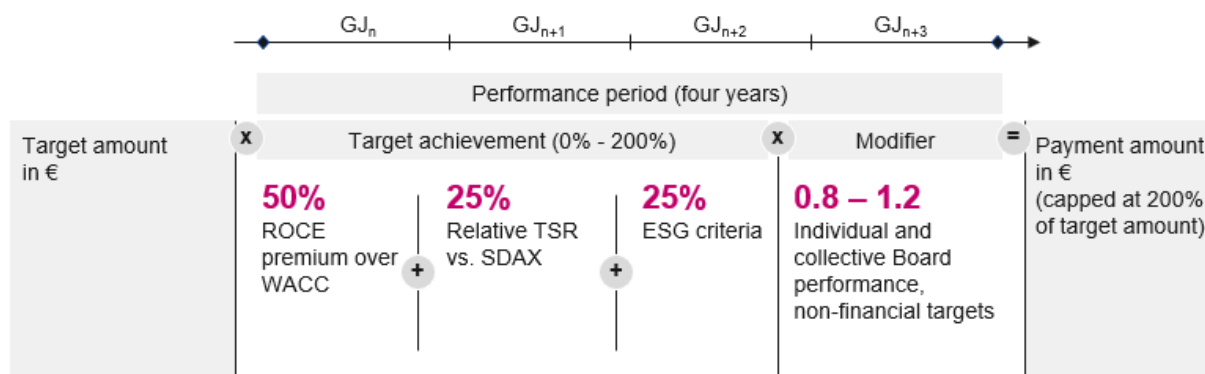
¹ Presented with two decimal places; rounding differences may arise.

Multiyear variable remuneration (MVR): allocation of 2024/25 – 2027/28 tranche

MVR is structured as a performance cash plan with a four-year term (performance period). In the first step, MVR is dependent on the three financial performance criteria of return premium, expressed by the return on capital employed (ROCE) less the weighted average cost of capital (WACC) (ROCE premium over WACC), at the HORNBACH Holding AG & Co. KGaA Group, the relative total shareholder return (TSR) of HORNBACH Holding AG & Co. KGaA compared with companies listed in the SDAX (except HORNBACH Holding AG & Co. KGaA), and ESG criteria pursuant to the consolidated financial statements. In the second step, the Supervisory Board may apply a modifier to account for the performance of the individual member of the Board of Management, the collective performance of the overall Board of Management, and the achievement of relevant non-financial targets, such as stakeholder and ESG (Environment, Social, Governance) targets. This on the one hand creates long-term incentives to generate an adequate return for shareholders, also by comparison with the market. On the other hand, the remuneration system for members of the Board of Management presents and promotes all aspects of sustainably profitable value creation resulting from their entrepreneurial actions.

Following expiry of the performance period, the target achievement for MVR is calculated over the four-year performance period and the payment amount for each member of the Board of Management is determined in line with the level of target achievement for the performance criteria and accounting for the modifier. The MVR payment amount may amount to a maximum of 200% of the respective target amount.

The method underlying MVR is accordingly structured as follows:



For the 2024/25 – 2027/28 tranche, target achievement for the ESG criteria is measured by reference to the weighted target achievement of the following five individual ESG targets, with each individual target accounting for 5%.

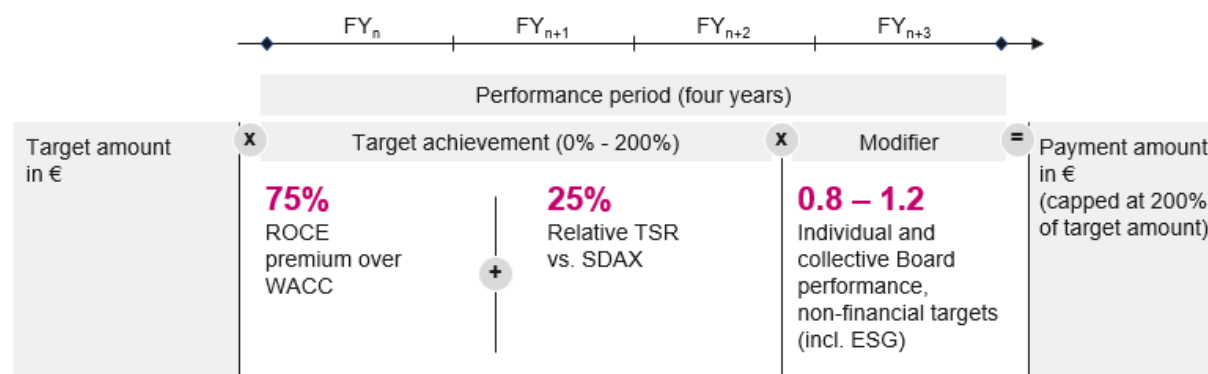
Individual ESG target	Description
Sustainability labeling	Number of articles in the listed stock range that has been investigated at the end of the performance period to ascertain their sustainability benefits in terms of production, logistics and/or application compared with alternative products and, if applicable, labeled with the label developed at the Group for this purpose, expressed as a percentage of the total product range.
Reduction in emissions harmful to the climate	Reduction in climate-harmful emissions (CO ₂ e) in the Scope 1 and Scope 2 GHG categories in absolute figures and in the unit of tonnes compared with the 2021/22 base year.
Employee satisfaction	Employee satisfaction is expressed as a percentage and measured for each financial year in the performance period by stating the number of terminations of permanent employment relationships as a proportion of the number of employees in the financial year and subsequently stating the average figure for the individual financial years in the performance period.
Diversity	Broadening diversity in the two management levels below the Board of Management. Diversity is measured by reporting the number of women managers compared with the total number of managers on the two management levels below the Board of Management as a percentage for each year in the performance period and subsequently stating the average figure for the individual financial years in the performance period.
Customer satisfaction	Global customer satisfaction as reported in the Kundenmonitor customer surveys in Germany, Austria, and Switzerland currently performed by Service Barometer AG ("customer satisfaction"); achievement is measured by reference to the score that HORNBAACH obtains for the individual years in the performance period and, with regard to the threshold, additionally if the score undercuts the weighted sector average score by 0.02 during the last four calendar years before the end of the performance period.

The specific threshold, target, and maximum values for the financial performance criteria and the ESG criteria, the resultant degree of target achievement, and the criteria and amount of the modifier will be published in the remuneration report for the final year in the performance period.

Multiyear variable remuneration (MVR): payment of 2021/22 – 2024/25 tranche

The MVR tranche allocated in the 2021/22 financial year, whose performance period ended upon the expiry of the 2024/25 financial year, is based on the remuneration system at HORNBAACH Management AG adopted on December 18, 2019 and taking effect as of March 1, 2020.

The method underlying this MVR is accordingly structured as follows:



Financial performance criteria

The Supervisory Board of HORNBAACH Management AG sets targets for the individual financial performance criteria before the beginning of the respective performance period. Upon the conclusion of the performance period, the target achievement is calculated for the individual financial performance criteria. To calculate target achievement for the financial performance

criteria, the Supervisory Board of HORNBACH Management AG compares the actual value for each financial performance criterion after the end of the performance period with the previously determined target value.

For MVR 2021/22, the Supervisory Board set the following threshold, target and maximum values and, based on these values, determined the following levels of target achievement. Target achievement values between the threshold and the target value and between the target value and the maximum value are interpolated on a linear basis.

Performance criteria at HORNBACH Holding AG & Co. KGaA	Weighting	Threshold (0% target achievement)	Target value (100% target achievement)	Maximum value (200% target achievement)	Actual value	Target achievement ¹
ROCE premium over WACC (in percentage points)	75%	0.4	0.9	1.4	0.74	68.99%
Relative TSR vs. SDAX	25%	25%	50%	75%	83%	200.00%
Total target achievement						101.74%

¹ Variances attributable to rounding differences.

Modifier

The modifier is determined by the Supervisory Board of HORNBACH Management AG at its due discretion. The modifier generally amounts to 1.0 and may be adjusted to a value of between 0.8 and 1.2 if the financial performance criteria alone do not adequately reflect the performance of the member of the Board of Management.

For MVR 2021/22, the Supervisory Board defined the following criteria for the modifier:

Member of Board ¹	Collective targets	Weighting
Albrecht Hornbach	Further development of governance at company,	1/3
Karin Dohm	change management in context of migration to new ERP system, and	1/3
	increasing the visibility and valuation of the share.	1/3
Modifier		1.0

¹ Erich Harsch has been a member of the Board of Management of HORNBACH Management AG since June 1, 2023. He therefore received no allocation of the 2021/22 - 2024/25 MVR tranche.

For MVR 2021/22, the Supervisory Board set the modifier at 1.0.

Calculation of the payment amount for MVR 2021/22

Total target achievement for the MVR financial performance criteria is based on the degree of target achievement for the individual financial performance criteria. The payment amounts for the members of the Board of Management are determined by multiplying the respective target amounts with the total target achievement for the financial performance criteria and the modifier. This resulted in the following payment amounts for the members of the Board of Management of HORNBACH Management AG for MVR 2021/22:

Member of Board ¹	Target amount (in €)	Total target achievement for financial performance criteria ²	Modifier (0.8 - 1.2)	Payment amount (in €)
Albrecht Hornbach	425,000	101.74%	1.0	432,406
Karin Dohm	100,000			101,743

¹ Erich Harsch has been a member of the Board of Management of HORNBACH Management AG since June 1, 2023. He therefore received no allocation of the 2021/22 - 2024/25 MVR tranche.

² Presented with two decimal places; rounding differences may arise.

For their activity at HORNBACH Baumarkt AG, Karin Dohm and Erich Harsch additionally receive MVR from HORNBACH Baumarkt AG. This is structured by analogy with MVR at HORNBACH Holding AG & Co. KGaA, but the financial performance criteria and modifier are measured on the level of the HORNBACH Baumarkt AG Group – with the exception of relative TSR, which since the end of February 28, 2022 (delisting of the HORNBACH Baumarkt AG share) has been based on the share price performance of HORNBACH Holding AG & Co. KGaA. Based on the individual target achievement for the financial performance criteria and the modifier, the following payment amounts apply for HORNBACH Baumarkt AG:

Member of Board	Target amount (in €)	Total target achievement for financial performance criteria ¹	Modifier (0.8 - 1.2)	Payment amount (in €)
Karin Dohm	350,000	144.98%	1.0	507,430
Erich Harsch	525,000			761,145

¹ Presented with two decimal places; rounding differences may arise.

4. Remuneration granted and owed in the 2024/25 financial year

Remuneration granted and owed to active members of the Board of Management of HORNBACH Management AG

Pursuant to § 162 (1) Sentence 1 AktG, the remuneration report must report on the remuneration granted and owed to active and former members of the Board of Management in the past financial year. The following remuneration tables present the remuneration granted owed for which the performance period ended on February 28, 2025. Accordingly, the following items are reported as remuneration granted and owed in the 2024/25 financial year:

- the basic remuneration paid in the 2024/25 financial year
- the ancillary benefits granted in the 2024/25 financial year
- the OVR earned in the 2024/25 financial year, which is paid at the beginning of the 2025/26 financial year, and
- the MVR with a performance period from March 1, 2021 to February 28, 2025, which is paid at the beginning of the 2025/26 financial year.

The following table presents the remuneration granted and owed, as well as the relative shares of the individual remuneration components, for the Chief Executive Officer of HORNBACH Management AG, Albrecht Hornbach:

Albrecht Hornbach ¹ (Chief Executive Officer since October 9, 2015)				
Component	2024/25		2023/24	
	in €	Share	in €	Share
Basic remuneration	480,000	44%	480,000	36%
+ Ancillary benefits	34,361	3%	33,669	3%
+ OVR	142,257	13%	2,600	0%
+ MVR	432,406	40%	820,000	61%
= Total remuneration	1,089,024	100%	1,336,269	100%
+ Pension expenses ²	120,000	-	120,000	-
= Total remuneration (including pension expenses)	1,209,024	-	1,456,269	-

¹ In his activity as Supervisory Board Chair of HORNBACH Baumarkt AG, Albrecht Hornbach receives additional remuneration of € 110,000 (2023/24: € 110,000).

² The pension expenses are disclosed as service cost pursuant to IAS 19. Service cost pursuant to IAS 19 does not constitute "granted or owed" remuneration as defined in § 162 (1) Sentence 1 AktG, as it was not actually received by the member of the Board of Management in the year under report or owed for the year under report.

For the Board members Karin Dohm and Erich Harsch, as well as the remuneration granted and owed at HORNBACH Management AG the corresponding remuneration for their activity on the Board of Management at HORNBACH Baumarkt AG is also presented. In the case of Erich Harsch it should be noted that, as he joined Board of Management of HORNBACH Management AG as of June 1, 2023, his remuneration for activity on that Board for the 2023/24 financial year has been stated on a time-apportioned basis. By analogy, the remuneration for this activity on the Board of Management of HORNBACH Baumarkt AG has also been stated on a time-apportioned basis for the reporting period. Only MVR has been reported in its full amount, as HORNBACH Baumarkt AG was also still publicly listed in the 2020/21 financial year, in which this remuneration was allocated, and the amount of MVR is relevant for checking compliance with maximum remuneration for the corresponding financial year.

The remuneration granted and owed, as well as the relative shares of the individual remuneration components, are as follows:

Component	Karin Dohm ¹ (CFO since January 1, 2021)				Erich Harsch ² (Regular member of Board of Management since June 1, 2023)			
	2024/25		2023/24		2024/25		2023/24	
	in €	Share	in €	Share	in €	Share	in €	Share
Basic remuneration	562,000	39%	562,000	79%	787,000	41%	590,250	38%
at HORNBACH Management AG	112,000	8%	112,000	16%	112,000	6%	84,000	5%
at HORNBACH Baumarkt AG	450,000	31%	450,000	63%	675,000	35%	506,250	33%
+ Ancillary benefits	20,476	1%	19,618	3%	32,788	2%	30,584	2%
at HORNBACH Management AG	0	0%	-	-	0	0%	-	-
at HORNBACH Baumarkt AG	20,476	1%	19,618	3%	32,788	2%	30,584	2%
+ OVR	237,242	17%	600	0%	339,758	18%	400	0%
at HORNBACH Management AG	32,209	2%	600	0%	32,209	2%	400	0%
at HORNBACH Baumarkt AG	205,033	14%	0	0%	307,549	16%	0	0%
+ MVR	609,173	43%	132,000	18%	761,145	40%	935,000	60%
at HORNBACH Management AG	101,743	7%	31,000	4%	-	0%	0	0%
at HORNBACH Baumarkt AG	507,430	36%	101,000	14%	761,145	40%	935,000	60%
= Total remuneration	1,428,890	100%	714,218	100%	1,920,691	100%	1,556,234	100%
+ Pension expenses ³	140,500	-	140,500	-	196,750	-	147,563	-
at HORNBACH Management AG	28,000	-	28,000	-	28,000	-	21,000	-
at HORNBACH Baumarkt AG	112,500	-	112,500	-	168,750	-	126,563	-
= Total remuneration (including pension expenses)	1,569,390	-	854,718	-	2,117,441	-	1,703,797	-

¹ Karin Dohm has been a member of the Boards of Management of HORNBACH Management AG and HORNBACH Baumarkt AG since January 1, 2021. The 2020/21 tranches of multiyear variable remuneration (MVR) at HORNBACH Management AG and HORNBACH Baumarkt AG have therefore been committed on a time-apportioned basis.

² Erich Harsch has been a member of the Board of Management of HORNBACH Management AG since June 1, 2023. His basic salary, ancillary benefits, pension expenses, and one-year variable remuneration (OVR) at HORNBACH Management AG for the 2023/24 financial year have therefore been stated on a time-apportioned basis. By analogy his basic salary, ancillary benefits, pension expenses, and one-year variable remuneration at HORNBACH Baumarkt AG have also been stated on a time-apportioned basis for the reporting period. Only the payment amount for multiyear variable remuneration (MVR) at HORNBACH Baumarkt AG for the performance period 2020/21 to 2023/24 has been reported in its full amount as granted remuneration for the 2023/24 financial year, as HORNBACH Baumarkt AG was also still publicly listed in the 2020/21 financial year and the amount of MVR is relevant for checking compliance with maximum remuneration for the corresponding financial year.

³ The pension expenses are disclosed as service cost pursuant to IAS 19. Service cost pursuant to IAS 19 does not constitute "granted or owed" remuneration as defined in § 162 (1) Sentence 1 AktG, as it was not actually received by the member of the Board of Management in the year under report or owed for the year under report.

Remuneration granted and owed to former members of the Board of Management of HORNBACH Management AG

Pursuant to § 162 (1) Sentence 1 AktG, report must also be provided on the remuneration granted and owed to former members of the Board of Management. Roland Pelka, formerly CFO of HORNBACH Management AG and HORNBACH Baumarkt AG, retired from his positions on the Boards of Management of these companies upon the conclusion of March 31, 2021. In his case too, the remuneration granted and owed by HORNBACH Management AG is reported, as is the corresponding remuneration for Board activity at HORNBACH Baumarkt AG.

The remuneration granted and owed to Roland Pelka in the 2024/25 financial year comprises the MVR due for payment at the beginning of the 2025/26 financial year, which was allocated to him for his activity on the Board of Management in the 2021/22 financial year, and the pension payments made in the 2024/25 financial year. Specifically, the remuneration granted and owed to Roland Pelka is structured as follows:

Bestandteil	Roland Pelka ¹ (CFO until March 31, 2021)			
	2024/25		2023/24	
	in EUR	Share	in EUR	Share
MVR	399,801	53%	887,000	71%
at HORNBACH Management AG	68,293	9%	193,000	15%
at HORNBACH Baumarkt AG	331,508	44%	694,000	56%
+ company pension scheme ²	360,000	47%	360,000	29%
at HORNBACH Management AG	60,000	8%	60,000	5%
at HORNBACH Baumarkt AG	300,000	39%	300,000	24%
Total remuneration (incl. pension)	759,801	100%	1,247,000	100%

¹ Expiry of employment contract with HORNBACH Management AG: October 31, 2021; expiry of employment contract with HORNBACH Baumarkt AG: September 30, 2021.

² Pension payments since January 1, 2022.

5. Compliance with maximum remuneration

Pursuant to § 87a (1) Sentence 2 No. 1 AktG, the Supervisory Board has defined an absolute amount in euros for the maximum payment of remuneration committed in one financial year. At HORNBACH Management AG, maximum total remuneration amounts to € 2,040,000 for the Chief Executive Officer and to € 520,000 for the other members of the Board of Management. At HORNBACH Baumarkt AG, maximum remuneration amounts to € 2,703,750 for the Chair of the Board of Management and to € 1,822,500 for the regular members of the Board of Management.

The maximum remuneration for one financial year includes all fixed and variable remuneration components (i.e. basic remuneration, ancillary benefits, company pension, OVR, and MVR).

Definitive report on compliance with the stipulated maximum remuneration of members of the Board of Management can only be provided once all remuneration components committed for a given financial year have been paid. Accordingly, for the 2024/25 financial year report can only be provided following expiry of the four-year performance period for MVR, i.e. upon the conclusion of the 2027/28 financial year.

The remuneration paid for the 2021/22 financial year fell significantly short of the stipulated maximum remuneration for all members of the Board of Management. Maximum remuneration was thus complied with even after payment of MVR 2021/22-2024/25.

6. No clawbacks in the 2024/25 financial year

The employment contracts concluded with members of the Board of Management provide for the possibility of retaining (malus) or reclaiming (clawback) variable remuneration components. The malus provision is applied if, within the performance period of OVR and/or MVR, the member commits a breach of duty or acts improperly or significantly infringes his or her duty of care pursuant to § 93 AktG. In these cases, the Supervisory Board may, at its due discretion, reduce the OVR and/or MVR earned for the performance period by up to 100%. Furthermore, a clawback provision has been agreed with members of the Board of Management in the event of objectively erroneous consolidated financial statements. In this case, any OVR and/or MVR already paid may be reclaimed in part or in full.

HORNBACH Management AG did not reduce or claw back any variable remuneration components from individual members of the Board of Management in the 2024/25 financial year. No factual preconditions for any such reduction or clawback of variable remuneration components were met.

7. Share ownership guidelines (SOG)

Share ownership guidelines (SOG) have been agreed with members of the Board of Management in order to align their interests more closely with those of shareholders and to base the remuneration structure even more clearly on long-term growth in the company's value. The SOG involve a commitment on the part of the members of the Board of Management to buy shares in the company and to hold these for the duration of their activity on the Board of Management. The SOG target amounts to 150% of one fixed gross annual salary for the Chair of the Board of Management and 100% of one fixed gross annual salary each for the regular members of the Board of Management. The members of the Board of Management are obliged to use 50% of the payment amount from MVR to buy shares in HORNBACH Holding AG & Co. KGaA until the respective SOG target amount is reached. All members of the Board of Management have complied with this (minimum) obligation. Erich Harsch has only been a member of the Board of Management of HORNBACH Management AG since June 1, 2023 and has therefore not yet received any MVR payment for his activity in this function. He fulfilled his purchase obligation for the previous year in accordance with the remuneration system at HORNBACH Baumarkt AG.

The following overview presents the current SOG status at the end of the 2024/25 financial year (balance sheet date: February 28, 2025):

Fulfillment of share ownership guidelines (SOG)¹

Member of Board	Required		Status quo		Fulfillment of SOG requirement
	Amount (in €)	as % of basic remuneration	Amount (in €)	as % of required amount	
Albrecht Hornbach	720,000	150.0%	720,000	100.0%	achieved
Karin Dohm ²	112,000	100.0%	8,237	7.4%	developing (SOG-compliant)

¹ Achievement of the SOG target is based on the share acquisition costs.

² Statement of the amount necessary for activity on the Board of Management at HORNBACH Management AG.

8. Payments and commitments upon termination of activity on Board of Management

Payments and commitments to members of the Board of Management upon the termination of their activity on the Board of Management

Should the activity of a member of the Board of Management be terminated prematurely, then any potential severance pay, including ancillary benefits, is capped at a maximum of two annual remuneration packages. If the remaining term of the employment contract amounts to fewer than two years, the severance pay may not exceed the contractual remuneration for the remaining term (severance pay cap). The calculation of the severance pay cap is generally based on total remuneration for the past financial year and, where appropriate, also on expected total remuneration for the current financial year.

If a retrospective prohibition on competition is agreed, then any severance pay is imputed to the remuneration agreed as compensation for such prohibition.

If the employment contract is terminated by the member of the Board of Management, or due to a compelling reason for which he or she is responsible, then severance pay is precluded. Members of the Board of Management of HORNBACH Management AG nevertheless receive company pension provision in the form of a defined benefit commitment even in the event of premature termination of their activity.

Should the employment relationship be prematurely terminated before the end of the financial year or performance period, the OVR and MVR are not paid prematurely, but rather at the regular point in time.

All claims to OVR and MVR relating to a current performance period lapse without replacement or compensation in the following "bad leaver" cases: The employment contract with the member of the Board of Management ends prior to expiry of the performance period due to extraordinary termination by HORNBACH Management AG for a compelling reason pursuant to § 626 of the German Civil Code (*Bürgerliches Gesetzbuch* – BGB) for which the member of the Board of Management is responsible; the appointment of the member of the Board of Management ends prior to expiry of the performance period due to his or her appointment to the Board of Management being revoked due to a gross breach of duty; the appointment of the member of the Board of Management ends prior to expiry of the performance period due to his or her resigning, without such resignation resulting from a breach of duty by HORNBACH Management AR or being caused by health impairments on the part of the member of the Board of Management or of a close family member.

Upon the regular conclusion of their activity on the Board of Management, the members of the Board of Management receive a company pension which is paid upon the respective member reaching the age of 65.

III. Remuneration of Supervisory Boards of HORNBACH Management AG and HORNBACH Holding AG & Co. KGaA

A. Supervisory Boards of HORNBACH Management AG and HORNBACH Holding AG & Co. KGaA

In the 2024/25 financial year, the Supervisory Boards of HORNBACH Management AG and HORNBACH Holding AG & Co. KGaA comprised the following members respectively:

Supervisory Board member	Mandate at HORNBACH Management AG	Mandate at HORNBACH Holding AG & Co. KGaA	Further remunerated mandates at Group
Dr. John Feldmann	Supervisory Board member since October 9, 2015 and Chair since July 8, 2021	Supervisory Board member since January 17, 2014 and Chair since July 6, 2018	Deputy Supervisory Board Chair at HORNBACH Baumarkt AG
Melanie Thomann-Bopp	Supervisory Board member and Deputy Chair since July 8, 2021	Supervisory Board member since July 5, 2018	Supervisory Board member at HORNBACH Baumarkt AG
Albert Hornbach	Supervisory Board member since February 26, 2015	-	-
Arnulf Hornbach	Supervisory Board member since July 8, 2021	-	-
Johann Hornbach	Supervisory Board member since July 8, 2021	-	-
Simone Krah	Supervisory Board member since July 8, 2021	Supervisory Board member since July 6, 2018	-
Maria Olivier	Supervisory Board member since January 1, 2022	-	-
Vanessa Stützle	Supervisory Board member since July 8, 2022	Supervisory Board member since July 8, 2022	-
Dr. Susanne Wulfsberg	Supervisory Board member since October 9, 2015	-	-
Martin Hornbach	-	Supervisory Board member since July 10, 2015 and Deputy Chair since October 9, 2015	Supervisory Board member at HORNBACH Baumarkt AG
Simona Scarpaleggia	-	Supervisory Board member since March 24, 2020	Supervisory Board member at HORNBACH Baumarkt AG

B. Overview of remuneration system for Supervisory Board of HORNBACH Management AG

The remuneration of the Supervisory Board is governed by Article 4.7 of the Articles of Association of HORNBACH Management AG in the version dated July 2023 and is structured as follows:

Component	Description		
Basic remuneration	Chair: € 80,000 Deputy Chair: € 60,000 Member: € 40,000		
Committee remuneration	Audit Committee: Chair: € 36,000 Member: € 18,000	Personnel Committee: Chair: € 24,000 Member: € 12,000	Other committees: Chair: € 16,000 Member: € 8,000
Other aspects	Reimbursement of any sales tax allocable to basic remuneration and committee remuneration		

The committee remuneration currently stipulated by the Articles of Association has not been presented here, as the company has not currently formed any committees.

The fixed annual basic remuneration and fixed committee remuneration are granted for each financial year and are each due for payment after the Annual General Meeting to which the annual financial statements for the respective financial year are

presented. Remuneration is proportionately reduced on a time-apportioned basis if a member of the Supervisory Board or a committee is not a member of such for the full financial year or does not chair the respective body for the full financial year.

If a Supervisory Board member is simultaneously a member of the Supervisory Board of HORNBACH Holding AG & Co. KGaA and receives remuneration for his or her activities there, the fixed annual basic remuneration is reduced, in the first instance by € 20,000 (corresponding to half the basic remuneration of a regular member). If the respective member of the Supervisory Board is Chair or Deputy Chair and simultaneously Chair or Deputy Chair of the Supervisory Board of HORNBACH Holding AG & Co. KGaA, remuneration is reduced by a further € 20,000 in the case of the Chair and by a further € 10,000 in the case of the Deputy Chair, i.e. by half the amount by which his or her basic remuneration exceeds that of a regular member.

Given that its structure conforms to market norms, the Supervisory Board remuneration makes it possible to attract suitable candidates for the position of the respective Supervisory Board members. The Supervisory Board remuneration therefore helps to ensure that the respective Supervisory Board member is able overall to perform his or her duties of supervising and advising the Board of Management of HORNBACH Management AG in an appropriate and competent manner and thus promotes the business strategy and long-term development of HORNBACH Management AG as the General Partner of HORNBACH Holding AG & Co. KGaA.

C. Remuneration granted and owed to the Supervisory Board of HORNBACH Management AG in the 2024/25 financial year

The following table presents the remuneration granted and owed to the individual members of the Supervisory Board of HORNBACH Management AG for the 2024/25 financial year:

Member of the Supervisory Board of HORNBACH Management AG		SB ¹	Basic Remuneration (in EUR)	Total remuneration (in EUR)	Remuneration from other Group mandates (in EUR) ³
Dr. John Feldmann ²	2024/25	C	40,000	40,000	224,000
	2023/24	C	40,000	40,000	224,000
Melanie Thomann-Bopp ²	2024/25	DC	40,000	40,000	176,000
	2023/24	DC	40,000	40,000	176,000
Albert Hornbach	2024/25	M	40,000	40,000	-
	2023/24	M	40,000	40,000	-
Arnulf Hornbach	2024/25	M	40,000	40,000	-
	2023/24	M	40,000	40,000	-
Johann Hornbach	2024/25	M	40,000	40,000	-
	2023/24	M	40,000	40,000	-
Simone Krah ²	2024/25	M	20,000	20,000	66,000
	2023/24	M	20,000	20,000	68,820
Maria Olivier	2024/25	M	40,000	40,000	-
	2023/24	M	40,000	40,000	-
Vanessa Stützel ²	2024/25	M	20,000	20,000	40,000
	2023/24	M	20,000	20,000	40,000
Dr. Susanne Wulfsberg	2024/25	M	40,000	40,000	-
	2023/24	M	40,000	40,000	-

¹ SB = Supervisory Board, C = Chair, DC = Deputy Chair, M = Member. No Supervisory Board committees were formed in the 2024/25 financial year.

² As these Supervisory Board members are simultaneously members of the Supervisory Board of HORNBACH Holding AG & Co. KGaA, their fixed annual basic compensation is reduced.

³ The figures present remuneration for mandates in group companies of HORNBACH Management AG (§ 162 (1) Sentence 1 AktG in conjunction with § 290 HGB) for periods in which the respective Supervisory Board member is simultaneously a member of the Supervisory Board of HORNBACH Management AG.

D. Overview of remuneration system for Supervisory Board of HORNBACH Holding AG & Co. KGaA

The Supervisory Board of HORNBACH Holding AG & Co. KGaA and the General Partner HORNBACH Management AG last presented the remuneration of Supervisory Board members and at the same time the remuneration system for Supervisory Board members of HORNBACH Holding AG & Co. KGaA for approval by adoption of a resolution by the Annual General Meeting on July 7, 2023. The Annual General Meeting confirmed the remuneration and adopted the remuneration system with 98.91% of the valid votes cast.

The remuneration of the Supervisory Board is governed by Article 17 of the Articles of Association of HORNBACH Holding AG & Co. KGaA in the version dated July 2024 and is structured as follows:

Component	Description
Basic remuneration	Chair: € 80,000 Deputy Chair: € 60,000 Member: € 40,000
Committee remuneration	<div>Audit Committee:</div> <div>Chair: € 36,000 Member: € 18,000</div> <div>Other committees:</div> <div>Chair: € 16,000 Member: € 8,000</div>
Other aspects	<ul style="list-style-type: none"> – Reimbursement of any sales tax allocable to basic remuneration and committee remuneration – Payment or reimbursement of any employer contributions to social security required by foreign legislation for supervisory board activities – Pecuniary loss liability insurance (D&O insurance)

The fixed annual basic remuneration and fixed committee remuneration are granted for each financial year and are each due for payment after the Annual General Meeting to which the annual financial statements for the respective financial year are presented. Remuneration is proportionately reduced on a time-apportioned basis if a member of the Supervisory Board or a committee is not a member of such for the full financial year or does not chair the respective body for the full financial year.

Given that its structure conforms to market norms, the Supervisory Board remuneration makes it possible to attract suitable candidates for the position of the respective Supervisory Board members. The Supervisory Board remuneration therefore helps to ensure that the respective Supervisory Board member is able overall to perform his or her duties of supervising and advising the General Partner in an appropriate and competent manner and thus promotes the business strategy and long-term development of HORNBACH Holding AG & Co. KGaA.

E. Remuneration granted and owed to the Supervisory Board of HORNBACH Holding AG & Co. KGaA in the 2024/25 financial year

The following table presents the remuneration granted and owed to the individual members of the Supervisory Board of HORNBACH Holding AG & Co. KGaA for the 2024/25 financial year:

Supervisory Board member of HORNBACH Holding AG & Co. KGaA		Membership ¹				Basic remuneration (in €)	Committee remuneration (in €)	Total remuneration (in €)	Remuneration from other Group mandates (in €) ³
		SB	AC	NC	SC				
Dr. John Feldmann	2024/25	C	M	V	M	80,000	42,000	122,000	102,000
	2023/24	C	M	V	M	80,000	42,000	122,000	102,000
Martin Hornbach ²	2024/25	DC	M	M	-	60,000	26,000	86,000	58,000
	2023/24	DC	M	M	-	60,000	23,202	83,202	62,197
Melanie Thomann-Bopp	2024/25	M	C	M	C	40,000	60,000	100,000	76,000
	2023/24	M	C	M	C	40,000	60,000	100,000	76,000
Simone Krah ²	2024/25	M	M	-	M	40,000	26,000	66,000	-
	2023/24	M	M	-	M	40,000	28,820	68,820	-
Vanessa Stützle	2024/25	M	-	-	-	40,000	-	40,000	-
	2023/24	M	-	-	-	40,000	-	40,000	-
Simona Scarpaleggia	2024/25	M	-	-	-	40,000	-	40,000	40,000
	2023/24	M	-	-	-	40,000	-	40,000	40,000

¹ SB = Supervisory Board, AC = Audit Committee, NC = Nomination Committee, SC = Special Committee, C = Chair, DC = Deputy Chair, M = Member.

² Prorated committee remuneration for Simone Krah and Martin Hornbach in the 2023/24 financial year. Simone Krah was a member of the Nomination Committee until July 7, 2023. Martin Hornbach has been a member of the Nomination Committee since July 7, 2023.

³ The figures present remuneration for mandates in group companies of HORNBACH Holding AG & Co. KGaA (§ 162 (1) Sentence 1 AktG in conjunction with § 290 HGB) for periods in which the respective Supervisory Board member is simultaneously a member of the Supervisory Board of HORNBACH Holding AG & Co. KGaA. HORNBACH Management AG does not constitute a group company of HORNBACH Holding AG & Co. KGaA in this sense.

IV. Comparative Presentation

The table below presents a comparison of the percentage change in the remuneration granted and owed pursuant to § 162 (1) Sentence 1 AktG to members of the Board of Management of HORNBACH Management AG and to members of the Supervisory Boards of HORNBACH Management AG and HORNBACH Holding AG & Co. KGaA with the earnings performance of HORNBACH Holding AG & Co. KGaA, and the average remuneration paid to employees on a full-time equivalent basis compared with the previous year.

The earnings performance is presented by reference to the relative change in the key figures of the annual net surplus at HORNBACH Holding AG & Co. KGaA (as stated in separate financial statements) and the earnings before taxes (EBT) and sales of the HORNBACH Holding AG & Co. KGaA Group (in each case as stated in consolidated financial statements).

The comparison with the development in average remuneration paid to employees has been based on the employees at all German companies. These particularly include the employees at HORNBACH Holding AG & Co. KGaA, HORNBACH Baumarkt AG, and HORNBACH Baustoff Union GmbH.

Active members of the Board of Management of HORNBACH Management AG ¹	Absolute values 2024/25 (in €)	Absolute values 2023/24 (in €)	2024/25 compared with 2023/24	2023/24 compared with 2022/23	compared with 2021/22	compared with 2020/21
Albrecht Hornbach	1,089,024	1,336,269	-19%	66%	-23%	0%
Karin Dohm	1,428,890	714,218	100%	-23%	-23%	600% ²
Erich Harsch ³	1,920,691	1,556,234	23%	100%	-	-
Former members of the Board of Management of HORNBACH Management AG						
Roland Pelka	759,801	1,247,000	-39%	246%	-61% ⁴	-36% ⁵
Active members of the Supervisory Boards of HORNBACH Management AG and HORNBACH Holding AG & Co. KGaA						
Dr. John Feldmann	264,000	264,000	0%	75%	2%	5%
at HORNBACH Management AG	40,000	40,000				
at HORNBACH Holding AG & Co. KGaA	122,000	122,000				
Remuneration from other Group mandates (HORNBACH Baumarkt AG)	102,000	102,000				
Melanie Thomann-Bopp	216,000	216,000	0%	95%	28%	-
at HORNBACH Management AG	40,000	40,000				
at HORNBACH Holding AG & Co. KGaA	100,000	100,000				
Remuneration from other Group mandates (HORNBACH Baumarkt AG)	76,000	76,000				
Albert Hornbach	40,000	40,000	0%	100%	0%	0%
Arnulf Hornbach	40,000	40,000	0%	100%	55%	-
Marlin Hornbach	144,000	145,399	-1%	73%	0%	0%
at HORNBACH Holding AG & Co. KGaA	86,000	83,202				
Remuneration from other Group mandates (HORNBACH Baumarkt AG)	58,000	62,197				
Johann Hornbach	40,000	40,000	0%	100%	55%	-
Simone Krah	86,000	88,820	-3%	131%	55%	-
at HORNBACH Management AG	20,000	20,000				
at HORNBACH Holding AG & Co. KGaA	66,000	68,820				
Maria Olivier	40,000	40,000	0%	100%	519%	-
Vanessa Stützel	60,000	60,000	0%	209%	-	-
at HORNBACH Management AG	20,000	20,000				
at HORNBACH Holding AG & Co. KGaA	40,000	40,000				
Dr. Susanne Wulfsberg	40,000	40,000	0%	100%	-30%	-5%
Simona Scarpaleggia	80,000	80,000	0%	100%	0%	3%
at HORNBACH Holding AG & Co. KGaA	40,000	40,000				
Remuneration from other Group mandates (HORNBACH Baumarkt AG)	40,000	40,000				
Earnings performance of HORNBACH Holding AG & Co. KGaA						
Annual net surplus (as per separate financial statements), in € million	61	59	4%	32%	-5%	4%
Earnings before taxes (EBT) ⁶ (as per consolidated financial statements), in € million	208	179	16%	-18%	-31%	18%
Sales (as per consolidated financial statements), in € million	6,200	6,161	1%	-2%	7%	8%
Remuneration of employees						
Average remuneration of employees ⁷	44,601	42,000	6%	3%	4%	1%

¹ The comparative presentation of the development in the remuneration of active members of the Board of Management is based on the remuneration granted for their activity on the Board of Management of HORNBACH Management AG and, if applicable, HORNBACH Baumarkt AG and does not include pension expenses.

² Due to her appointment to the Board of Management as of January 1, 2021, Karin Dohm was a member of the Boards of Management of HORNBACH Management AG and HORNBACH Baumarkt AG for only two months.

³ Erich Harsch has been a member of the Board of Management of HORNBACH Management AG since June 1, 2023.

⁴ Since January 1, 2022, Roland Pelka has received pension payments from HORNBACH Management AG and HORNBACH Baumarkt AG.

⁵ Due to his departure from the Board of Management, the employment contracts between Roland Pelka and HORNBACH Management AG and HORNBACH Baumarkt AG expired during the 2021/22 financial year (HORNBACH Management AG: October 31, 2021; HORNBACH Baumarkt AG: September 30, 2021).

⁶ Consolidated earnings before taxes on income.

⁷ Account is taken of the employees at all German companies. These particularly include employees at HORNBACH Holding AG & Co. KGaA, HORNBACH Baumarkt AG, and HORNBACH Baustoff Union GmbH.

By analogy with the definition provided in the Sustainability Statement, the highest-paid-individual-to-worker ratio states the annual total remuneration of the highest-paid individual as a proportion of the median annual total remuneration of employees. To ensure reporting consistency, the highest-paid-individual-to-worker ratio has been based on the salary data for the 2023/24 financial year. This ratio amounts to 50.9.

Neustadt an der Weinstrasse, May 16, 2025

For the Supervisory Board:

For the General Partner:

Dr. John Feldmann

Albrecht Hornbach

Erich Harsch

Chair of the Supervisory Board of
HORNBAACH Holding AG & Co. KGaA

Chief Executive Officer of
HORNBAACH Management AG

Board of Management of
HORNBAACH Management AG

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

To HORNBACH Holding AG & Co. KGaA, Neustadt an der Weinstraße/Germany

Audit Opinion

We conducted a formal audit of the remuneration report of Hornbach Holding AG & Co. KGaA, Neustadt an der Weinstraße/Germany, for the financial year from 1 March 2024 to 28 February 2025 to assess whether the disclosures required under Section 162 (1) and (2) German Stock Corporation Act (AktG) have been made in the remuneration report. In accordance with Section 162 (3) AktG, we did not audit the content of the remuneration report.

In our opinion, the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the accompanying remuneration report. Our audit opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with Section 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report pursuant to Section 162 (3) AktG (IDW AuS 870 (09.2023)). Our responsibilities under those requirements and this standard are further described in the "Auditor's Responsibilities" section of our report. Our audit firm has applied the requirements of the IDW Quality Management Standards. We have fulfilled our professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Charter for German Public Auditors and German Sworn Auditors (BS WP/vBP) including the requirements on independence.

Responsibilities of the Executive Directors and of the Supervisory Board

The executive directors and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. In addition, they are responsible for such internal control as they have determined necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

Auditor's Responsibilities

Our objective is to obtain reasonable assurance about whether the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report, and to express an opinion on this in a report.

We planned and conducted our audit in such a way to be able to determine whether the remuneration report is formally complete by comparing the disclosures made in the remuneration report with the disclosures required under Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have neither audited the correctness of the content of the disclosures, nor the completeness of the content of the individual disclosures, nor the adequate presentation of the remuneration report.

Handling of Possible Misrepresentations

In connection with our audit, our responsibility is to read the remuneration report taking into account our knowledge obtained in the financial statement audit while remaining attentive to any signs of misrepresentations in the remuneration report regarding the correctness of the content of the disclosures, the completeness of the content of individual disclosures or the adequate presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is such a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Mannheim/Germany, 15 May 2025

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:

Marco Koch

Wirtschaftsprüfer

(German Public Auditor)

Signed:

Christina Marquardt

Wirtschaftsprüferin

(German Public Auditor)