Remuneration report 2024

The remuneration report describes the remuneration system and the remuneration for the members of the Management Board and Supervisory Board of AUTO1 Group SE (hereinafter also referred to as "AUTO1" or the "Company") for the financial year 2024 and explains in detail and on an individualised basis the structure and amount of the individual components of the remuneration of the Management Board and Supervisory Board. The remuneration report was prepared jointly by the Management Board and the Supervisory Board of AUTO1 Group SE. The report complies with the requirements of Section 162 German-Stock Corporation Act (“AktG”) and the relevant accounting regulations (German-GAAP (“HGB”), IFRS).

Vote on the remuneration report for the financial year 2023 at the Annual General Meeting 2024

The remuneration report for the financial year 2023 was prepared in accordance with Section 162 AktG. The remuneration report on the remuneration granted and owed individually to the members of the Management Board and Supervisory Board of AUTO1 Group SE in financial year 2023 was approved by the Annual General Meeting on 6 June 2024 with a majority of 86.61% of the votes cast.

1 Remuneration of the members of the Management Board

Description of the remuneration system

The remuneration system for the Management Board (Remuneration System 2023) described in more detail below was adopted by the Supervisory Board on 19 April 2023 and approved by the Company's Annual General Meeting on 7 June 2023.

Main features of the remuneration system and contribution to the promotion of the business strategy and the long-term development of the Company

The aim of the remuneration system for the Management Board is to remunerate the members of the Management Board appropriately in accordance with their duties and responsibilities and to take into account the performance of each member of the Management Board and the success of the Company. Accordingly, the remuneration system includes variable remuneration components in addition to fixed remuneration components.

The corporate strategy is aimed at dynamic and long-term profitable growth as well as a sustainable and long-term increase in the value of the Company. The structure of the remuneration system for the Management Board of AUTO1 Group SE is derived from this objective. The variable remuneration, therefore, depends both on performance parameters that are geared towards the long-term growth of the business and/or earnings and/or key prerequisites for this, as well as on the long-term performance of the Company's share price, which directly reflects the performance of the Company. The remuneration system, therefore, provides incentives for the long-term and sustainable positive development of the Company.

The Company is also aware of the importance of ecologically sustainable management (*environment*), *social responsibility* and the principles of good corporate *governance* (together "**ESG**"). The remuneration system, however, does not stipulate the additional use of non-financial performance parameters for variable remuneration, but does not exclude their use either. The Supervisory Board will regularly review this issue and reserves the right to also use non-financial performance parameters for variable remuneration in the future, which are based on the Company's respective ESG targets.

The remuneration system for the members of the Management Board is simple, clear and comprehensible and complies with the requirements of the German Stock Corporation Act. Insofar as it deviates from the recommendations of the German Corporate Governance Code, this is explained and justified in the declaration of compliance in accordance with the statutory requirements.

The remuneration system in detail

I. Remuneration components

1. Overview of the individual remuneration components

The remuneration is made up of fixed and variable components. The fixed components are the annual fixed remuneration and fringe benefits. The variable remuneration consists in each case of share-based remuneration with a multi-year assessment basis. In addition, short-term variable remuneration with a one-year assessment basis can also be agreed with the respective Management Board member.

In addition, non-recurring bonus payments may be granted by the Supervisory Board in individual cases for exceptional performance.

The Company's pension benefits for members of the Management Board are not provided for in the remuneration system.

2. Fixed remuneration components

(a) Annual fixed remuneration

The annual fixed remuneration is a cash payment relating to the financial year, the amount of which is based in particular on the duties and responsibilities of the respective member of the Management Board. The annual fixed remuneration is paid in twelve monthly installments at the end of each month. If a member of the Management Board joins or leaves the Company during the year, the fixed salary is paid on a *pro rata* basis.

In the event of illness or other cases of inability to work through no fault of one's own, the fixed salary may continue to be paid for a period determined by the Supervisory Board. The same applies if the Management Board member dies during the term of the contract.

(b) Fringe benefits

In addition to the annual fixed remuneration, the members of the Management Board receive fringe benefits in the form of benefits in kind and other financial benefits.

As a standard benefit, the members of the Management Board are each provided with a Company car, which can also be used privately. In addition, the Company has taken out directors' and officers' liability insurance (D&O insurance) for the benefit of the members of the Management Board.

The Supervisory Board may decide that suitable additional benefits in kind (in particular in the form of insurance, security services and preventive medical services) may also be provided or the corresponding costs reimbursed if required.

New members of the Management Board may also be granted compensation for remuneration/pension entitlements that they lose due to their move to the Company. Furthermore, relocation costs and, for a transitional period to be determined by the Supervisory Board, other costs associated with the move to the Company or a move to another company location (*e.g.*, costs for trips/flights home including ancillary costs and for double housekeeping) may also be reimbursed. For members of the Management Board residing outside Germany, the Company may also assume the costs associated with this on a permanent basis (in particular, costs for trips/flights home, including ancillary costs and double housekeeping). Such benefits are intended to ensure that the Company can attract the best possible candidates for a position on the Management Board.

3. Variable remuneration components

3.1 Short-term variable remuneration (annual bonus)

In addition to the variable remuneration with a multi-year assessment basis, members of the Management Board may also be granted an entitlement to short-term variable remuneration with a one-year assessment basis for each full financial year of their contract term (hereinafter "**Annual Bonus**").

The amount of the Annual Bonus depends on the achievement of the relevant performance targets in the relevant financial year on the basis of a target amount set individually for each member of the Management Board.

(a) Performance parameters

The Supervisory Board determines one or more performance parameters for the Annual Bonus. As a rule, the Supervisory Board will use key financial indicators, the development of which the Company reports on at least once a year as part of its periodic financial reporting and which represent key control elements for the growth of the Company's business volume and/or earnings. These may also be performance parameters relating to individual divisions. In particular, sales or the number of units sold can be used as parameters for measuring the development of business volume, while earnings before interest, taxes, depreciation and amortization (EBITDA) or the contribution margin per unit sold can be used as parameters for measuring the development of earnings. In addition or instead, other key prerequisites for long-term and sustainable growth in the Company's business volume and/or earnings, such as securing favorable financing conditions, can also be used as performance parameters. By aligning the performance parameters in this way, the Annual Bonus serves to implement the Company's overarching strategic objective.

If necessary, non-financial performance parameters that measure the implementation of ESG targets included in the corporate strategy can also be used in addition or instead by the Supervisory Board. The Annual Bonus also serves the Company's overarching strategic objectives through such performance parameters.

If several performance parameters are used, the Supervisory Board also determines their relative weighting; this determines the proportion of the Annual Bonus for which the performance measurement is to be based on the relevant performance parameter. Instead, however, a cumulative performance measurement based on several performance parameters can also be provided for.

(b) Target values and determination of target achievement

The Supervisory Board sets a target value for each performance parameter for the respective financial year.

When using financial indicators from periodic financial reporting as performance parameters, the target achievement or the degree of target achievement is determined by comparing the target values with the corresponding actual values resulting from the audited and approved consolidated financial statements of the Company for the relevant financial year. The Supervisory Board can make adjustments to the respective actual values to take into account non-recurring, extraordinary circumstances and/or non-operating effects. For other performance parameters, the Supervisory Board also determines the benchmark used to determine the degree of target achievement when setting the respective targets.

(c) Calculation of the payout amount

The Supervisory Board also assigns a target achievement curve to each performance parameter, which is used to determine the payout amount on the basis of the individual target amount depending on the weighting of the respective performance parameter and the associated degree of target achievement. In particular, the target achievement curve may stipulate that the payout may exceed or fall below the target amount or the share of the target amount attributable to the respective performance parameter according to its weighting, depending on the degree of target achievement; if it is also possible to exceed the target amount, the Supervisory Board also sets a maximum amount (cap). Instead, the target achievement curve can also only provide for minimum hurdles that must be reached for a payout to be made, while a further increase in target achievement no longer leads to an increase in the payout.

(d) Payment and processing

The Annual Bonus is calculated and paid out after the end of the financial year for which it is granted and approval of the associated consolidated financial statements. The Supervisory Board may also determine another suitable date for payment after the end of the financial year in question.

Instead of a cash payment, the Company may also provide for the Annual Bonus or parts of it to be settled in shares of the Company. In the case of settlement in shares, the payment claim is converted into a corresponding number of shares that are issued or transferred to the beneficiary based on the market price of the Company's share.

In the event of joining or leaving the Company during the year or in the event of a financial year that is shorter than a calendar year, the Annual Bonus is reduced *pro rata temporis*. Furthermore, a reduction may also be provided for periods of absence during which there is no entitlement to continued payment of the fixed remuneration. The entitlement to an Annual Bonus can also be limited to individual financial years.

3.2 Variable remuneration with a multi-year assessment basis

The long-term variable remuneration is structured as share-based variable remuneration with a multi-year assessment basis in the form of share options, the value of which is linked to the performance of the Company's share price ("**Options**").

(a) Allocation; vesting (time vesting)

For this purpose, the respective Management Board member receives a number of Options individually determined by the Supervisory Board by way of a one-off allocation for the entire term of the contract.

In addition to fulfilling the other exercise requirements, the Options must be earned by the respective Management Board member over the term of appointment or contract through continued membership of the Management Board (so-called time vesting) with the result that in the event of premature leaving, all or part of the share options granted are forfeited. The details are determined by the Supervisory Board.

(b) Type of Options

The Options can be structured as virtual share options or – if a corresponding authorization is granted by the Annual General Meeting – as real share options.

Virtual share options only grant the beneficiary a right to payment of the settlement value of the relevant options in cash upon exercise. However, they will each be provided with a settlement option on the part of the Company, on the basis of which the Company can choose to settle in shares instead of cash.

Real share options can only be issued on the basis of a corresponding authorization by the Annual General Meeting. They grant the beneficiary, upon exercise, a separate subscription right to shares in the Company. However, the relevant options will be provided with a settlement option on the part of the Company, on the basis of which the Company can also choose to pay out in cash instead of delivering shares.

(c) Exercise price; price hurdle

The Supervisory Board determines the corresponding exercise price when the Options are issued. The exercise price may correspond to the market price when the Options are issued or may also include a premium or discount compared to this price. Furthermore, several tranches of share options with different exercise prices can be issued to the respective Management Board member; this allows the risk/return profile associated with the Options to be individually managed.

In addition to the exercise price, the Supervisory Board can also set a price hurdle above the exercise price, which must be exceeded for the Options to be exercised. As the share price directly reflects the valuation of the Company on the capital market, the payment of variable remuneration can be made dependent on a corresponding minimum increase in the value of the Company, as can an exercise price that exceeds the current share price.

(d) Performance measurement based on performance parameters

The exercise of the Options depends not only on the price performance but also on a performance measurement based on one or more performance parameters.

Performance parameters

The corresponding performance parameters are determined by the Supervisory Board. As a rule, the Supervisory Board will use key financial indicators on the development of which the Company reports at least once a year as part of its periodic financial reporting and which represent key control elements for the growth of the Company's business volume and/or earnings. These may also be performance parameters relating to individual divisions. In particular, sales or the number of units sold can be used as parameters for measuring the development of the business volume, while earnings before interest, taxes, depreciation and amortization, adjusted for non-operating effects (Adjusted EBITDA) or the contribution margin per unit sold can be used as parameters for measuring the development of earnings. In addition or instead, other key prerequisites for long-term and sustainable growth in the Company's business volume and/or earnings, such as securing favorable financing conditions, can also be used as performance parameters. By aligning the performance parameters in this way, the variable remuneration serves to implement the Company's overarching strategic objectives. If necessary, the

Supervisory Board can also use non-financial performance parameters that measure the implementation of ESG targets included in the corporate strategy.

If several performance parameters are used, the Supervisory Board also determines their relative weighting; this determines the proportion of the Options for which the performance measurement is to be carried out using the relevant performance parameter. Instead, however, a cumulative performance measurement based on several performance parameters can also be provided for.

Performance period

Performance is generally measured over a measurement period ("**Performance Period**") of at least four financial years of the Company, whereby the Performance Period may also begin and/or end during the year. For a maximum of one third of the Options granted to the respective Management Board member, a shorter Performance Period of at least two financial years may be provided for instead.

Target values and determination of target achievement

The Supervisory Board sets corresponding target values for each performance parameter. These are generally set in advance for the entire Performance Period; however, annual targets can also be set for individual or all performance parameters for the respective financial year.

The degree of target achievement is determined after the end of the Performance Period. The target achievement or the degree of target achievement is determined for financial performance parameters by comparing the target values with the corresponding actual values resulting from the audited and approved consolidated financial statements of the Company for the financial year in question. The Supervisory Board can make adjustments to the respective actual values to take into account non-recurring, extraordinary circumstances and/or non-operating effects. In the case of the additional use of non-financial performance parameters, the Supervisory Board also determines the benchmark used to determine the degree of target achievement when setting the target values.

Expiry of Options if targets are not met

The target values can be set by the Supervisory Board as minimum hurdles or as a 100% target. If structured as a minimum hurdle, the achievement of the target value is a prerequisite for exercising the proportion of the Options that is attributable to the associated performance parameter according to its weighting; if the target value is not achieved, the Options in question lapse in their entirety. In the case of a 100% target, the Supervisory Board also defines a target achievement curve, which is used to determine, depending on the degree of target achievement, what proportion of the Options will lapse if the degree of target achievement is less than 100%.

(e) Waiting and exercise periods

For the first-time exercise of Options, the Supervisory Board stipulates a waiting period of at least four years from the issue or granting of the Options. For a maximum of one third of the Options granted to the respective Management Board member and insofar as virtual share options are concerned, a shorter waiting period may be stipulated instead, which, however, does not end before the end of the associated Performance Period.

The exercise period for Options is up to four years from the end of the relevant waiting period. The Supervisory Board can restrict the exercise of Options within the exercise period to exercise windows or dates determined by the Supervisory Board and determine further blocking periods for the exercise of Options. Options not exercised at the end of the exercise period expire.

(f) Settlement; Cap

The settlement value of an Option corresponds to the difference between the relevant market price of the Company's share when the Option is exercised and the exercise price; however, it is limited to a maximum amount ("**Cap**") to be determined by the Supervisory Board. The relevant market price of the Company's share when the Option is exercised is calculated as a weighted three-month average price in order to eliminate short-term price fluctuations.

By linking the settlement value to the share market price on exercise and the planned waiting period of several years for exercising the Option, the variable remuneration is thus geared towards a long-term increase in the value of the Company as a central component of the corporate strategy.

In the case of settlement in shares, the settlement value of the exercised Options is converted into a corresponding number of shares, which are issued or transferred to the beneficiary, based on the market price of the Company's share. No additional holding periods are provided for these shares after exercising the Option.

In the case of cash settlement, the settlement value of the exercised Options is paid out to the beneficiary in cash after the Option has been exercised.

The taxes and duties arising from the exercise or settlement of the Option shall be borne by the beneficiary.

(g) Options for reducing or reclaiming variable remuneration components (malus/claw-back)

The remuneration system stipulates that the Company can reduce variable remuneration components or demand a refund in the following cases:

Correction of the consolidated financial statements

If the determination of the degree of target achievement based on performance parameters is based on audited and approved consolidated financial statements that were objectively incorrect and are subsequently corrected in accordance with the relevant accounting regulations, the Supervisory Board is entitled to recalculate the degree of target achievement on the basis of the corrected figures. In the case of the Annual Bonus, the payment claim is then reduced accordingly; if the Annual Bonus has already been settled, the Company may be required to return all or part of the economic benefits gained from the settlement. If, in the case of variable remuneration with a multi-year assessment basis, the redetermination of target achievement leads to an (additional) forfeiture of Options, this must be taken into account accordingly with regard to Options that have not yet been exercised; in the case of Options that have already been exercised, they may also be offset in full or in part against Options that have not yet been exercised and are not affected by the correction, or full or partial restitution of the economic benefits obtained from the settlement may be demanded. The Supervisory Board determines the details, including the corresponding deadlines for correction and restitution.

Premature termination of the Management Board position for good cause

If the appointment of a member of the Management Board is terminated prematurely by the Company for reasons that also constitute good cause for extraordinary termination of the employment relationship by the Company in accordance with Section 626 of the German Civil Code (*BGB*), any Annual Bonuses and/or Options of the Management Board member concerned that have not yet been settled and have already been earned for the purposes of time vesting shall also expire in full or in part. The Supervisory Board shall determine the details.

The assertion of claims for damages by the Company in accordance with Section 93 of the German Stock Corporation Act (*AktG*) remains unaffected.

4. Other remuneration components

The remuneration system provides for the Supervisory Board to grant additional, non-recurring bonus payments for special performance or special commitment at its reasonable discretion; however, the member of the Management Board has no contractual entitlement to the granting of such a bonus.

II. Total target remuneration; ratio of fixed and variable remuneration components

The Supervisory Board determines a specific total target remuneration for each individual member of the Management Board in accordance with his/her area of duties and responsibilities. The total target remuneration relates to a full financial year and is made up of the sum of all remuneration components relevant to the total remuneration that are granted for the financial year in question, regardless of when they are paid out. In the case of benefits in kind promised as fringe benefits, the relevant value for wage tax purposes is applied. The D&O insurance policy taken out by the Company for the benefit of the members of the Management Board is not taken into account separately, as this is not a remuneration benefit in the narrower sense. For the Annual Bonus, the payment entitlement is recognized at 100% target achievement. For the Options to be granted as part of the variable remuneration with a multi-year assessment basis, the allocation value attributable to each year of the associated appointment period is recognized.

The relative share of the fixed annual remuneration in the total target remuneration is generally between 5% and 40% for each Management Board member, the relative share of fringe benefits is up to 10% and the relative share of short- and long-term variable remuneration components is between 60% and 95%. Within the variable remuneration components, the proportion of variable target remuneration with an assessment basis of at least four years is higher than the proportion of the Annual Bonus. In the case of fringe benefits granted on a one-off basis or for a limited period, the above relative shares of the individual remuneration components in the total target remuneration can also be deviated from for individual financial years.

III. Maximum remuneration for individual members of the Management Board

The total remuneration granted for a financial year, consisting of a fixed salary including fringe benefits and variable remuneration components, is limited to a maximum gross amount of EUR 20 million for each member of the Management Board, irrespective of whether payment is made in the financial year in question or at another time. The maximum remuneration takes into account the maximum possible non-performance-related and variable remuneration components. The remuneration actually promised or paid may therefore be (possibly significantly) lower.

Benefits in kind granted as fringe benefits are recognized at their relevant wage tax value for the purposes of maximum remuneration. With regard to Options granted as variable remuneration, the maximum settlement value attributable to each year of the appointment period is recognized as part of the maximum remuneration.

In addition to the limitation of the settlement value of the Options granted by the above-mentioned maximum remuneration, the grant value of the Options granted to the respective Management Board member, pro rata to each year of the appointment period, may not exceed EUR 5 million gross at the time they are granted.

In compliance with the maximum amounts set for the LTIP 2020 when it was established, the following caps apply to the Management Board member Christian Bertermann for financial years for which the long-term variable remuneration granted by the Company consists exclusively of LTIP 2020 options, in deviation from the above maximum remuneration: The maximum remuneration for the respective financial year totals EUR 181 million gross. Taking into account the maximum settlement value of the associated options defined for the LTIP 2020, a partial amount of EUR 179 million gross is attributable to the maximum settlement value of the LTIP 2020 options granted for the relevant financial year. The remaining partial amount of EUR 2 million gross constitutes the maximum remuneration for other remuneration components granted for the relevant financial year. This special regulation for the LTIP 2020 takes into account the high risk/return profile of this plan, whose options can only be exercised if the Company's share price (measured as a 3-month average price and therefore not just in the short term) increases to at least EUR 45.02. The aforementioned separate cap of EUR 5 million gross on the grant value of the options granted for each year of the appointment period also applies to LTIP 2020 options. However, when they were issued in 2020, the grant value of the LTIP 2020 options attributable to each year of the 5-year appointment period fell significantly short of this cap and amounted to less than EUR 500,000 gross.

IV. Remuneration-related legal transactions

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

The employment contracts of the members of the Management Board are concluded for the duration of their appointment. Initial appointments are made for a maximum of three years, while appointments can be extended for up to five years.

In view of their fixed term, there is no provision for ordinary termination of the employment contracts. However, in the event that a member of the Management Board becomes permanently incapacitated for work during the term of the contract, provision can be made for the employment contract to end automatically at the end of the quarter in which the permanent incapacity for work is established.

Otherwise, the respective employment contract can only be terminated before the end of its term by mutual agreement by means of a termination agreement or by extraordinary termination for good cause. Extraordinary termination for good cause by the Company can also occur in particular in the event of the revocation of the appointment of a Management Board member by the Supervisory Board for good cause in accordance with Section 84 para. 3 AktG. In this case, the statutory notice periods pursuant to Section 622 BGB apply to the termination, unless there is also good cause for the Company to terminate the employment contract without notice pursuant to Section 626 BGB.

Extraordinary termination for good cause by the Management Board member can be provided for in particular in the event that (i) the agreed remuneration or individual components do not cover the entire term of the contract or the employment contract contains a reservation of adjustment and (ii) no agreement is reached on a follow-up arrangement or adjustment within an agreed period. The Supervisory Board determines the details, including the notice period.

2. Commitments to severance payments

The remuneration system provides for a Management Board member to receive a severance payment if the Company terminates the employment contract for good cause in accordance with Section 84 para. 3 AktG without there also being good cause for the Company to terminate the employment contract without notice in accordance with Section 626 BGB. The severance payment to be stipulated in the employment contract for this purpose may not exceed two years' remuneration, but may not exceed the remuneration for the remaining term of the employment contract; however, the Supervisory Board may also stipulate a lower severance payment and make lump-sum payments and/or reductions in the calculation.

In other cases, the remuneration system does not provide for any severance payments agreed in advance. The Company's right to agree severance payments in the event of premature termination of a Management Board member's contract by mutual agreement remains unaffected.

For the purposes of the determined maximum remuneration, severance payments are to be allocated (*pro rata*, if applicable) to the financial year for which they are granted; this applies regardless of whether they are paid out or accrued in the financial year in question or at another time.

3. Non-compete clause

The Management Board employment contracts each provide for a contractual non-competition clause for the duration of the employment contract.

In addition, a post-contractual non-competition clause can be agreed with members of the Management Board for a period of up to two years. The compensation for non-competition to be granted for this purpose may not exceed 75% of the last annual remuneration granted in relation to one year, whereby the individual remuneration components can also be set at a flat rate. The Supervisory Board may also stipulate that the compensation for non-competition relates exclusively to the fixed remuneration; in such a case, the compensation for non-competition may also amount to up to 100% of the last fixed remuneration received in relation to one year. Any severance payment to be made to the Management Board member in connection with the termination of the employment contract shall be offset in full against any compensation for non-competition.

V. Procedure for determining, implementing and reviewing the remuneration system

The Management Board remuneration system is determined by the Supervisory Board in accordance with legal requirements and is regularly reviewed by the Supervisory Board. The Supervisory Board is supported in this by its Presidential and Nomination Committee. The Presidential and Nomination Committee of the Supervisory Board prepares the decision of the entire Supervisory Board and submits corresponding proposals, which the Supervisory Board then discusses and resolves on.

In particular, the Supervisory Board also reviews the appropriateness of the remuneration compared to the Management Board remuneration within a peer group (horizontal appropriateness). The peer group is determined by the Supervisory Board and comprises comparable domestic and foreign companies that are comparable to the Company in terms of sector, size, turnover and/or growth dynamics.

When determining the remuneration system and its implementation, the Supervisory Board also takes into account the remuneration of senior management and the rest of the workforce in relation to the German Group companies (vertical appropriateness) and compares their respective remuneration with the remuneration of the Management Board. For these purposes, senior management is defined by the Supervisory Board as the group of managers at the first management level below the Management Board. The Supervisory Board considers not only the current remuneration ratio, but also how this develops over time. This remuneration system is also based on a review of vertical appropriateness in accordance with these principles.

If necessary, the Supervisory Board commissions an external remuneration consultant to review the vertical and/or horizontal appropriateness. When appointing external remuneration consultants, care is taken to ensure their independence.

Any conflict of interest in the determination, implementation and review of the remuneration system is treated by the Supervisory Board in the same way as other conflicts of interest in the person of a Supervisory Board member. The Supervisory Board member in question must therefore disclose a conflict of interest and will not participate in the resolution or discussions. Early disclosure of any conflicts of interest ensures that the decisions of the Supervisory Board are not influenced by improper considerations.

The Presidential and Nomination Committee of the Supervisory Board prepares the regular review of the remuneration system for members of the Management Board. If necessary, it recommends changes to the Supervisory Board. In the event of significant changes, but at least every four years, the remuneration system is resubmitted to the Annual General Meeting for approval.

If the Annual General Meeting does not approve the remuneration system put to the vote, a revised remuneration system will be presented in accordance with the statutory requirements at the following Annual General Meeting at the latest.

Temporary deviations from the remuneration system

Pursuant to Section 87a para. 2 sentence 2 AktG, the Supervisory Board is entitled to temporarily deviate from the remuneration system if this is necessary in the interests of the long-term well-being of the Company. A Supervisory Board resolution is required for a deviation, in which the reasons, the manner and the intended period of the deviation are to be explained in each individual case. Deviations from the remuneration system for all remuneration components are possible on the basis of such a resolution. However, a deviation from the specified maximum remuneration is excluded.

Remuneration of the members of the Management Board for the financial year 2024

Remuneration of the active members of the Management Board in the financial year

The remuneration granted and owed to each individual member of the Management Board in the financial year 2024 is shown below. In accordance with Section 162 para. 1 sentence 2 no. 1 AktG, the remuneration is disclosed in the financial year in which the activity on which the remuneration is based was performed in full.

Basic remuneration

The basic remuneration in the financial year 2024 for the two Management Board members Christian Bertermann and Markus Boser was EUR 500,000 each.

Fringe benefits

The Management Board member Christian Bertermann is provided with a company car as a fringe benefit, for which the Company pays the fuel and operating costs. The expenses for the private use of this company car may not exceed EUR 25,000 gross per year.

Since 10 April 2023, Management Board member Markus Boser has been entitled to private health insurance for himself and his family (wife and children) in the UK, for which the Company covers the costs up to a gross amount of EUR 20,000 per year.

Long-term variable remuneration

Participation of Markus Boser

In March 2020, Markus Boser was granted a shareholding as an additional incentive in connection with his future work as a member of the Group's Management Board. The incentive was implemented by issuing 33,004 new registered shares with a pro rata amount of the share capital of EUR 1.00 each ("incentive shares"). In the event of a dividend or exit payment, the incentive shares are only subject to a dividend/exit payment if the agreed negative liquidation preference of originally EUR 587.00 is exceeded. In the event of an IPO, Mr Boser should convert his incentive shares into ordinary shares in the Company as part of the pre-IPO share split. The incentive shares have a vesting period of 48 months.

If the employment relationship between Mr Boser and the Company ends due to a so-called bad leaver event, Mr Boser has forfeited his entitlement to the entire shareholding. In the event of a good leaver event (e.g. resignation), Mr Boser is only entitled to the vested shareholding. The unvested incentive shares are forfeited. Mr Boser would then be obliged to transfer the non-vested shareholding to the Company in return for a consideration of EUR 1.00 per incentive share or, if such a transfer to the Company is not possible or not desired by the Company, to the respective shareholders of the Company in proportion to their shareholding.

In the course of the pre-IPO share split, Markus Boser's incentive shares were converted into ordinary shares in accordance with the originally agreed conditions. Mr Boser had a total of 33,004 incentive shares. After the share split of 1:50, the number of incentive shares totalled 1,650,200 shares. Taking into account the negative liquidation preference stipulated in the original agreements and the middle of the price range in the prospectus, 553,524 shares were transferred to AUTO1, so that after the IPO 1,096,676 ordinary shares were held by Markus Boser and 553,524 treasury shares (without consideration) from this participation were held by AUTO1 Group SE. The incentive shares held by Mr Boser are fully vested on 22 February 2024.

Long-Term Incentive Plan 2020 (LTIP 2020)

In December 2020, Christian Bertermann was granted subscription rights to shares in the Company under a new long-term remuneration programme (Long-Term Incentive Plan 2020, "LTIP 2020") as an incentive in connection with his future work as a member of the Group's Management Board.

The LTIP 2020 is designed as a long-term corporate remuneration programme to provide a strong incentive for strong corporate growth and high shareholder returns.

The share options granted under the LTIP 2020 have a high risk/return profile due to exercise conditions that are linked to (i) an ambitious increase in market capitalisation and (ii) continuous strong unit growth in the Retail segment.

The LTIP 2020 was slightly modified as part of the adjustment of the remuneration system in 2023, but without changing the existing share price hurdle, the existing exercise price or the remuneration volume achievable with the LTIP 2020 in the event of success.

To implement the LTIP 2020, the Company has granted a total of 7,500,000 share options with subscription rights to up to 6,624,900 no-par value bearer shares, which are backed by conditional capital. The options are divided into two tranches with different performance periods. Tranche A comprises 4/5 of the share options, i.e. 6,000,000 share options, and can be exercised after a performance period of four years from 31 December 2024. Tranche B comprises 1/5 of the share options, i.e. 1,500,000 share options, and can be exercised after a performance period of five years from 31 December 2025. The exercise period for both tranches begins after a four-year vesting period, which runs from 24 August 2023 (date of the adjustment of the LTIP 2020) to 23 August 2027, and ends for all share options on 31 December 2030. Share options that have not been exercised after the end of the exercise period expire without compensation. The exercise price of the share options is EUR 15.76 per share. The share options granted to Christian Bertermann will vest in 20 equal tranches at the end of each calendar quarter beginning at the start of 2021.

The exercise of the share options is dependent on the vesting of the corresponding share options, the expiry of the waiting period and the non-expiry of the exercise period.

The exercise of the share options is also subject to the following performance hurdles, which must be met cumulatively:

1. Share price hurdle: The volume-weighted average price (VWAP) of the AUTO1 Group SE share for the three months preceding a certain date must be at least EUR 45.02 for the first time in the period after 7 June 2023 and at the latest on 1 January 2029 (market condition).
2. CAGR hurdle: The growth in Retail units sold, calculated as the compound annual growth rate ("CAGR") over the respective performance period, must be at least 55% for tranche A and 45% for tranche B (non-market condition). Alternatively, it is sufficient that the adjusted EBITDA for tranche A in the 2024 financial year and for tranche B in the 2025 financial year is equal to or greater than zero.

The share options may be exercised during an exercise window, but may not be exercised within a closed period.

In the event that the share options are exercised, the settlement is carried out in such a way that a payment amount is calculated. The amount paid out is calculated as (i) the difference between the volume-weighted average price (VWAP) for the three months prior to the start of the exercise window and the exercise price of EUR 15.76, multiplied by (ii) the number of share options exercised. A maximum amount of the difference of EUR 119.30 ("cap") is set. The payment amount is converted into a corresponding number of shares on the basis of the volume-weighted average price (VWAP) of the three months prior to the start of the exercise window. Mr Bertermann will receive this number of shares to avoid having to pay the exercise price. However, the Company has a fulfilment option and is entitled, in relation to all or some of the share options exercised, to choose either a cash settlement by paying a gross amount per share option in cash in the amount of the respective fulfilment value per share option ("cash settlement") or by delivering a corresponding number of treasury shares in the Company instead of delivering new shares.

Due to the cap, the total number of shares that Mr Bertermann can receive upon settlement is limited to 6,624,900 shares.

If a good leaver event occurs, all share options that have not yet vested by the time the leaver event occurs expire without compensation. In the event of a bad leaver event, all vested share options that have not yet been exercised or settled also expire without compensation.

Long-Term Incentive Plan 2023 (LTIP 2023)

Markus Boser's existing service contract as a member of the Management Board of AUTO1 Group SE from January 2021 has a fixed term of five years, beginning on 1 January 2021 and ending at the end of 31 December 2025.

The variable remuneration under the service contract consists of Markus Boser's participation described above, which covers a period of the contract term until the end of February 2024. The new variable remuneration programme covers the remaining part of the contract term from 1 March 2024 to the end of 31 December 2025. The new variable remuneration is in line with the remuneration system approved by the Company's Annual General Meeting on 7 June 2023.

With effect from 29 November 2023 ("grant date"), Markus Boser was granted three different tranches (each a "tranche") of virtual share options ("option") by way of a one-off grant for the entire incentive period, which are regulated as follows:

1. a total number of 194,500 options of tranche 1, which are divided into sub-tranches:

(a) 88,408 options of sub-tranche 1a; and

(b) 106,092 options of sub-tranche 1b.

2. a total number of 314,027 options of tranche 2, which are divided into sub-tranches:

(a) 62,805 options of sub-tranche 2a;

(b) 125,611 options of sub-tranche 2b and

(c) 125,611 options of sub-tranche 2c

3. a total number of 264,308 options of tranche 3, which are further divided into sub-tranches:

(a) 52,862 options of sub-tranche 3a;

(b) 105,723 options of sub-tranche 3b; and

(c) 105,723 options of sub-tranche 3c.

Each option relates to one no-par value share in the Company and has a notional exercise price of

(a) EUR 0.01 per option in the case of Tranche 1 and Tranche 2 options; and

(b) EUR 15.00 per option in the case of tranche 3 options.

The respective settlement value per option on exercise corresponds to the amount by which the share price on exercise exceeds the calculated exercise price of the respective option.

The exercise of the virtual share options is dependent on the vesting of the corresponding virtual share options, the expiry of the waiting period, the achievement of the applicable performance hurdles and the non-expiry of the exercise period.

The options granted to the beneficiary vest at the end of each calendar quarter within the incentive period (each a "vesting date").

The relevant performance period of the options is as follows:

(a) The options of sub-tranche 1a have a two-year performance period beginning on 1 January 2023 and ending on 31 December 2024.

(b) The options of sub-tranche 1b have a two-year performance period beginning on 1 January 2024 and ending on 31 December 2025.

(c) The options of Tranche 2 and the options of Tranche 3 each have a four-year performance period, which begins on 1 January 2023 and ends on 31 December 2026.

The options cannot be exercised before the end of the respective waiting period. The waiting period for the respective tranche of options ends at the beginning of the respective exercise period.

The exercise of the virtual share options is also subject to the following performance hurdles:

1. Inventory financing hurdle: The exercise of all options is subject to the inventory financing hurdle being reached. The inventory financing hurdle is reached if the inventory financing parameter is more than 50% during the entire performance period of the respective options. The "inventory financing parameter" refers to the percentage of the total purchase price of the AUTO1 Group's used vehicle inventory as used for the purposes of the Company's financial reporting, excluding stolen or damaged vehicles, vehicles that have been on the balance sheet for more than one year and vehicles which are not located in AUTO1 Group's procurement markets or in Portugal, (i) which are financed by third-party debt (including bonds and convertible bonds) or (ii) for which third-party financing is available to AUTO1 Group that can be utilised under existing debt financing instruments.

2. CAGR hurdle: The exercise of the options of sub-tranche 2b, sub-tranche 2c, sub-tranche 3b and sub-tranche 3c is - in addition to reaching the inventory financing hurdle - linked to reaching the CAGR hurdle.

   For sub-tranche 2b and sub-tranche 3b options, the CAGR hurdle is reached if (i) the compound annual growth rate ("CAGR") of the Retail units sold over the four-year period from 1 January 2021 up to and including 31 December 2024 is at least 55% or (ii) the adjusted EBITDA for the 2024 financial year is equal to or greater than zero.

   For sub-tranche 2c and sub-tranche 3c options, the CAGR hurdle is reached if (i) the CAGR of the Retail units sold over the five-year period from 1 January 2021 up to and including 31 December 2025 ("five-year assessment period") is at least 45% or (ii) the adjusted EBITDA for the 2025 financial year is equal to or greater than zero.

AUTO1 has a settlement option and is entitled to choose to settle all or part of the exercised virtual options by delivering shares instead of a cash settlement by paying a gross amount per virtual option in cash equal to the respective settlement value per share option ("Cash Settlement"), either by delivering a corresponding number of newly created shares in the Company or by delivering a corresponding number of treasury shares acquired by the Company or another company of the AUTO1 Group ("Treasury Shares").

A cap is set for the maximum settlement value of all virtual share options of a particular tranche with a vesting date in the same calendar year. For tranche 1 options that vest in 2024, the cap is EUR 4 million. For tranche 1 options that vest in 2025, the cap is EUR 5 million. In addition, the maximum settlement value of all virtual share options that vest together in one year is limited by the maximum remuneration under the remuneration system of EUR 20 million gross per financial year less other remuneration in that financial year.

All share options that have not yet vested by the time a leaver event occurs expire without compensation. In the event of a bad leaver event, all vested virtual share options that have not yet been exercised or settled also expire without compensation. In the event of a good leaver event, however, all unexercised virtual share options that have vested prior to the occurrence of such a good leaver event may be retained.

Amount of Management Board remuneration in the financial year 2024

The following table shows the remuneration granted and owed to the active members of the Management Board in the financial year 2024:

	Financial year 2024							
	Fixed components			Variable components		Total remune-ration	Share of fixed remune-ration	Share of variable remune-ration
	Fixed salary	Fringe benefits	Total	Other	Total			
	in KEUR	in KEUR	in KEUR	in KEUR	in KEUR	in KEUR	in %	in %
Christian Bertermann	500	12	512	0	0	512	100	0
Markus Boser	500	18	518	542	542	1,060	49	51
Total	**1,000**	**30**	**1,030**	**542**	**542**	**1,572**	66	34

The remuneration granted and owed to the members of the Management Board corresponds to the relevant remuneration system, as it is made up of fixed and variable components. The fixed components consist of fixed remuneration and fringe benefits. The variable remuneration is currently structured exclusively as share-based remuneration with a multi-year assessment basis.

Under the LTIP 2020, in which Christian Bertermann is a beneficiary, no remuneration was granted or owed in 2024 within the meaning of stock corporation law.

Markus Boser's variable remuneration for the financial year 2024 consists of the options from tranche 1a of the LTIP 2023, which were granted and owed in accordance with stock corporation law.

The regulations agreed in the section explaining the maximum remuneration of the members of the Management Board were complied with. The total remuneration granted for the financial year 2024, consisting of a fixed salary including fringe benefits and variable remuneration components, is below the maximum amount. In addition, any allocation value of options granted for the financial year falls below the maximum amount at the time of the commitment.

2 Remuneration of the members of the Supervisory Board

Structure of Supervisory Board remuneration

In line with the prevailing market practice for listed companies in Germany, the remuneration of Supervisory Board members is structured as purely fixed remuneration. In addition, for each personal attendance at a Supervisory Board meeting (presence on site) or other appointment at the Company that requires the personal presence of the Supervisory Board member on site, the Supervisory Board members receive a lump-sum compensation for the expenses associated with the attendance, e.g. for travelling expenses, accommodation, etc. The lump-sum compensation amounts to EUR 1,000 for arrivals from Germany and EUR 2,000 for arrivals from abroad; this amount increases by EUR 1,000 for each additional day. Expenses are covered by the aforementioned lump-sum compensation and will not be reimbursed unless higher expenses are proven in individual cases.

There are no performance-related components. The Company's governing bodies believe that fixed remuneration for Supervisory Board members is the best way to strengthen the independence of the Supervisory Board and to take into account the advisory and supervisory function of the Supervisory Board, which is independent of the Company's performance.

The amount and structure of Supervisory Board remuneration ensure that the Company is in a position to attract qualified candidates for membership of the Company's Supervisory Board; in this way, Supervisory Board remuneration makes a sustainable contribution to promoting the Company's business strategy and long-term development. The existing remuneration regulations also take particular account of recommendation G.17 and suggestion G.18 sentence 1 of the German Corporate Governance Code in its current version.

The system for the remuneration of Supervisory Board members was approved by the Annual General Meeting on 9 June 2022 at the proposal of the Management Board and Supervisory Board. The remuneration is reviewed regularly, at least every four years, by the Management Board and Supervisory Board to determine whether the amount and structure are still in line with market conditions and commensurate with the tasks of the Supervisory Board and the situation of the Company. In view of the Management Board and Supervisory Board, the remuneration is appropriate in its current form, but will be reviewed in the event of new legal obligations or other additions to the Supervisory Board's duties.

Amount of Supervisory Board remuneration in the financial year 2024

The following table shows the remuneration granted and owed to the current members of the Supervisory Board in the financial year 2024:

	Financial year 2024
	Fixed remuneration
	in KEUR
Hakan Koç (Chairman of the Supervisory Board, since 6 June 2024)	112.5
Gerhard Cromme (Chairman of the Supervisory Board, until 6 June 2024)	75.0
Gerd Häusler (until 6 June 2024)	52.5
Sylvie Mutschler from Specht	71.7
Claudia Frese (since 6 June 2024)	35.0
Christian Miele (since 6 June 2024)	32.1
Lars Santelmann	60.0
Martine Gorce Momboisse	100.0
Total	**538.8**

There were no variable remuneration components. The fixed components of remuneration therefore account for 100% of total remuneration.

Hakan Koç's fixed remuneration includes pro rata temporis remuneration of EUR 60 thousand p.a. as Deputy Chairman of the Supervisory Board and pro rata temporis remuneration of EUR 150 thousand p.a. as Chairman of the Supervisory Board. This covers the remuneration for his activities as Chairman of the Presidential and Nomination Committee, member of the Audit and Risk Committee and member of the Marketing and Branding Committee.

Gerhard Cromme's fixed remuneration includes pro rata temporis remuneration of EUR 150 thousand p.a. as Chairman of the Supervisory Board. This covered the remuneration until the end of his activities as Chairman of the Presidential and Nomination Committee and as a member of the Audit and Risk Committee.

Gerd Häusler's fixed remuneration includes pro rata temporis remuneration of EUR 50 thousand p.a. for his work on the Supervisory Board, pro rata temporis remuneration of EUR 50 thousand p.a. as Chairman of the Audit Committee and pro rata temporis remuneration of EUR 5 thousand p.a. for his membership of the Presidential and Nomination Committee.

The remuneration of Sylvie Mutschler von Specht includes the Supervisory Board remuneration of EUR 50 thousand p.a., the pro rata temporis remuneration for membership of the Marketing and Branding Committee of EUR 5 thousand p.a., the pro rata temporis remuneration as Chairwoman of the ESG Committee of EUR 25 thousand p.a. and the pro rata temporis remuneration for membership of the Presidential and Nomination Committee of EUR 5 thousand p.a.

Lars Santelmann's remuneration includes (i) pro rata temporis remuneration as a former member of the ESG Committee of EUR 5 thousand p.a. and remuneration as a member of the Audit Committee of EUR 5 thousand p.a. in addition to the Supervisory Board remuneration of EUR 50 thousand and (ii) pro rata temporis remuneration of EUR 60 thousand p.a. as Deputy Chairman of the Supervisory Board. Mr Santelmann has waived the pro rata temporis remuneration of EUR 20 thousand p.a. as Chairman of the ESG Committee vis-à-vis the Company. The remuneration for his work as Deputy Chairman of the Supervisory Board covers his remuneration for his work as Chairman of the Audit and Risk Committee, member of the Presidential and Nomination Committee and member of the ESG Committee for the corresponding period.

The remuneration of Martine Gorce Momboisse includes the Supervisory Board remuneration of EUR 50 thousand p.a. and the remuneration of EUR 50 thousand p.a. as Chairwoman of the Marketing and Branding Committee.

Claudia Frese's fixed remuneration consisted of pro rata temporis remuneration of EUR 50 thousand p.a. for her work on the Supervisory Board, pro rata temporis remuneration of EUR 5 thousand p.a. as a member of the Marketing and Branding Committee and pro rata temporis remuneration of EUR 5 thousand p.a. for her membership of the ESG Committee.

Christian Miele's fixed remuneration consisted of pro rata temporis remuneration of EUR 50 thousand p.a. for his work on the Supervisory Board and pro rata temporis remuneration of EUR 5 thousand p.a. as a member of the Audit Committee.

3 Relative development of the remuneration of the Management Board and Supervisory Board, the remuneration of other employees and the Company's earnings performance

The following overview shows the relative development of the remuneration granted and owed to active and former members of the Management Board and Supervisory Board in the past financial year, the remuneration of other employees and selected key earnings figures of AUTO1 Group SE and the AUTO1 Group compared to the previous year.

The development of earnings is presented on the basis of the annual result of the parent company AUTO1 Group SE and the revenue of AUTO1 Group SE.

The presentation of the average remuneration of employees on a full-time equivalent basis is based on the entire group of employees in the Group.

in %	Change in 2021 compared to 2020	Change 2022 compared to 2021	Change 2023 compared to 2022	Change 2024 compared to 2023
Management Board remuneration				
Christian Bertermann	>+100	-99.5	-1.0	+0.4
Markus Boser	-96	+0.4	+4.0	-1.1
Supervisory Board remuneration				
Gerhard Cromme (until 06/2024)	+4.3	0	0	-50.0
Hakan Koç (from 12/2020)	>+100	+5.3	+3.4	+87.5
Gerd Häusler (until 06/2024)	+9.6	0	0	-50.0
Sylvie Mutschler von Specht (from 02/2021)	-	+21.4	+7.1	+19.5
Vassilia Kennedy (from 06/2022 to 01/2023)	-	n/a	-86.2	-
Lars Santelmann (from 07/2022)	-	n/a	+100.0	+0.0
Martine Gorce Momboisse (as of 04/2023)	-	-	n/a	+49.3
Claudia Frese (since 06/2024)	-	-	-	n/a
Christian Miele (since 06/2024)	-	-	-	n/a
Earnings ratios				
Annual result of AUTO1 Group SE (HGB)	<-100	+94	>+100	>-100
Group revenues (IFRS)	+68.7	+36.8	-16.4	+14.8

Average remuneration of employees				
Total workforce in the Group	+3.1	+0.1	+5.8	+4.4