

HomeToGo SE
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REMUNERATION POLICY

1. INTRODUCTION

The following remuneration policy of HomeToGo SE (the “**Company**” or “**HomeToGo**”, and its remuneration policy, the “**Policy**”) discloses all relevant information according to Article 7bis of the Luxembourg law of May 24, 2011, on the exercise of certain rights of shareholders in general meetings of listed companies, as amended (the “**2011 Law**”), implementing the Shareholder Rights Directive II (EU) 2017/828.

This Policy applies to members of the management board of the Company (the “**Management Board**”) and to members of the supervisory board of the Company (the “**Supervisory Board**”).

This Policy, which will be submitted to the advisory vote of the Company’s shareholders in connection with agenda item 8 of the annual general meeting of the Company’s shareholders to be held on May 24, 2022, shall have effect as of January 1, 2022, and is intended to remain in place for four years, i.e. until the annual general meeting to be held in 2026. In the event of material changes and in any case, every four years, the Policy shall be submitted to the advisory vote the Company’s shareholders.

2. REMUNERATION OF THE MEMBERS OF THE MANAGEMENT BOARD

2.1 Objectives of the Remuneration System for the Members of the Management Board

The remuneration system for the members of the Management Board forms a key element to supporting the implementation of HomeToGo’s strategy and its short-, mid- and long-term successful development. It supports the implementation of HomeToGo’s strategy and consciously provides strong incentives linked to the development of the Company’s stock to align the interests of HomeToGo’s shareholders and other stakeholders with the interests of the members of the Management Board.

2.1.1.1 The main objectives of the Policy for the members of the Management Board can be summarized as follows:

- Providing a total compensation to motivate members of the Management Board towards the achievement of long-term goals in order to promote the Company’s business strategy, long-term value creation and sustainability;
- Providing adequate compensation in consideration of the responsibilities, competency, commitment, workload, time spent and performance of each individual;
- Ensuring that the Company continues to attract and retain those individuals who consistently perform at or above expected levels and contribute to the success of the Company; and
- Alignment of interests between shareholders as well as other stakeholders of the Company and members of Management Board.

2.2 Process for Determining, Implementing and Reviewing the Remuneration System

The Supervisory Board develops the remuneration system as well as the compensation levels of the members of the Management Board.

The Supervisory Board assesses the appropriateness of the compensation of the members of the Management Board periodically by comparing it with compensation levels in companies of similar size and structure and, internally, with the compensation of senior management and other employees of the Company. In doing so, the Supervisory Board may consult an external remuneration expert who must be independent from the Management Board.

2.3 Agreements with the Management Board Members

The Company’s wholly-owned subsidiary HomeToGo GmbH, a limited liability company operating under the laws of Germany, has entered into service agreements with all four members of the Management Board (the “**Service Agreements**” and each a “**Service Agreement**”), who simultaneously serve as managing directors of HomeToGo GmbH. The Service Agreements have terms between three and four years, each

beginning on September 21, 2021, the day the business combination between the Company and HomeToGo GmbH by way of a contribution of all shares in HomeToGo GmbH into the Company in exchange for the issuance of new public shares in the Company was consummated (the “**Business Combination**”). Under these Service Agreements, the members of the Management Board agreed to take up – without any additional remuneration – supervisory board, management and similar positions at companies affiliated with HomeToGo GmbH at the request of the shareholders’ meeting of HomeToGo GmbH. Pursuant to the Service Agreements, any remuneration from board positions in group companies is counted towards the remuneration agreed between HomeToGo GmbH and the respective member of the Management Board.

In February 2022, the Company’s CSO Wolfgang Heigl took up the position as deputy director with two direct subsidiaries of HomeToGo GmbH, UAB HomeToGo Technologies and UAB HomeToGo Technologies Vilnius, each of them a private limited liability company operating under the laws of Lithuania (the “**Lithuanian Subsidiaries**”), and entered into service agreements with each of them. Pursuant to his Service Agreement, any remuneration received by Mr. Heigl under the service agreements with the Lithuanian Subsidiaries counts towards his overall remuneration.

The Service Agreements provide for fixed salaries, payable in twelve equal instalments at the end of each month, taking into account the respective applicable tax and social security provisions. The Service Agreements provide for a multi-annual variable remuneration, the details of which the parties are to agree upon in good faith. In March 2022, the Company has established the VSOP 2022 and the RSUP 2022, each as defined below, as such multi-annual variable remuneration. The Service Agreements do not provide for annual variable remuneration. The Company, however, has the right to grant the members of the Management Board by separate agreement special remunerations for exceptional performance, the maximum amount of which is specified in the Service Agreements. The Company may decide on the granting of such special remunerations at its sole discretion.

The members of the Management Board do not receive fixed salaries directly from the Company in addition to the salaries they receive from HomeToGo GmbH and, in the case of Mr. Heigl, from the Lithuanian Subsidiaries.

The Service Agreements further include contractual non-compete covenants. Pursuant to these provisions, the members of the Management Board are prohibited from working on a freelance, dependent or other basis for competing companies. In the event of a termination of the respective Service Agreement within 24 months after its commencement, the non-competition covenant applies until the expiry of 36 months after the commencement of the Service Agreement, but no longer than for a period of 24 months after its termination date; in the event of a termination of a Service Agreement after the expiry of 24 months from its commencement or by expiry of the term of the respective Service Agreement, the Service Agreements provide for waiting periods of 12 months after the termination date. For the duration of the post-contractual non-compete covenant, the members of the Management Board receive a monthly compensation amounting to 10% of their fixed gross annual compensation.

The Service Agreements do not provide for severance payments. However, should the members of the Management Board receive a severance payment from HomeToGo GmbH, the Service Agreements provide for a deduction of the amount of the severance payment from the compensation received for observing the post-contractual non-compete covenant.

If the office or Service Agreement of a member of the Management Board ends due to a change of control in the Company, there are no contractually agreed change-of-control severance entitlements. There are also no specific contractually agreed termination rights for the members of the Management Board in the event of a change of control in the Company.

2.4 Avoidance of Conflicts of Interest within the Management Board

Any member of the Management Board, who has a financial interest conflicting with the interest of the Company in connection with a transaction falling within the responsibility of the Management Board, is required to disclose such conflict of interest immediately to the Supervisory Board and inform the other members of the Management Board thereof. The relevant member of the Management Board may neither take

part in the discussions relating to such transaction nor vote on such transaction. Any such conflict of interest must be reported to the next general meeting of shareholders prior to such meeting taking any resolution on any other item. In addition, the authorization of the Supervisory Board is required for transactions relating to such conflict matters.

All transactions between the Company on the one hand and the members of the Management Board, as well as parties related to them or companies they have a personal association with, on the other hand or any other transactions which qualify as “related party transactions” within the meaning of the 2011 Law must comply with standards that would apply in an arm’s length transaction. In addition, such transactions are subject to approval by the Management Board and the Supervisory Board if they are material and shall be published if so required under the provisions of the 2011 Law.

2.5 Components of the Remuneration of the Members of the Management Board

The Company’s remuneration structure for the members of the Management Board is based on fixed and long-term variable compensation involving exclusively long-term incentives.

2.5.1 Fixed Remuneration

The fixed remuneration of the members of the Management Board consists of a base salary as a fixed gross compensation per fiscal year. It is paid out in twelve equal monthly instalments.

2.5.2 Fringe Benefits

In addition to their fixed remuneration, the members of the Management Board receive an allowance towards health, long-term care and pension insurance in the amount that would be payable if the members of the Management Board were employees of the Company, but no more than half of the respective insurance premium. The Company has further taken out accident and D&O insurances for the members of the Management Board to the customary extent and pays the respective insurance premiums.

The Company provides the mandatory or statutory social security and pension coverage per the respective jurisdiction.

2.5.3 Variable Remuneration

2.5.3.1 Virtual Stock Option Program 2022 and Restricted Stock Unit Program 2022

On March 30, 2022, the Supervisory Board decided to implement new long-term incentive programs for members of the Management Board, the virtual stock option program 2022 (the “**VSOP 2022**”) and the restricted stock unit program 2022 (the “**RSUP 2022**”).

Under the VSOP 2022, virtual stock options (the “**HTG VSOs**”) may be granted to members of the Management Board entitling the respective beneficiaries to receive cash payments upon exercise of their HTG VSOs in the amount of the difference between the relevant share price of the Company’s shares at the time an HTG VSO is exercised and the time an HTG VSO has been granted. While the Company has the right to settle any claims under the VSOP 2022 in shares in accordance with applicable law, beneficiaries do not obtain a right or option to acquire shares in the Company or any other shareholder rights, but rather a right to receive a cash payment, the amount of which depends on the development of the share price of the Company’s shares. The price at which one HTG VSO under the VSOP 2022 may be exercised depends on the closing price over the ten consecutive trading days immediately prior to the relevant granting.

In order to minimize the potential for prohibited insider trading, the Supervisory Board may, from time to time, establish in its sole discretion periods during which a participant under the VSOP 2022 may not engage in transactions involving the HTG VSOs (the “**Black-Out Periods**”). Subject to any insider trading rules and any Black-Out Periods, a participant under the VSOP 2022 may exercise any vested HTG VSOs within three years following the vesting during any period between the sixth and the tenth trading day after the publication by the Company of its quarterly, half-year or annual financial statements.

The terms of the VSOP 2022 (the “**VSOP 2022 Terms**”) further contain customary forfeiture provisions, pursuant to which a “**Bad Leaver**” is defined as a participant whose office as member of the Management Board ends due to the participant’s voluntary resignation from office prior to the regular end of his/her term of office and the participant taking up employment with or assuming an active management position or a remunerated consultant role with a direct competitor undertaking operating in business areas similar to the ones the Company is operating in or due to a revocation from office (*révocation*) where there are grounds justifying a termination of the service or employment relationship for good cause within the meaning of section 626 of the German Civil Code (*Bürgerliches Gesetzbuch*) (or the equivalent provision of applicable foreign law). A “**Good Leaver**” is defined as a participant whose office as member of the Management Board ends due to any reason not qualifying the relevant participant as a Bad Leaver. Pursuant to the VSOP 2022 Terms, a Bad Leaver forfeits all unexercised awards, whether vested or unvested, whereas a Good Leaver retains all vested awards and forfeits all unvested awards.

In addition to the VSOP 2022, the Company introduced a restricted stock unit program (the “**RSUP 2022**”), under which restricted stock units (the “**HTG RSUs**”) may be granted to members of the Management Board. Upon vesting of the HTG RSUs, each HTG RSU grants the right to request cash payments in the amount of the relevant share price of the shares in the Company. Thus, irrespective of the Company’s option to settle any claims under the RSUP 2022 in shares in accordance with applicable law and unlike in so-called restricted share award programs, beneficiaries do not obtain a right or option to acquire shares in the Company or any other shareholder rights, but rather a right to receive a cash payment, the amount of which depends on the development of the price of the Company’s shares. Participants of the RSUP 2022 may, subject to insider trading rules, request payment for vested HTG RSUs within three years following the vesting of the respective HTG RSUs during any period between the sixth and the tenth trading day after the publication by the Company of its quarterly, half-year or annual financial statements. The terms of the RSUP 2022 further contain provisions analogous to the provisions of the VSOP 2022 Terms regarding the Black-out Periods as well as analogous forfeiture provisions.

For each grant, the beneficiaries are able to select the allocation of their overall grant between VSOP 2022 and RSUP 2022 from the following five options: Option A: 30% RSUP 2022 and 70% VSOP 2022; Option B: 40% RSUP 2022 and 60% VSOP 2022; Option C: 50% RSUP 2022 and 50% VSOP 2022; Option D: 60% RSUP 2022 and 40% VSOP 2022; Option E: 70% RSUP 2022 and 30% VSOP 2022. The Company has the right to determine a different allocation. For allocation purposes, the Company determines the fair value of the awards under the VSOP 2022 applying a generally accepted option-pricing model in line with IFRS 2. For each grant, the overall grant value as well as the number of awards granted under the RSUP 2022 and the VSOP 2022 is set forth in the respective grant agreement. On March 30, 2022, the Supervisory Board resolved to grant each member of the Management Board at that time long-term variable remuneration under the VSOP 2022 and the RSUP 2022 (the “**2022 LTI Grant**”). In the grant agreements under the 2022 LTI Grant, the beneficiaries, the Company and HomeToGo GmbH agreed on a four year vesting period and a provision regarding a one-year cliff period (the “**One-Year Cliff**”). Under the 2022 LTI Grant, 100% of the respective gross annual target amount for long-term variable remuneration agreed in the respective Service Agreement shall vest in each of the four years beginning January 1, 2022. In the first of the four years, any vesting of the HTG VSOs and HTG RSUs amounting to 100% of the respective gross annual target amount shall only occur upon completion of this first year, *i.e.*, upon completion of the One-Year Cliff. In each of the three subsequent years, HTG VSOs and HTG RSUs amounting to 100% of the respective gross annual target amount vest in installments of 1/4 for each full quarter of a year.

2.5.4 Total Remuneration Caps

The initial Service Agreements dated September 21, 2021, capped the total remuneration for each member of the Management Board at a certain amount. By way of amendments to the initial Service Agreements dated April 19, 2022, the aforementioned total remuneration caps were abrogated, such that the amended Service Agreements do not provide for any cap of the total remuneration of the members of the Management Board, since the Company did no longer regard total remuneration caps as being appropriate for HomeToGo as a growth company and since it regards a remuneration system without overall caps as being advantageous as it provides incentives for the members of the Management Board that are better aligned with the interests of the shareholders.

3. COMPENSATION OF THE MEMBERS OF THE SUPERVISORY BOARD

3.1 Objectives of the Compensation System for the Members of the Supervisory Board

The main objectives of the Policy for the compensation of the members of the Supervisory Board can be summarized as follows:

- Providing adequate compensation in consideration of the responsibilities, competency, commitment, workload, time spent and performance of each individual;
- Ensuring the independence of the members of the Supervisory Board; and
- Enabling the members of the Supervisory Board to fulfil their monitoring function.

3.2 Process for Establishing the Compensation of the Members of the Supervisory Board

The compensation of the members of the Supervisory Board was resolved by an extraordinary shareholders' meeting of the Company held on September 13, 2021, in the context of the approval of the Business Combination. The members of the Supervisory Board have been appointed for terms until the annual general meeting of shareholders of the Company resolving upon the discharge for the exercise of the financial year 2023.

3.3 Avoidance of Conflicts of Interest within the Supervisory Board

Any member of the Supervisory Board who has, directly or indirectly, a financial interest conflicting with the interest of the Company in connection with a transaction falling within the competence of the Supervisory Board must have his/her declaration recorded in the minutes of the Supervisory Board meeting, disclose such conflicts of interest immediately to the Supervisory Board, and inform the other members of the Supervisory Board thereof. The relevant member of the Supervisory Board may neither take part in the discussions relating to such transaction nor vote on such transaction. Any such conflict of interest must be reported to the next general meeting of shareholders prior to such meeting taking any resolution on any other item.

Members of the Supervisory Board may not, in connection with their work for the Company, demand or accept from third parties payments or other advantages for themselves or for any other person or grant third parties unlawful advantages.

All transactions between the Company on the one hand and the members of the Supervisory Board, as well as parties related to them or companies they have a personal association with, on the other hand or any other transaction which qualifies as a "related party transaction" within the meaning of the 2011 Law must comply with standards that would apply in an arm's length transaction. In addition, such transactions are subject to approval by the Management Board and the Supervisory Board if they are material and shall be published if so required under the provisions of the 2011 Law.

3.4 Components of the Compensation of the Members of the Supervisory Board

The remuneration of the members of the Supervisory Board is exclusively based on fixed annual compensations aligned with market best practices.

Members of the Supervisory Board without additional functions are each entitled to a fixed annual compensation (the "**Supervisory Board Base Compensation**"), which, as of the date of this Policy, amounts to TEUR 60 gross. The chairperson of the Supervisory Board is entitled to 200% of the fixed annual compensation *per annum* for the performance of his office. The chairperson of a committee of the Supervisory Board is entitled to 150% of the Supervisory Board Base Compensation. In individual cases, members of the Supervisory Board have declined to receive any compensation for their work in the Supervisory Board for certain periods.

It is proposed to the shareholders to approve a remuneration of 125% of the Supervisory Board Base Compensation for ordinary members of a committee of the Supervisory Board in their annual general meeting on May 24, 2022.

The Company has further taken out D&O insurances for the members of the Supervisory Board to the customary extent and pays the respective insurance premiums.

4. EXCEPTIONAL CIRCUMSTANCES

In exceptional circumstances, the Company can temporarily derogate from this Policy regarding the remuneration of the members of the Management Board.

Exceptional circumstances are situations in which the derogation from this Policy is necessary to serve the long-term interest and the sustainability of the Company or to assure its viability. A derogation from this Policy for the Management Board in the aforementioned exceptional circumstances requires a resolution of the Supervisory Board assessing the exceptional circumstances and the necessity of a derogation.

Luxembourg, April 19, 2022

Supervisory Board of HomeToGo SE