

## Corporate Governance Report

In this Corporate Governance Report, HelloFresh SE (“**Company**”) reports on the principles of corporate governance pursuant to Section 289f German Commercial Code (*Handelsgesetzbuch* – “**HGB**”) and Section 315d HGB, as well as pursuant to Section 161 German Stock Corporation Act (*Aktiengesetz* – “**AktG**”) and principle 22 of the German Corporate Governance Code as amended on 16. December 2019 (*Deutscher Corporate Governance Kodex* - “**GCGC**”) on the corporate governance of the Company. In addition to the declaration of conformity pursuant to Section 161 AktG, this report also includes information on corporate governance practices, the composition and working practices of the Management Board, the Supervisory Board and the Supervisory Board’s committees. The statement on corporate governance in accordance with Section 289f HGB and Section 315d HGB is also part of the management report.

### A. Implementation of the GCGC

Corporate governance stands for responsible corporate leadership and control with a view on long-term value creation. The Company’s corporate governance and corporate culture comply with statutory requirements and - with a few exceptions - to the additional recommendations of the GCGC. The Management Board and Supervisory Board are committed to good corporate governance and all areas of the Company are guided by this objective. The Company focuses on values such as competence, transparency and sustainability.

The Management Board and Supervisory Board again carefully addressed compliance with the requirements of the GCGC in the fiscal year 2021. In doing so, they commented on the few deviations for the fiscal year, most recently with the update of the Declaration of Conformity pursuant to Section 161 AktG in December 2021. The declaration is available on the Company’s website (<https://ir.hellofreshgroup.com/websites/hellofresh/German/4000/corporate-governance.html>).

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### Declaration of Conformity

"The Management Board and the Supervisory Board of HelloFresh SE (also, the “**Company**”) declare in accordance with Section 161 of the German Stock Corporation Act:

- a) Since the last annual Declaration of Conformity of the Company from December 2020 until the update and supplementation of the declaration of conformity from December 2020 by the Company on 8 April 2021 (“**Updated Declaration of Conformity of 8 April 2021**”) the Company has, subject to the exceptions described under no. 1., 2. and 5., complied with the recommendations of the Commission “German Corporate Governance Code” in the version of December 16, 2019 (published in the German Federal Gazette on March 20, 2020) (“**Code 2020**”).
- b) Since the Updated Declaration of Conformity of 8 April 2021 until the update and supplementation of the declaration of conformity from December 2020 by the Company on 15 April 2021 (“**Updated Declaration of Conformity of 15 April 2021**”) the Company has, subject to the exceptions described under no. 1., 2., 4. and 5., complied with the recommendations of the Code 2020. The Updated Declaration of Conformity of 8 April 2021 was published due to the initial public offering

of Tio Tech A on NASDAQ, where Dominik Richter, CEO of the Company, is the Chairman of the Board of Directors.

- c) Since the Updated Declaration of Conformity of 15 April 2021 until the update and supplementation of the declaration of conformity from December 2020 by the Company on 17 May 2021 (“**Updated Declaration of Conformity of 17 May 2021**“) the Company has, subject to the exceptions described under no. 1., 2., 4., 6. and 7., complied with the recommendations of the Code 2020. The Updated Declaration of Conformity of 15 April 2021 was published following the resolution of the Supervisory Board of the Company in accordance with Section 87a (1) sentence 1 of the German Stock Corporation Act on a remuneration system for the Management Board (hereinafter also referred to as the “**Remuneration System**“), which was submitted to the Annual General Meeting on 26 May 2021 for resolution.
- d) Since the Updated Declaration of Conformity of 17 May 2021 the Company has complied and intends to continue to comply with the recommendations of the Code 2020, subject to the exceptions described under no. 3., 4., 6. and 7. The Updated Declaration of Conformity of 17 May 2021 was published following the implementation of a whistleblower system by the Company and an early termination and reappointment by mutual consent of the members of the Management Board of the Company.

**1. RECOMMENDATION A.2 SENTENCE 2 OF THE CODE 2020: EMPLOYEES SHALL BE GIVEN THE OPPORTUNITY TO REPORT LEGAL VIOLATIONS WITHIN THE COMPANY**

Recommendation A.2 sentence 2 of the Code 2020 recommends that employees shall be given the opportunity to report, in a protected manner, suspected breaches of the law within the enterprise. The Company had already taken various measures to ensure compliance with the various legal provisions at the Company. At the time of the annual Declaration of Conformity from December 2020 until the update of the Declaration of Conformity on 17 May 2021, the specific recommendation of the Code 2020 had nevertheless not yet been implemented. However, the Company had already declared in the annual Declaration of Conformity from December 2020 that it intended to implement the recommendation as soon as possible and to comply with it in the future.

**2. RECOMMENDATION B.3 OF THE CODE 2020: THE FIRST-TIME APPOINTMENT OF MANAGEMENT BOARD MEMBERS SHALL BE FOR A PERIOD OF NOT MORE THAN THREE YEARS**

Recommendation B.3 of the Code 2020 stipulates that the first-time appointment of members of the management board shall be for a period of no more than three years. The first-time appointment of the member of the Management Board, Mr. Edward Boyes (Chief Commercial Officer), was for the period from January 1, 2020, to March 31, 2024, i.e. for a period of more than three years. Mr. Boyes has already been working for the HelloFresh Group since 2012. Since March 2020 until December 2019, Mr. Boyes was the Chief Executive Officer of the most significant US-American subsidiary of the Company (between March 2016 and November 2016 he was Co-CEO and thereafter he held the position of CEO on his own). Therefore, the Supervisory Board was of the opinion that it was not necessary to limit the first-time appointment of Mr. Boyes as member of the Management Board to a period of three years.

**3. RECOMMENDATION B.4 CODE 2020: THE REAPPOINTMENT OF MANAGEMENT BOARD MEMBERS BEFORE THE END OF ONE YEAR PRIOR TO THE END OF THE TERM OF APPOINTMENT**

## **WITH SIMULTANEOUS TERMINATION OF THE CURRENT APPOINTMENT SHALL ONLY TAKE PLACE IN SPECIAL CIRCUMSTANCES**

Recommendation B.4 of the Code 2020 provides that reappointment of Management Board members before the end of one year prior to the end of the term of appointment with simultaneous termination of the current appointment shall only take place in the event of special circumstances. Mr. Dominik Richter, Mr. Thomas Griesel, Mr. Christian Gärtner and Mr. Edward Boyes and the Supervisory Board of the Company (the latter by resolution dated 17 May 2021) had mutually agreed to terminate the appointments of all members of the Management Board in effect at that time. At the same time, the Supervisory Board appointed all members of the Management Board, with their respective consent, in the resolution dated 17 May 2021 for the period from 17 May 2021 to April 30, 2026, each as a member of the Company's Management Board; Mr. Dominik Richter was again reappointed as Chairman of the Management Board. With regard to Mr. Dominik Richter, Mr. Christian Gärtner and Mr. Edward Boyes, the termination of their appointment in effect at that time and reappointment took place one year before the end of their appointment in effect at that time. The members of the Supervisory Board agreed on the early termination and reappointment by mutual consent with the members of the Management Board in order to achieve an early implementation of the provisions of the Remuneration System resolved by the Supervisory Board on 15 April 2021 and which was submitted to the Annual General Meeting on 26 May 2021 for resolution, into the Management Board service agreements of the members of the Management Board. As the service agreements of the members of the Management Board in effect at that time were subject to grandfathering, the Supervisory Board could not unilaterally enforce the implementation of the provisions of the Remuneration System. Following intensive negotiations, the Supervisory Board and the members of the Management Board, Mr. Dominik Richter, Mr. Thomas Griesel, Mr. Christian Gärtner and Mr. Edward Boyes, had therefore agreed that the provisions of the Remuneration System should for the most part already be implemented in the Management Board service contracts. As the Company also had a strong interest in the further long-term commitment of the members of the Management Board to the Company, the Supervisory Board considered the early termination of the appointment in effect at that time and reappointment of the members of the Management Board to be appropriate.

#### **4. RECOMMENDATION C.5, 2<sup>nd</sup> ALTERNATIVE OF THE CODE 2020: ANYONE WHO IS A MANAGEMENT BOARD MEMBER OF A LISTED COMPANY SHALL NOT CHAIR A SUPERVISORY BOARD OR PERFORM A COMPARABLE FUNCTION IN A NON-GROUP LISTED COMPANY**

Recommendation C.5, 2<sup>nd</sup> alternative of the Code 2020 provides that a management board member of a listed company shall not hold more than two supervisory board mandates in non-group listed companies or comparable functions and shall not chair the supervisory board of a non-group listed company. Since 8 February 2021 Mr. Dominik Richter, CEO of the Company, has been Chairman of the Board of Directors ("**Chairman**") of Tio Tech A, a company with limited liability (*company limited by shares*) incorporated under the laws of the Cayman Islands. Tio Tech A is a so-called "*Special Purpose Acquisition Company*" or "*SPAC*", i.e., a shelf company whose shares become listed on a public stock exchange with the intention of merging the shelf company with a private company at a later point in time. On 8 April 2021, the initial public offering of Tio Tech A on NASDAQ took place. As Chairman of the since listed Tio Tech A, Mr. Dominik Richter performs a function comparable to that of a chairman of a supervisory board of a German listed company. The Supervisory Board of the Company has approved the assumption of office by Mr. Dominik Richter as Chairman of Tio Tech A and has, in particular, taken into account the anticipated time required by Mr. Dominik Richter to perform the activities as Chairman. The Supervisory Board came to the conclusion that Mr. Dominik Richter's time commitments as Chairman will not impair his obligations vis-à-vis the Company.

## **5. RECOMMENDATIONS G.I ff. OF THE CODE 2020: REMUNERATION OF THE MANAGEMENT BOARD**

Section G.I. of the Code 2020, at the time of the annual Declaration of Conformity from December 2020 contained new recommendations regarding the remuneration of the members of the Management Board. At the time, in accordance with the rationale of the Code 2020 and the transitional provisions of the German Stock Corporation Act for the amendments by the Act Implementing the Second Shareholder Rights Directive (ARUG II), to which new recommendations of the Code 2020 relate, the – at the time – new recommendations of the Code 2020 had not yet been implemented into the Management Board service contracts in effect at that time. However, the Management Board and the Supervisory Board of the Company declared in the annual Declaration of Conformity from December 2020 that they would propose to the Annual General Meeting in 2021 a compensation system for the members of the Management Board of HelloFresh SE which, in principle, would take into account the recommendations of the Code 2020 on management board remuneration, but from which deviations may be made in justified cases and which would apply to all service contracts with members of the Management Board of HelloFresh SE which would be concluded or extended after the Annual General Meeting 2021.

## **6. 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 MANAGEMENT BOARD MEMBER FOR ALL VARIABLE REMUNERATION COMPONENTS FOR THE FORTHCOMING FINANCIAL YEAR AND ESTABLISHMENT OF THE AMOUNT OF THE INDIVIDUAL VARIABLE REMUNERATION TO BE GRANTED AFTER THE END OF EVERY FINANCIAL YEAR DEPENDING ON THE TARGET ACHIEVEMENT**

Recommendation G.7 sentence 1 of the Code 2020 provides that for the forthcoming financial year the Supervisory Board shall determine for each Management Board member the performance criteria for all variable remuneration components, which – besides operating targets – shall be mainly geared to strategic goals. According to the Remuneration System and the Company's current remuneration practices, the variable remuneration of the Management Board members consists of a long-term variable remuneration component in the form of virtual stock options granted under the Company's current virtual stock option program and a short-term variable remuneration component in the form of *Restricted Stock Units* granted under the Company's current "Restricted Stock Unit Program". The short-term variable remuneration in the form of *Restricted Stock Units* is currently – as opposed to the long-term variable remuneration – not subject to the achievement of specific performance criteria, but its payout amount is based solely on the level of the share price of the HelloFresh SE shares at the point in time immediately preceding the payout. Therefore, the Supervisory Board currently does not determine performance criteria for *all* variable remuneration components. However, the Supervisory Board of the Company intends to amend the Remuneration System to the effect that the short-term variable remuneration component for members of the Management Board in the form of *Restricted Stock Units* should also be dependent on the achievement of certain performance criteria. The Supervisory Board intends to submit the so-amended Remuneration System to the Annual General Meeting in 2022 for resolution and, if approved by the Annual General Meeting, to amend the Company's "Restricted Stock Unit Program" accordingly.

In addition, in accordance with the Remuneration System 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 for the financial year after next, following the year of the grant. The Supervisory Board considers this to be a more appropriate procedure, since it ensures that the Management Board members are incentivized long-term. Recommendation G.9 Sentence 1 of the 2020 Code further provides that after the end of every financial year, the Supervisory Board shall establish the amount of individual variable remuneration to be granted, depending on the target achievement. Since, as just described, in the plan conditions of the Company's current

virtual stock option program and in accordance with the Remuneration System, the performance criteria are not determined by the Supervisory Board for the forthcoming financial year, but for the financial year after next, following the year of the grant, a deviation is also declared for recommendation G.9 sentence 1 of the Code 2020. The target achievement with regard to the virtual options will only be reviewed by the Supervisory Board after the approximately three-year performance period for the virtual options has expired.

**7. RECOMMENDATION G.8 CODE 2020: SUBSEQUENT CHANGES TO THE TARGET VALUES OR THE COMPARISON PARAMETERS OF VARIABLE REMUNERATION COMPONENTS SHALL BE EXCLUDED**

Recommendation G.8 of the Code 2020 provides that subsequent changes to the target values or the comparison parameters shall be excluded. The Remuneration System provides for virtual stock options to be granted to the Management Board members as a long-term variable remuneration component under the Company's virtual stock option program in place at the respective time. The Supervisory Board may, at its discretion, adjust the financial and non-financial performance targets downwards or make them less strict once the performance targets have been determined, if the market environment or the business activities of the Company deviate significantly from the expectations at the time the performance targets were originally set. This provision takes into account the fact 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 the business' development. Nevertheless, the Supervisory Board of the Company intends to amend the Remuneration System to the effect that such a subsequent change in the target values or the comparison parameters for virtual stock options to be granted to members of the Management Board shall be excluded. The Supervisory Board intends to submit the so-amended Remuneration System to the Annual General Meeting in 2022 for resolution and, if approved by the Annual General Meeting, to amend the Company's virtual stock option program accordingly.

Berlin, December 2021

Management Board of HelloFresh SE

Supervisory Board of HelloFresh SE"

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**B. Compensation report, compensation system and compensation resolution**

The compensation report prepared for the first time for the past fiscal year 2021 in accordance with Section 162 AktG and the auditor's report will be published on the Company's website at <https://ir.hellofreshgroup.com/websites/hellofresh/English/4000/corporate-governance.html>.

A description of the compensation system and the resolution adopted by the Annual General Meeting in this regard are available on the Company's website at <https://ir.hellofreshgroup.com/websites/hellofresh/English/5000/annual-general-meeting.html> published.

The latest resolution of the Annual General Meeting of HelloFresh SE pursuant to Section 113 (3) AktG and Section 13 of the Articles of Association of HelloFresh SE ("**Articles of Association**") is also available on the Company's website at

<https://ir.hellofreshgroup.com/websites/hellofresh/English/5000/annual-general-meeting.html>.

### **C. Corporate governance disclosures**

The Company's corporate governance is primarily determined by the statutory provisions, - with a few exceptions - the recommendations of the GCGC, and its internal corporate guidelines.

Lawful and responsible conduct by all employees and managers, as well as mutual respect and trust, form the basis of our corporate success. All employees of the Company are obligated to act in a risk-conscious and responsible manner in accordance with a *Code of Conduct*. The *Code of Conduct* summarizes essential guidelines and principles and also includes moral and legal standards that must be observed by all employees. The current version of the *Code of Conduct* is available on the Company's Investor Relations website under the heading "Corporate Governance".

(<https://ir.hellofreshgroup.com/websites/hellofresh/German/4000/corporate-governance.html>).

To strengthen good corporate governance, the Company has various institutions in place, in particular various compliance officers, a risk monitoring system as part of comprehensive opportunity and risk management, and an accounting-related internal control system. A detailed description of the measures relating to environmental concerns, employee concerns, social concerns, respect for human rights, and the fight against corruption and bribery, as well as other relevant topics, are published in the combined non-financial report for HelloFresh SE and the HelloFresh Group.

### **D. Working methods of the Management Board and Supervisory Board, composition and working methods of committees**

The Company is a dualistically structured European stock corporation (*Societas Europaea (SE)*) with its statutory seat in Berlin. As a European stock corporation with its seat in Germany, the Company is subject to European and German SE regulations and German stock corporation law. Management and control of the Company are carried out via a dual management system. The Management Board and Supervisory Board work together in a spirit of trust for the benefit of the Company and maintain regular contact. The Management Board is the governing body. It is responsible for managing and running the Company. The Supervisory Board is the controlling and monitoring body of the Company, advising and supervising the Management Board in its running of the business.

#### **1. Functioning of the Management Board**

The Management Board runs the Company on its own responsibility in accordance with the statutory provisions, the Articles of Association and the rules of procedure for the Management Board dated 18 December 2020 last amended by resolution of the Supervisory Board of 17 December 2021 ("**Rules of Procedure of the Management Board**"). It is committed to the interests of the Company, in particular to increasing the sustainable value of the Company. The Management Board develops the strategic direction of the Company, regularly coordinates it with the Supervisory Board and ensures its implementation. It also ensures appropriate risk management and risk controlling as well as appropriate measures geared to the risk situation of the Company (compliance management system). Furthermore, it is obliged to report regularly, promptly and comprehensively to the Supervisory Board.

The Management Board performs its management duties as a collegial body. Notwithstanding the overall responsibility for management, the individual members of the Management Board run the departments assigned to them on their own responsibility complying with the Management Board resolutions. The

allocation of responsibilities among the Management Board members is based on the Rules of Procedure of the Management Board. According to these, the individual members of the Management Board of the Company were responsible for the following areas in fiscal 2021:

#### **RESPONSIBILITIES**

##### **I. Company: Dominik Richter**

- Strategy
- Marketing
- Technology
- Analytics
- US market

##### **II. Business activity: Thomas Griesel**

- International markets (including the German market, but excluding the US market)
- Supply chain
- Operating business
- Human Resources
- ESG Matters

##### **III. Finances: Christian Gärtner**

- Global financing, accounting, financial planning and controlling
- Investor Relations
- Law
- Compliance

##### **IV. Distribution: Edward Peter Henry Boyes**

- Global corporate development
- Innovation and new business models
- Customer loyalty
- Global PR

The work of the Management Board is regulated in more detail in the Rules of Procedure of the Management Board. It provides in Section 4 that, among other things, the strategy of the Company, major issues of business policy and all other matters, in particular national or international business relations, which are of particular importance and scope for the Company and/or its Group companies, as well as the annual and multi-year planning, including the associated investment and financial planning, are decided by the full Management Board. Furthermore, the Rules of Procedure of the Management Board and the Articles of Association stipulate that certain transactions of fundamental importance require the prior approval of the Supervisory Board or one of its committees.

Pursuant to Section 6 (1) of the Rules of Procedure of the Management Board, meetings of the full Management Board are generally held at least once every two weeks and, in addition, when there is a specific need.

In accordance with Section 7 of the Rules of Procedure of the Management Board, the Management Board informs the Supervisory Board regularly, promptly and comprehensively about all issues of strategy, planning, business development and risk management that are relevant to the Company.

## 2. Functioning of the Supervisory Board

The Supervisory Board advises and monitors the Management Board. It works closely with the Management Board for the benefit of the Company and is involved in all decisions of fundamental importance.

The duties and rights of the Supervisory Board are determined by the statutory provisions, the Articles of Association, the Rules of Procedure of the Supervisory Board dated 26 May 2021 (“**Rules of Procedure of the Supervisory Board**”) and the Rules of Procedure of the Management Board. It appoints the members of the Management Board, recalls them if necessary and, together with the Management Board, ensures long-term succession planning by discussing this with the members of the Management Board at an early stage in advance of any pending extension of Management Board service contracts or new appointments to positions on the Supervisory Board. When selecting suitable candidates to fill a new Management Board position, such as the expansion of the Management Board to include a fourth member since 1 January 2020, the Supervisory Board attaches particular importance to professional qualifications for the position to be filled, leadership qualities, past performance, and acquired skills and knowledge of the Company’s business. The Supervisory Board shall appoint as a member of the Management Board only persons who have not yet reached the age of 65 at the time of appointment.

The work of the Supervisory Board takes place both in plenary sessions and in committees. The work of the committees is intended to increase the efficiency of the Supervisory Board’s activities. The committee chairmen report regularly to the Supervisory Board on the work of the respective committee. According to the Rules of Procedure of the Supervisory Board (Section 6 (1) sentence 1), the Supervisory Board must hold at least two meetings per calendar half-year. Otherwise, it holds meetings where the interests of the Company so require. Six Supervisory Board meetings were held in the fiscal year 2021. For the fiscal year 2022, five regular Supervisory Board meetings are currently planned.

## 3 Cooperation between the Management Board and the Supervisory Board

The Management Board and Supervisory Board (together “**Boards**”) work closely together for the benefit of the Company. The intensive and ongoing dialog between both Boards is the basis for efficient and targeted corporate management. The Management Board develops the strategic direction of the Company, discusses it with the Supervisory Board and ensures its implementation.

The Management Board discusses the status of strategy implementation with the Supervisory Board at regular intervals. The Chairman of the Supervisory Board is in regular contact with the Management Board and discusses issues of strategy, planning, business development and risk management with it. The Chairman of the Supervisory Board is informed without delay by the Management Board of important events of major significance for the assessment of the situation and development and for the management of the Company and its Group companies. The Chairman of the Supervisory Board then informs the Supervisory Board and, if necessary, convenes an extraordinary meeting of the Supervisory Board.

The Articles of Association and the Rules of Procedure of the Management Board contain provisions for reservations of consent in favor of the Supervisory Board for transactions of fundamental importance.

Each member of the Management Board must disclose potential conflicts of interest immediately to the Supervisory Board for the attention of the Chairman of the Supervisory Board and inform the other members of the Management Board thereof. Significant transactions with the Company by members of the Management Board and related parties require the approval of the Supervisory Board, as does the assumption of secondary activities outside the Company.



## **4 Composition and working methods of the committees**

### **4.1 Committees of the Supervisory Board**

The Supervisory Board had four committees in the fiscal year 2021: the Executive and Nomination Committee, the Audit Committee, the Compensation Committee, and the ESG Committee. Further committees may be formed as required. The composition of the committees of the Supervisory Board is available on the Company's website (<https://ir.hellofreshgroup.com/websites/hellofresh/English/4000/corporate-governance.html>).

#### **4.1.1 Executive and Nomination Committee**

The Executive and Nomination Committee discusses key issues and prepares Supervisory Board resolutions, in particular on the following matters:

- Appointment and dismissal of members of the Management Board, appointment of the Chairman of the Management Board;
- Conclusion, amendment and termination of the service agreements with the members of the Management Board, taking into account the recommendations of the Compensation Committee;
- Election proposals of the Supervisory Board to the Annual General Meeting concerning the election of suitable Supervisory Board members; and
- Adoption, amendment and cancellation of the annual plan of the Company and its Group companies, including the related investment, budget and financial planning.

The Executive and Nomination Committee regularly discusses - with the involvement of the Management Board - long-term succession planning for the Management Board.

As of 1 January 2022, the members of the Executive and Nomination Committee will be John H. Rittenhouse, Susanne Schröter-Crossan and Derek Zissman. The Chairman of the Supervisory Board also serves as Chairman of the Executive and Nomination Committee.

#### **4.1.2 Audit Committee**

The Audit Committee deals in particular with the monitoring of the accounting process, the effectiveness of the internal control system, the risk management system (in particular by regularly addressing and passing resolutions on the internal risk *reports* prepared by the Company), the internal auditing system and the audit of the financial statements and compliance, the independence of the auditor, the additional services provided by the auditor and the awarding of the audit contract to the auditor.

The Audit Committee prepares the resolutions of the Supervisory Board on the annual financial statements and, where applicable, the consolidated financial statements, i.e. it is responsible in particular for the preliminary examination of the documents relating to the annual financial statements and the consolidated financial statements and the management report for the Company and the Group (including CSR reporting) and for preparing the adoption or approval of these and the Management Board's proposal to the Annual General Meeting on the appropriation of profits. Furthermore, the Audit Committee prepares Supervisory Board resolutions on the appointment of the auditor by the Annual General Meeting. In place of the Supervisory Board, the Audit Committee deals with resolutions on the issuing of the audit engagement to the auditors, in particular also the possible issuing of the audit engagement for the audit review or audit of the half-year financial report, on the determination of audit priorities and on the remuneration of the auditors. This also includes the review of the required independence, whereby the Audit Committee takes

appropriate measures to determine and monitor the independence of the auditor. Furthermore, the Audit Committee regularly assesses the quality of the audit. The Audit Committee discusses significant changes in auditing and accounting methods with the Management Board and deliberates on the Management Board's corporate planning. In particular, this includes the Management Board's explanations of the intended development and investment and personnel planning for the Company and explanations of any deviations in actual development from previously reported targets, stating the reasons.

As of 1 January 2022, the members of the Audit Committee are Derek Zissman (Chairman), Ursula Radeke-Pietsch and John H. Rittenhouse.

The Chairman of the Audit Committee is independent, has special knowledge and experience in the application of accounting principles and internal control procedures and therefore meets the requirements of Art. 47 (2) a) SE Regulation in conjunction with Section 100 (5) AktG. The members of the Audit Committee have expertise in the field of accounting and auditing and the composition meets all the requirements for independence as defined in the Recommendation of the European Commission of 15 February 2005 on the duties of non-executive directors/supervisory board members of listed companies and on the committees of the administrative/supervisory board (2005/162/EC) and the recommendations of the GCGC.

#### **4.1.3 Compensation Committee**

The Compensation Committee reviews and discusses compensation issues and prepares Supervisory Board resolutions on them. In particular,

- the Compensation Committee reviews all aspects of compensation and terms of service for the Management Board and in this respect makes recommendations to the Supervisory Board and prepares resolutions for the Supervisory Board. In addition, it prepares - where necessary - presentations for the Annual General Meeting on the conclusion, amendments or termination of the service agreements for the members of the Management Board, including with regard to compensation principles, incentive programs, strategy and framework conditions. The Compensation Committee makes recommendations to the Supervisory Board for a compensation system for the members of the Management Board to be adopted by the Supervisory Board and submitted to the Annual General Meeting for approval, which in principle takes into account the recommendations of the GCGC regarding Management Board compensation and from which, however, deviations may be made in justified cases, and prepares resolutions for the Supervisory Board in this regard;
- the Compensation Committee reviews the compensation and general terms of employment for second-tier management employees and is empowered to make recommendations to the Management Board in this regard;
- the Compensation Committee shall, when appropriate, commission its own independent review of the compensation principles and the compensation packages paid to the Management Board to ensure that the principles reflect best practices and that the packages remain competitive and in line with market practice. The Compensation Committee reviews the compensation system to be adopted for the members of the Management Board;
- the Compensation Committee presents an assessment of the performance of the Management Board and makes a recommendation to the Supervisory Board on the terms of employment and compensation of the Management Board;
- the Compensation Committee assists the Supervisory Board in the implementation, compliance and amendments of the compensation system by which the Company complies with legal requirements and the provisions of the GCGC regarding the compensation of the Management Board and other senior executives; and

- the Compensation Committee reviews compensation principles to serve as a framework for all compensation matters to be presented to and resolved by the Supervisory Board.

As of 1 January 2022, the members of the Compensation Committee are John H. Rittenhouse, Ursula Radeke-Pietsch and Stefan Smalla. The Chairman of the Supervisory Board also serves as Chairman of the Compensation Committee.

#### **4.1.4 ESG Committee**

The ESG Committee monitors and advises the Management Board with regard to environmental, social, governance, sustainability, health and safety matters, as well as on social responsibility (“**ESG Matters**”). It monitors the Management Board’s actions to implement ESG Matters and establishes a monitoring system for ESG Matters as deemed necessary. It shall also assist the Audit Committee, as directed by the Audit Committee, in the reporting and disclosure of ESG Matters.

As of 1 January 2022, the members of the ESG Committee are: John H. Rittenhouse, Susanne Schröter-Crossan and Stefan Smalla. The Chairman of the Supervisory Board also serves as Chairman of the ESG Committee.

## **4.2 Committees of the Management Board**

The Management Board has not formed any committees. It performs its management duties as a collegial body - but with individual portfolios assigned to the individual members of the Management Board.

### **E. Specifications for promoting the participation of women in management positions**

Pursuant to Section 111 (5) AktG, the Supervisory Board is obliged to set targets for the proportion of women on the Supervisory Board and the Management Board. The Management Board is subject to this obligation pursuant to Section 76 (4) AktG with regard to the two management levels below the Management Board. Against this background, the Supervisory Board and Management Board of HelloFresh SE have resolved the following:

At its meeting on 25 September 2017, the Supervisory Board set the target for the proportion of women on the Supervisory Board at one-seventh (1/7). This target reflected the status at that time. For the Management Board, the Supervisory Board resolved at the same meeting (on 25 September 2017) to set a target for the proportion of women at 0%, thus also maintaining the status quo. These targets are to be implemented by the end of 24 September 2022 and were met in the reference period.

The Supervisory Board decided with regard to the resolution of 25 September 2017 to retain the current structures on the Management Board, as it believes that the goal of increasing the proportion of women on the Management Board currently takes a back seat to the business interest in continuing the very successful work of the Management Board members who have already been inducted. With regard to the composition of the Supervisory Board, the target set by the Supervisory Board was exceeded with the appointment of a new Supervisory Board at the Annual General Meeting on 26 May 2021, with a 40% share of women.

However, the Company attaches great importance to a diverse employee structure throughout the Company and is aware of the particular importance of the participation of women at all management levels of the Company. It should therefore be emphasized on the one hand that the targets set do not preclude an increase in the proportion of women on the Management Board and Supervisory Board beyond this, and that efforts to find qualified and suitable female candidates for all management levels, including in particular the Management Board and Supervisory Board, are being pursued intensively.

Against this backdrop, the Management Board has also set itself particularly ambitious targets for increasing the proportion of women in the two management levels below the Management Board. Even though the Management Board is only required by law to set targets for the Company, the Management Board would like to fulfill its overall responsibility and also set corresponding targets for the entire HelloFresh Group.

At its meeting on 18 December 2017, the Management Board set the minimum target for the proportion of women at the first management level below the Management Board at 20% and at the second management level below the Management Board at 20%. These target quotas are then to be achieved both at the level of the Company and at the level of the entire HelloFresh Group by the end of 17 December 2022. The Company is working intensively to meet these targets and is confident that it will be able to achieve the set thresholds in the near future. The Company is a relatively young organization, having been listed on the stock exchange only a few years ago. In order to nevertheless achieve the above-mentioned targets, an above-average proportion of women in internal promotions in particular has been defined as a key performance indicator as part of the Management Board's ESG efforts. In the long term, the proportion of women at the two management levels below the Management Board is to be increased throughout the Company in line with the targets set - and beyond if possible.

## **F. Composition, competence profile and diversity concept**

According to the Articles of Association (Section 6 (1)), the Management Board consists of one or more persons. The number of members is determined by the Supervisory Board. In the fiscal year 2021, the Management Board consisted of four members with equal rights, each of whom is responsible for the departments assigned to them.

In accordance with the provisions of the Articles of Association, the Supervisory Board consisted of five members in fiscal year 2021. It is not subject to employee participation. All members of the Supervisory Board are elected as shareholder representatives by the Annual General Meeting. Details of the members of the Management Board and the Supervisory Board are contained in the notes to the annual financial statements of the Company pursuant to Section 285 No. 10 HGB.

### **1. Management Board**

To date, the Company has not pursued its own diversity concept with regard to the composition of the Management Board. However, the internal shaping and further development of an open and inclusive corporate culture plays an important role in the daily work of the Management Board. Only persons who have not yet reached the age of 65 shall be appointed as members of the Management Board.

### **2. Supervisory Board**

#### **2.1 Competence profile and diversity concept**

Only persons who have not yet reached the age of 80 at the time of election and have not regularly been a member of the Supervisory Board for 12 years or more shall be proposed for election to the Supervisory Board of the Company. The age limit and the standard limit for the length of membership of the Supervisory Board are taken into account.

The selection of candidates to be proposed to the Annual General Meeting for election to the Supervisory Board shall be made in particular taking into account their respective knowledge, skills and professional suitability as well as the competence profile. The aim of the competence profile is to ensure that the Supervisory Board has all the knowledge and experience which is considered essential in view of the

Company's business activities. In particular, this includes in-depth experience and knowledge (i) in the management of a large internationally operating company; (ii) in the fast moving consumer goods industry and value creation along different value chains; (iii) in the field of internet commerce, in particular in the area of technologies relevant to the Company as well as adjacent or related areas; (iv) in the areas of production, marketing, sales, digitalization and innovation; (v) in the main markets in which the Company operates; (vi) in accounting and financial reporting; (vii) with regard to listed companies; (viii) in controlling/risk management; and (ix) in the area of governance/compliance. Furthermore, the Supervisory Board strives for its composition with regard to *diversity* to take into account different professional and international experiences and, in particular, an appropriate participation of both genders (for the promotion of the participation of women in management positions see below). In the opinion of the Supervisory Board, its current composition meets the objectives regarding its composition and fulfills the competence profile and diversity concept. The Company therefore complies with the individual recommendations in C.1 of the GCGC, according to which the Supervisory Board should specify concrete objectives for its composition and draw up a competence profile for the Supervisory Board as a whole and pay attention to diversity, and should also take these objectives and the fulfillment of the competence profile into account when making election proposals to the Annual General Meeting.

In its Rules of Procedure, the Supervisory Board has also specified the objective that at least one independent member of the Supervisory Board must have expertise in the fields of accounting or auditing (Art. 47 (2) a) SE Regulation in conjunction with Section 100 (5) AktG). Furthermore, the Rules of Procedure of the Supervisory Board stipulate that a Supervisory Board member who is not a member of the Management Board of another listed company shall not hold more than a total of five Supervisory Board mandates at listed companies outside the Group or comparable functions, with one Supervisory Board chairmanship counting twice. In addition, a Supervisory Board member who is also a member of the management board of another listed company shall not hold more than one Supervisory Board mandate or comparable function in addition to the Supervisory Board mandate in the company in question in another listed company which does not belong to the group of the company in which the management board activity is performed. In addition, according to Section 2 (5) of the Rules of Procedure of the Supervisory Board, Supervisory Board members shall not perform any board functions or advisory tasks for significant competitors of the HelloFresh SE Group.

## **2.2 Independence of the members of the Supervisory Board**

In accordance with the recommendations of the GCGC, the Supervisory Board shall, taking into account the ownership structure on the shareholder side, include an appropriate number of independent members according to their assessment, whereby a Supervisory Board member shall be considered independent if he or she is independent of the Company and its Management Board and independent of a controlling shareholder. The assessment of the independence of Supervisory Board members is based, among other things, on the recommendations of the GCGC. According to these, a Supervisory Board member is generally to be regarded as independent of the Company and its Management Board if he or she has no personal or business relationship with the Company or its Management Board that could give rise to a material conflict of interest that is not merely temporary. In making this assessment, particular consideration must be given to whether the Supervisory Board member himself or a close family member of the Supervisory Board member:

- was a member of the Company's Management Board in the two years preceding the appointment,
- currently or in the year up to his appointment, directly or as a shareholder or in a responsible function of a company outside the Group, has or has had a significant business relationship with the Company or a company dependent on it (e.g. as a customer, supplier, lender or consultant),
- is a close family member of a member of the Management Board, or
- has been a member of the Supervisory Board for more than twelve years.

According to the Supervisory Board members' own assessment, none of them is dependent on the Company or its Management Board.. As all members of the Supervisory Board, namely John H. Rittenhouse (Chairman of the Supervisory Board), Ursula Radeke-Pietsch, Derek Zissman, Stefan Smalla and Susanne Schröter-Crossan, are independent, the Supervisory Board of the Company comprises five and thus an appropriate number of independent members. The recommendation in C.7 p. 1 of the GCGC that more than half of the shareholder representatives on the Supervisory Board should be independent of the Company and the Management Board is therefore complied with. There is no controlling shareholder at the Company.

### **2.3 Self-assessment of the Supervisory Board**

The Supervisory Board of the Company regularly assesses how effectively the Supervisory Board as a whole and its committees perform their duties. Most recently, the Supervisory Board carried out a self-assessment in the fiscal year 2021 and, for this purpose, the members of the Supervisory Board were questioned about the relevant subject areas in an online survey and given the opportunity to weight these. In addition, the members of the Supervisory Board were given the opportunity in this context to pick out individual aspects and identify potential for improvement.

## **G. Other corporate governance issues**

### **1. Annual General Meeting and shareholders**

The shareholders of the Company exercise their rights at the Annual General Meeting and thereby exercise their voting rights. Each share in the Company grants one vote.

The Annual General Meeting is held annually within the first six months of the fiscal year. The agenda of the Annual General Meeting and the reports and documents required for the Annual General Meeting are published on the Company's Investor Relations website under the heading "Annual General Meeting" (<https://ir.hellofreshgroup.com/websites/hellofresh/English/5000/annual-general-meeting.html>).

Fundamental resolutions are passed at Annual General Meetings. These include resolutions on the appropriation of profits, granting discharge to the Management Board and Supervisory Board, the election of Supervisory Board members and the auditor, amendments to the Articles of Association, and capital measures. The Annual General Meeting generally provides the Management Board and Supervisory Board with an opportunity to communicate directly with the shareholders and to exchange views on the further development of the Company.

To facilitate the personal exercise of their rights, the Company provides its shareholders with a proxy bound by instructions who can also be reached during the Annual General Meeting. The invitation to the Annual General Meeting explains how instructions can be issued in advance of the Annual General Meeting. In addition, shareholders are free to be represented at the Annual General Meeting by a proxy of their choice.

Due to the special circumstances of the COVID 19 pandemic, the Annual General Meeting on 26 May 2021 was held as a virtual Annual General Meeting without the physical presence of shareholders or their proxies (Section 1 (2) of the Act on Measures in Corporate, Cooperative, Association, Foundation and Condominium Ownership Law to Combat the Effects of the COVID 19 Pandemic of 27 March 2020 (Federal Law Gazette (*Bundesgesetzblatt*) I No. 14 2020, p. 570)).

## **2. Reportable securities transactions and shareholdings of the Management Board and Supervisory Board**

Pursuant to Art. 19 (1) of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation), the members of the Management Board and of the Supervisory Board of the Company and persons closely associated with them are obliged to report transactions involving shares in the Company or related financial instruments to the Company without delay and no later than three business days after the date of the transaction. Pursuant to Art. 19 (2) of the Market Abuse Regulation, the Company shall publish the reports without delay and no later than three business days after the transaction. The reports can be viewed on the Investor Relations website of the Company under the heading “News - Directors' dealings”.

<https://ir.hellofreshgroup.com/websites/hellofresh/English/3000/news.html#news-dd>).

## **3. Compliance as an important management task**

To ensure compliance with the standards of conduct set out by the GCGC and the relevant statutory provisions, the Company has appointed a Compliance Officer and a Capital Market Compliance Officer. The Compliance Officer informs management and employees about relevant legal requirements. The Capital Markets Officer maintains the Company's insider list and informs management, employees and business partners about the consequences of violations of insider trading regulations.

## **4. Appropriate opportunity and risk management**

The responsible handling of opportunities and risks is of fundamental importance to the Company. This is ensured by a comprehensive opportunity and risk management system which identifies and monitors the main opportunities and risks. The system is continuously developed and adapted to changing conditions.

The Company's Annual Report for the fiscal year 2021 contains detailed information on the Company's risk monitoring system: The Company's risk management and corporate strategy opportunities and risks are described starting on page 32. The Annual Report of the Company for the fiscal year 2021 is available on the Company's website (<https://ir.hellofreshgroup.com/download/companies/hellofresh/Annual%20Reports/DE000A161408-JA-2021-PN-EQ-E-00.pdf>).

## **5. Committed to transparency**

As part of ongoing investor relations activities, all dates of importance to shareholders, investors and analysts are published in the financial calendar at the beginning of the year for the duration of the respective fiscal year. The financial calendar, which is updated on an ongoing basis, can be viewed on the Company's website

(<https://ir.hellofreshgroup.com/websites/hellofresh/German/6000/finanzkalender.html>).

The Company informs shareholders, analysts and journalists according to uniform criteria. The information is transparent and consistent for all capital market participants. Ad hoc announcements and press releases as well as presentations from press and analysts' conferences are published immediately on the Company's website.

Insider information (ad hoc publicity), voting rights announcements and securities transactions by members of the Management Board and Supervisory Board and by persons closely related to them (*directors' dealings*) are disclosed by the Company in accordance with the statutory provisions. They can also be accessed on the Investor Relations website of the Company under the heading “News” (<https://ir.hellofreshgroup.com/websites/hellofresh/English/3000/news.html>).

## **6. Accounting**

KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, has been elected by the Annual General Meeting 2021 as auditor and group auditor for the fiscal year 2021. In advance of this, the auditor has submitted a declaration that there are no business, financial, personal or other relationships between the auditor, its executive bodies and audit managers on the one hand, and the Company and its Board members on the other, which could give rise to doubts about the auditor's independence.

## **7. More information**

Further information on the activities of the Supervisory Board and its committees and on its cooperation with the Management Board can be found in the Report of the Supervisory Board.

Management Board of HelloFresh SE

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