

## Update and supplementation of the Declaration of Conformity from December 2021

The last annual Declaration of Conformity of the Management Board and the Supervisory Board of HelloFresh SE (also “**Company**”) with the recommendations of the Commission on the German “German Corporate Governance Code” in the version of 16 December 2019 (published in the German Federal Gazette (*Bundesgesetzblatt*) on 20 March 2020) (“**Code 2020**”) was published in December 2021. By resolution of 3 April 2022, the Supervisory Board of the Company adopted in accordance with Section 87a (1) sentence 1 of the German Stock Corporation Act (*Aktiengesetz*) a modified Management Board compensation system (“**Compensation System 2022**”), which is to be submitted to this year’s Annual General Meeting on 12 May 2022 for resolution. This Compensation System 2022 will apply to all Management Board service agreements to be newly concluded or extended from 3 April 2022. Accordingly, the Company’s Declaration of Conformity from December 2021 will be updated and supplemented with regard to the recommendations of the Code 2020 as follows:

- RECOMMENDATION G.7 SENTENCE 1 OF THE CODE 2020 AND RECOMMENDATION G.9 SENTENCE 1 OF THE CODE 2020: DETERMINATION OF THE PERFORMANCE CRITERIA FOR EACH MEMBER OF THE MANAGEMENT BOARD FOR ALL VARIABLE REMUNERATION COMPONENTS FOR THE FORTHCOMING FINANCIAL YEAR AND ESTABLISHMENT OF THE AMOUNT OF THE INDIVIDUAL REMUNERATION TO BE GRANTED AFTER THE END OF THE FINANCIAL YEAR DEPENDING ON THE TARGET ACHIEVEMENT

Recommendation G.7 sentence 1 of the Code 2020 provides that the Supervisory Board shall determine the performance criteria for all variable compensation components for each member of the Management Board for the forthcoming financial year, which – in addition to operational targets – shall be based primarily on strategic targets. In accordance with the Compensation System 2022 and the Company’s compensation practice, the variable compensation of the Management Board members consists of a long-term variable compensation component in the form of virtual options granted under the Company’s current virtual stock option program and a short-term variable compensation component in the form of *Restricted Stock Units* granted under the Company’s current “Restricted Stock Unit Program”. The payout amount of all variable compensation is therefore dependent on the level of the HelloFresh SE share price at the time shortly before the payout. Thus, there is a strong alignment of interests between the shareholders and the Management Board of the Company. According to the Compensation System 2022 (and therefore for all Management Board service agreements that are newly concluded or extended from 3 April 2022), both the short-term variable compensation in the form of restricted stock units and the long-term variable compensation are subject to performance targets aligned with the corporate strategy, which are determined by the Supervisory Board. These include financial performance targets (sales, adjusted EBITDA) and, for the long-term variable compensation, additional non-financial performance targets (food waste and CO<sub>2</sub> emissions). In contrast, under the Company’s current compensation practice - unlike under Compensation System 2022 - only the long-term variable compensation, which accounts for the majority of variable compensation,

is linked to the above-mentioned performance targets. Consequently, the Supervisory Board does not currently set performance criteria for all variable compensation components.

In addition, in accordance with the Compensation System 2022 and the plan conditions of the Company's current virtual stock option program, the Supervisory Board does not determine the performance criteria for the forthcoming financial year with regard to the virtual options, but via a planning period of around three years for the financial year after next from the year in which they are granted. The Supervisory Board considers this to be more appropriate, as it ensures that the Management Board members are incentivized in the long term. Recommendation G.9 sentence 1 of the Code 2020 further provides that the Supervisory Board shall determine the amount of the compensation components to be granted individually for that year after the end of the financial year depending on the achievement of targets. Since, as described, in the plan conditions of the Company's current virtual stock option program and in accordance with the Compensation System 2022, the performance criteria are not determined by the Supervisory Board for the forthcoming financial year, but for the financial year after next from the year of granting, a deviation is also declared for recommendation G.9 sentence 1 of the 2020 Code. Target achievement with regard to the virtual options will only be reviewed by the Supervisory Board after the performance period for the virtual options has expired, i.e. approximately three years after the virtual options have been granted.

- **RECOMMENDATION G.8 CODE 2020: A SUBSEQUENT CHANGE OF THE TARGET VALUES OR THE COMPARISON PARAMETERS OF VARIABLE REMUNERATION COMPONENTS SHALL BE EXCLUDED**

Recommendation G.8 of the Code 2020 provides that a subsequent change of the target values or the comparison parameters shall be excluded. Compensation practice and the Compensation System 2022 provide for virtual options to be granted to members of the Management Board as a long-term variable compensation component under the Company's respective current virtual stock option program. Under the previous compensation practice on which the current Management Board service agreements are based, the Supervisory Board may, at its discretion, adjust the financial and non-financial performance targets downwards or make them less stringent once the performance targets have been determined if the market environment or the Company's business activities deviate significantly from the expectations at the time the performance targets were originally determined. The provision takes into account that the Company is a growth company and therefore the Company's results and performance are subject to higher volatility, which makes it very difficult to forecast business' development. The Compensation System 2022 no longer provides for the possibility of reducing performance targets retrospectively.

Berlin, 3 April 2022

Management Board of  
HelloFresh SE

Supervisory Board of  
HelloFresh SE

