



Invitation to the Annual General Meeting

7 June 2023

**English translation, the German version
is the only legally binding version.**

**Disclosures in accordance with section 125 German stock corporation act (AktG)
in conjunction with article 4 and table 3 of the Implementing Regulation (EU) 2018/1212 (EU-IR)**

A. Specification of the message	
1. Unique identifier of the event	Annual General Meeting 2023 of Leifheit Aktiengesellschaft; in format according to EU-IR: 09aeeddd0cd2ed118145005056888925
2. Type of message	Invitation to the Annual General Meeting; in format according to EU-IR: NEWM
B. Specification of the issuer	
1. ISIN	DE0006464506
2. Name of issuer	Leifheit Aktiengesellschaft
C. Specification of the meeting	
1. Date of the meeting	7 June 2023; in format according to EU-IR: 20230607
2. Time of the meeting	11:00 a.m. (CEST); in format according to EU-IR: 09:00 a.m. UTC
3. Type of the meeting	Annual General Meeting; in format according to EU-IR: GMET
4. Location of the meeting	Deutsche Nationalbibliothek, Adickesallee 1, 60322 Frankfurt/Main, Germany
5. Record date	Beginning of day 17 May 2023 (00:00 CEST); in format according to EU-IR: 20230516
6. Uniform resource locator (URL)	hv.leifheit-group.com; agm.leifheit-group.com

Summary agenda

1. Presentation of the adopted annual financial statements of Leifheit AG, the approved consolidated financial statements, the combined management report of Leifheit AG and the Group, including the explanatory report of the Board of Management on the disclosures required according to sections 289a and 315a of the German commercial code (HGB) as well as the report of the Supervisory Board, each for financial year 2022
2. Appropriation of the balance sheet profit
3. Approval of the actions of the Board of Management members for financial year 2022
4. Approval of the actions of the Supervisory Board members for financial year 2022
5. Election of an auditor for the annual financial statements and the consolidated financial statements for financial year 2023 as well as the auditor on the possible review of interim financial reports
6. Approval of the remuneration report for financial year 2022
7. Special election of member to the Supervisory Board
8. Amendment of art. 14 of the articles of incorporation
9. Further amendment of art. 14 of the articles of incorporation
10. Amendment of art. 17 para. 3 of the articles of incorporation and cancellation of art. 17 paras 4 and 5 of the articles of incorporation



Stock corporation under German law with headquarters in Nassau/Lahn, Germany,
ISIN DE0006464506

Invitation to the Annual General Meeting 2023

Dear shareholders,

We invite you to our **Annual General Meeting**, which will take place on **Wednesday, 7 June 2023, 11:00 a.m. (CEST)**, at the **Deutsche Nationalbibliothek (German National Library), Adickesallee 1, 60322 Frankfurt/Main, Germany**.

I AGENDA

- 1. Presentation of the adopted annual financial statements of Leifheit AG, the approved consolidated financial statements, the combined management report of Leifheit AG and the Group, including the explanatory report of the Board of Management on the disclosures required according to sections 289a and 315a of the German commercial code (HGB) as well as the report of the Supervisory Board, each for financial year 2022**

The Supervisory Board approved the annual financial statements and the consolidated financial statements prepared by the Board of Management according to sections 172 and 173 of the German stock corporation act (AktG) on 24 March 2023, thereby adopting the annual financial statements. As a result, this item on the agenda does not require a resolution by the Annual General Meeting. The annual financial statements, consolidated financial statements and combined management report including the Board of Management's explanatory report on the disclosures according to sections 289a and 315a HGB and the Supervisory Board report can be seen online at agm.leifheit-group.com.

- 2. Appropriation of the balance sheet profit**

The Board of Management and the Supervisory Board propose appropriating the Leifheit AG balance sheet profit of € 6,700,000.00 for financial year 2022 as follows:

Payment of a dividend of € 0.70 per eligible no-par-value bearer share (ISIN DE0006464506) for financial year 2022	€ 6,660,712.10
Retained earnings	€ 39,287.90

The proposal for the appropriation of the balance sheet profit includes the 484,697 Leifheit AG treasury shares that were held by the Group at the time of the convocation either directly or indirectly and that are not eligible to receive dividends. Should the number of no-par-value bearer shares which are eligible to receive dividends for financial year 2022 change in the period up to the Annual General Meeting, a correspondingly adapted draft resolution will be put to the vote, with the same dividend amount of € 0.70 per no-par-value bearer share entitled to dividends and a correspondingly adjusted total amount for distribution and retained earnings.

- 3. Approval of the actions of the Board of Management members for financial year 2022**

The Board of Management and the Supervisory Board propose approving the actions of Board of Management members acting during financial year 2022.

- 4. Approval of the actions of the Supervisory Board members for financial year 2022**

The Board of Management and the Supervisory Board propose approving the actions of Supervisory Board members acting during financial year 2022.

5. Election of an auditor for the annual financial statements and the consolidated financial statements for financial year 2023 as well as the auditor on the possible review of interim financial reports

The Supervisory Board proposes – based on the recommendation of its Audit Committee – that KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, Germany, be appointed as auditor of the annual financial statements and the consolidated financial statements for financial year 2023 and as auditor for a possible audit review of interim financial reports for financial year 2023 and for a possible audit review of interim financial reports for financial year 2024 prepared before the Annual General Meeting 2024.

The Audit Committee has stated in its recommendation that this is free from undue influence by third parties and that no clause – limiting the selection – has been imposed on it within the meaning of art. 16 para. 6 Statutory Auditors Regulation (EU) 537/2014.

6. Approval of the remuneration report for financial year 2022

According to section 162 AktG, the Board of Management and Supervisory Board must prepare a remuneration report and submit it to the Annual General Meeting for approval in accordance with section 120a para. 4 AktG.

The auditor has reviewed the remuneration report in accordance with section 162 para. 3 AktG in order to ascertain whether the disclosures required under section 162 paras. 1 and 2 AktG have been made and has issued an audit opinion. The remuneration report, along with the opinion on the audit of the remuneration report, is reproduced following the agenda under item II “Remuneration report for financial year 2022”.

The Board of Management and Supervisory Board propose approving the audited remuneration report prepared in accordance with section 162 AktG for financial year 2022.

7. Special election of member to the Supervisory Board

Mr Karsten Schmidt resigned from his post as member and deputy chairman of the Supervisory Board by the end of 7 June 2023. This is why it is necessary to hold a special election.

In accordance with art. 8 para. 1 of the articles of incorporation, the Supervisory Board is composed of six members. According to section 96 para. 1 and section 101 para. 1 AktG as well as section 1 para. 1 no. 1 sentence 2 and section 4 para. 1 of the German one-third participation act (DrittelbG), two-thirds of the Supervisory Board members are elected by the shareholders according to the provisions of the AktG and one-third are elected by the employees according to the provisions of the DrittelbG.

The following election proposal considers the targets set by the Supervisory Board for its composition, except for the proportion of women, and attempts to fulfil the competency profile prepared by the Supervisory Board for the board as whole.

The Supervisory Board proposes to elect

Stefan De Loecker, Hamburg
Independent consultant, Hamburg

as a member of the Supervisory Board with effect from 8 June 2023 on, for the remainder of the term of the member resigning from the Supervisory Board, and thus for the period until the conclusion of the Annual General Meeting that will resolve on the approval of the actions for the financial year 2023.

At the time of the convocation of this Annual General Meeting, Mr De Loecker is neither a member of statutory supervisory boards nor a member of any comparable German or non-German control committees of commercial enterprises.

In the view of the Supervisory Board, the proposed candidate does not enjoy any personal or business relationships with Leifheit AG or Group companies, with the organs of Leifheit AG or with a shareholder who holds a significant stake in Leifheit AG, which could prove crucial to the outcome of the vote.

At agm.leifheit-group.com the curriculum vitae of Mr De Loecker is available online.

8. Amendment of art. 14 of the articles of incorporation

The statutory exemption for holding the Annual General Meeting in virtual form without a specific provision in the articles of incorporation has now expired and has been replaced by a new section 118a AktG. Pursuant to section 118a para. 1 sentence 1 AktG, the articles of incorporation may provide for or authorise the Board of Management to provide for virtual Annual General Meetings. The articles of incorporation of Leifheit AG do not yet provide for the possibility of holding a virtual Annual General Meeting. To be able to decide flexibly and appropriately on the format of the Annual General Meeting, the Board of Management shall be authorised to determine the respective format of the Annual General Meeting. The proposed authorisation does not fully utilise the maximum possible term of the authorisation in the articles of incorporation of five years. Instead, it is proposed that the authorisation be limited to two years after its entry in the commercial register.

The Board of Management and the Supervisory Board propose to amend art. 14 of the articles of incorporation by adding a new para. 3 as follows:

“(3) The Board of Management is authorised to provide for the Annual General Meeting to be held without a physical presence of the shareholders or their authorisation at the location of the Annual General Meeting (virtual Annual General Meeting). This authorisation is limited in time and ends two years after the relevant amendment of the articles of incorporation has been entered in the commercial register.”

9. Further amendment of art. 14 of the articles of incorporation

In the future, members of the Supervisory Board shall be allowed to attend in Annual General Meetings in certain cases by video and audio transmission.

The Board of Management and the Supervisory Board propose to amend art. 14 of the articles of incorporation by adding a new para. 4 as follows:

“(4) The members of the Supervisory Board shall be allowed to attend in the Annual General Meeting by video and audio transmission in cases where, due to legal restrictions, their residence abroad, their necessary residence at another place in Germany or due to an unreasonable travel time or unreasonable travel costs, their physical presence at the place of the Annual General Meeting would not be possible or would be possible only at considerable expense or if the Annual General Meeting is held as a virtual Annual General Meeting without the physical presence of the shareholders or their authorisations at the place of the Annual General Meeting; this shall not apply, however, to the chairperson of the meeting, provided that he/she is a member of the Supervisory Board.”

10. Amendment of art. 17 para. 3 of the articles of incorporation and cancellation of art. 17 paras. 4 and 5 of the articles of incorporation

Art. 17 para. 3 of the articles of incorporation shall be amended to include the shareholders' right to demand and ask questions at the virtual Annual General Meeting and shall be reworded as a whole. Art. 17 para. 4 and 5 of the articles of incorporation shall be cancelled without replacement.

The Board of Management and the Supervisory Board propose to amend art. 17 para. 3 of the articles of incorporation as follows and to cancel art. 17 para. 4 and para. 5 of the articles of incorporation without replacement:

1. “(3) The chairperson of the Annual General Meeting may restrict the shareholders' right to speak and ask questions (including the shareholders' right to demand and ask questions at the virtual Annual General Meeting) to a reasonable period of time. In particular, he/she may, already at the beginning or during the Annual General Meeting, set a reasonable time limit for the whole session of the Annual General Meeting, for the discussion of individual agenda items as well as for the individual question and speaking contribution.”
2. Art. 17 para. 4 and para. 5 of the articles of incorporation shall be cancelled without replacement.

II REMUNERATION REPORT FOR FINANCIAL YEAR 2022

Under agenda item 6, the Board of Management and Supervisory Board propose approving the remuneration report for financial year 2022, which is reproduced below. As part of this invitation, it is available online at [agm.leifheit-group.com](https://www.leifheit-group.com/agm) and will be available for inspection during the Annual General Meeting.

The Board of Management and Supervisory Board of Leifheit AG report clearly and transparently on the remuneration granted and owed to the members of the Board of Management and the Supervisory Board in financial year 2022 in accordance with section 162 of the German stock corporation act (AktG). The remuneration report was audited by the auditor. The audit opinion can be found at the end of this report. This remuneration report will be presented for approval at the 2023 Annual General Meeting, which is scheduled for 7 June 2023. Detailed information on the Board of Management and Supervisory Board remuneration systems, as well as the remuneration report pursuant to the AktG and the auditor's opinion pursuant to section 162 para. 3 sentence 3 AktG, will be published on the company's website at [corporate-governance.leifheit-group.com](https://www.corporate-governance.leifheit-group.com). The remuneration report for financial year 2021, which was approved at the Annual General Meeting in May 2022, can also be found there.

This report contains additional key financial figures that are not specified in the relevant accounting frameworks and are or can be regarded as alternative performance indicators. These additional key financial figures should not be taken in isolation with regard to the assessment of the net assets, financial position and results of operations of Leifheit or regarded as an alternative to the key financial figures presented in the consolidated financial statements in accordance with relevant accounting frameworks. Other companies that present or report alternative performance indicators with a similar name may calculate them differently. Explanations of the key financial figures used can be found in the combined management report in the 2022 annual report. To improve readability, only male nouns and pronouns are used in this report to represent all genders.

Minor differences may occur when using rounded amounts and percentages due to commercial rounding. This is the English translation of the remuneration report. In the event of any discrepancies between this translation and the German version, the German version will take precedence.

Contents

1. Remuneration of members of the Board of Management
 - 1.1 Application of the remuneration system
 - 1.2 Overview of the remuneration system
 - 1.3 Deviations from the remuneration system
 - 1.4 Remuneration in financial year 2022
2. Remuneration of members of the Supervisory Board
 - 2.1 Application of the remuneration
 - 2.2 Overview of the remuneration
 - 2.3 Remuneration in financial year 2022
3. Vertical comparison

1. Remuneration of members of the Board of Management

1.1 Application of the remuneration system

Following corresponding discussions and deliberations, in its meeting on 23 March 2021 the Supervisory Board resolved the system of remuneration for members of the Board of Management of Leifheit AG in accordance with the requirements of section 87a para. 1 AktG in consideration of the recommendations of the German corporate governance code (DCGK) as amended on 16 December 2019. In a resolution passed on 23 March 2022, the Supervisory Board adjusted the remuneration system for the Board of Management. Regarding the recommendations of the DCGK, please refer to the declaration of conformity, which is published on the company's website at [corporate-governance.leifheit-group.com](https://www.corporate-governance.leifheit-group.com).

The amended system of remuneration for members of the Board of Management, as presented by the Supervisory Board of Leifheit AG based on the recommendations of its Personnel Committee, was approved at the Annual General Meeting on 25 May 2022. It applies to all Board of Management employment contracts that are newly concluded, amended or extended after the 2022 Annual General Meeting. The Board of Management contracts applying in financial year 2022 were all concluded prior to the 2022 Annual General Meeting. The current long-term variable remuneration in the form of the long-term incentive (LTI) as stipulated in the current Board of Management contracts was agreed effective from 1 January 2019. In terms of the remaining Board of Management contracts of current members of the Leifheit AG Board of Management, the terms and conditions agreed in these contracts will continue to apply until the intended contract end date.

1.2 Overview of the remuneration system

The remuneration system of Leifheit AG is geared as a whole to sustainable corporate development and is closely aligned with the business strategy. It provides clear performance incentives both for the individual members of the Board of Management and for the Board of Management as a whole through substantial yet differentiated variable remuneration, without creating undue risks.

The remuneration system reflects the provisions of the AktG and considers the recommendations of the DCGK. It also considers the requirements of institutional investors and proxy advisors.

Members of the Board of Management receive a fixed basic remuneration and a variable component. The variable remuneration is divided between a short-term incentive (STI) and a long-term incentive (LTI). Within variable remuneration, the focus is on the LTI.

The remuneration system presented below applies to all Board of Management employment contracts that are newly concluded, amended or extended after the Annual General Meeting in 2022.

The system provides for a maximum remuneration for all members of the Board of Management. The maximum amount is set out in their respective contracts of employment. The maximum total remuneration is limited by means of an end-to-end definition of all remuneration components in the employment contracts and a cap on the two variable components. The short-term incentive (STI) is limited to a maximum of 150% of the target amount stipulated in the contract of employment. The long-term incentive (LTI) is limited to a maximum of 200% of the target amount stipulated in the contract of employment.

In detail, the (theoretical) annual maximum remuneration for the members of the Board of Management from 1 January 2023 amounts to:

- | | | |
|---|--|--------------|
| - | Chairperson of the Board of Management | m€ 2.0 gross |
| - | Other members of the Board of Management | m€ 1.5 gross |

A one-time exception from the aforementioned (theoretical) annual maximum remuneration for the members of the Board of Management applies with regard to the remuneration to be granted in 2025 and paid in 2026 on account of the shortening of the term of the annual LTI tranches. The in 2022 adjusted remuneration system for the members of the Board of Management shortens the term for the annual LTI tranches from four to three years in comparison with the provisions of the remuneration system as resolved by the Supervisory Board on 5 April 2021 and approved by the Annual General Meeting on 2 June 2021 (see section 5.b below). Accordingly, the LTI tranche with a four-year term for 2022 and the LTI tranche with a three-year term for 2023 will be granted in 2025 (provided the other conditions are met). This justifies granting remuneration in 2025 that may exceed the aforementioned maximum values. The maximum remuneration to be granted in 2025 and to be paid in 2026 amounts to m€ 2.7 (gross) for the chairperson of the Board of Management and to m€ 2.1 for other members of the Board of Management.

The remuneration of the members of the Board of Management is aligned with the business strategy and long-term development of Leifheit AG through a fixed basic remuneration and a substantial variable remuneration; variable remuneration is in turn based on financial and non-financial targets appropriate for Leifheit AG, with an emphasis on long-term key performance indicators.

Using the respective budget approved by the Supervisory Board as a starting point, the short-term incentive (STI) helps to promote the growth of Leifheit AG and secure its liquidity by defining financial performance targets. The non-financial performance targets set in advance in annual target agreements serve to encourage the individual performance of each Board of Management member and the collective performance of the Board of Management as a whole, as well as stakeholder targets and other relevant targets.

The long-term incentive (LTI) helps to promote the business strategy, particularly the long-term development of Leifheit AG, by measuring corporate success against the two performance targets of EPS growth and ROCE, based in each case on medium-term planning approved by the Supervisory Board. Using and combining these two internal key performance indicators ensures a sustainable business strategy. Furthermore, the share price development over a three-year period is a decisive factor in establishing the amount of the LTI, which also contributes to the company's sustainability and long-term development. Granting the LTI on a rolling basis (instead of all at once) also encourages the members of the Board of Management to act sustainably and creates the same incentives for all members. Furthermore, a requirement for members of the Board of Management to make a personal investment in Leifheit shares, without which the LTI is forfeited, ensures that they actively promote the business strategy and long-term development.

The overall remuneration of the Board of Management consists of three components:

1. fixed annual basic remuneration
2. short-term variable remuneration (STI)
3. long-term variable remuneration (LTI)

The fixed annual basic remuneration is based on the area of responsibility and the individual performance of each respective Board member, considering the company's situation. Of the total target remuneration (fixed basic remuneration plus target STI plus target LTI), it accounts for

- 43% to 55% for the chairperson of the Board of Management and
- 43% to 55% for the other members of the Board of Management.

Assuming 100% target attainment, the annual STI amounts to

- 12% to 20% of total target remuneration for the chairperson of the Board of Management and
- 12% to 20% of total target remuneration for the other members of the Board of Management.

Assuming 100% target attainment, the annually granted LTI tranches, extending over a period of three years each, account for

- 33% to 40% of total target remuneration for the chairperson of the Board of Management and
- 33% to 40% of total target remuneration for the other members of the Board of Management.

The members of the Board of Management do not receive remuneration for their work on the Board of Management, Administrative or Supervisory Boards at subsidiaries in addition to the remuneration for their activities as members of the Board of Management of Leifheit AG.

There are no share option programmes. There are no defined benefit obligations under IFRS.

Leifheit AG does not provide fringe benefits other than the use of a company car, the reimbursement of travel expenses and the assumption of the employer's health and care insurance contribution. The members of the Board of Management are covered by a group accident insurance policy taken out by Leifheit AG and by a directors and officers liability insurance policy (D&O insurance) concluded at Leifheit AG's expense at the conditions defined therein in each case. Except for fringe benefits, the remuneration components are granted in cash.

The annual STI is based on earnings before interest and taxes (EBIT) and the sum of cash flow from operating activities and cash flow from investment activities, adjusted for incoming and outgoing payments in financial assets as well as, if existing, from the acquisition and divestiture of divisions (free cash flow), as well as on non-financial performance targets via a modifier.

The EBIT target and free cash flow target are defined in advance for the respective financial year by the Supervisory Board at its own discretion, taking into particular account the budget planning prepared annually by the Board of Management and approved by the Supervisory Board. Except for extraordinary developments, there are no subsequent changes to the target values or other parameters of comparison.

The degree of achievement regarding the two financial performance targets mentioned above is determined according to a target achievement curve defined in advance and laid down in the employment contracts. The target attainment range for both the EBIT and free cash flow targets begins in each case from a deviation from budget of less than 20% (a deviation of 20% or more equates to a missed target) and is capped in each case from a deviation from budget of more than 20%. Intermediate values of a deviation from the EBIT target of more than minus 20% to 0% and more than 0% to plus 20% are calculated on a linear basis in each case in compliance with the target achievement curve laid down in the employment contracts.

The two above-mentioned performance targets are given equal weighting.

By applying the performance targets EBIT and free cash flow, the focus is put on operating earnings while ensuring liquidity and the ability of Leifheit AG to pay dividends.

A modifier is used to apply the non-financial performance targets in the STI, particularly the respective individual performance of each member of the Board of Management, the collective performance of the Board of Management and the attainment of stakeholder targets, as well as other targets where applicable. The modifier influences the amount of the STI within a range of plus and minus 20% and is capped at the maximum target amount. A target agreement, to be concluded annually in advance, ensures that the use of the modifier is clear and comprehensible. This target agreement sets out the non-financial performance targets, their weighting and the associated measures for promoting the business strategy and long-term development of the company for each individual member of the Board of Management.

The LTI is granted to the members of the Board of Management in annual tranches, each with a term of three years, and is linked to the two ROCE and EPS criteria as reported in the respective consolidated financial statements as well as to the performance of the Leifheit AG share price. LTI tranches will be granted with a performance period of three years from 2023 on.

The targets for ROCE and EPS are set in advance for each three-year performance period by the Supervisory Board at its own discretion, taking into particular account the respective medium-term planning approved by the Supervisory Board, and communicated to the members of the Board of Management. The same applies to defining the minimum ROCE and minimum EPS for target attainment as well as the maximum ROCE and EPS for the cap. Except for extraordinary developments, there are no subsequent changes to the target values or other parameters of comparison.

The degree of achievement in relation to the two financial performance targets mentioned above is determined according to a target attainment curve defined in advance and laid down in the employment contract. If the average ROCE achieved in the respective three-year period is less than the minimum ROCE, the degree of target attainment is 0%; if it is the minimum ROCE, the target attainment is 50%; and if the average ROCE achieved in the respective three-year period is the maximum ROCE or more, this corresponds to a target attainment of 150%. Intermediate values between a target attainment of 50% to 100% and 100% to 150% are calculated on a linear basis. If EPS growth in the respective three-year period is less than the minimum EPS, the degree of target attainment is 0%; if it is the minimum EPS, the target attainment is 50%; and if EPS growth in the respective three-year period is the maximum EPS or more, this corresponds to a target attainment of 150%. Intermediate values between a target attainment of 50% to 100% and 100% to 150% are calculated on a linear basis.

The two above-mentioned performance targets are given equal weighting, resulting in “overall target attainment” as one key indicator for calculating the payout amount for the respective LTI tranche.

The second step for calculating the payout amount for the respective LTI tranche is based on the performance of the Leifheit AG share price as follows: The performance of the Leifheit AG share is determined by the starting share price (measured over the last 90 trading days before the start of the respective performance period) and the ending share price, which is measured over the last 90 trading days before the end of the respective performance period. In this regard, the closing prices in the Xetra trading system of Deutsche Börse AG shall apply.

The LTI payout amount for each individual LTI tranche is calculated as follows: The target amount of the respective LTI tranche is converted into a number of conditionally granted virtual shares based on the starting share price. The number of virtual shares conditionally granted in this way is multiplied by the overall achievement of the ROCE and EPS targets described above, as shown in this notional example: If, for instance, 1,000 virtual shares are conditionally granted at the beginning of the respective four-year performance period of an LTI tranche and the overall achievement of target is 110%, this produces 1,100 virtual shares.

In the next step, the number of virtual shares calculated in this way (in this case, 1,100) is multiplied by the final share price.

Factoring in the share price performance over three years for each annually granted LTI tranche encourages both the individual Board members and the Board of Management as a whole to sustain their activities over the longer term. This incentive is given added weight by the fact that, in order to avoid losing the LTI, each member of the Board of Management is obliged to make a personal investment in Leifheit shares and to hold them for the duration of the LTI tranches, but for no longer than two years after the ending of their contract of employment (holding period). The amount of personal investment is linked to the amount of fixed basic remuneration for each member.

In the event of extraordinary developments on the part of Leifheit AG (e.g. measures under reorganisation law, share buyback, capital measures, acquisition and/or sale of companies and businesses, leveraging of hidden reserves) that have a significant impact on the ability to achieve the target values of the STI and/or the LTI, the Supervisory Board is entitled to unilaterally adjust the contractual terms and other parameters of the STI and/or the LTI in order to neutralise the effects of the extraordinary developments in an appropriate way. Developments affecting the overall economy or the industry in which Leifheit AG operates are not extraordinary developments in the sense of this definition, unless Leifheit AG faces particular hardships in comparison to competitors on account of unusual circumstances specific to the company.

1.3 Deviations from the remuneration system

In the matters explained below, actual remuneration for 2022 under the current contracts of the members of the Board of Management deviates from the approved remuneration system of the Board of Management, as these contracts were concluded prior to the introduction of the Board of Management remuneration system.

- Maximum remuneration (H. Rinsche, I. Iraeta Munduate, M. Keul)
The remuneration system provides for maximum annual remuneration (gross) of m€ 2.0 for the chairman of the Board of Management and m€ 1.5 for other members of the Board of Management. Under their existing contracts, the chairman and other members of the Board of Management are entitled to maximum remuneration of m€ 1.5 and m€ 1.03 respectively.
- Remuneration structure (M. Keul)
The remuneration system for members of the Board of Management is structured as follows: 43-55% fixed basic salary + 12-20% short-term variable remuneration (STI) + 33-40% long-term variable remuneration (LTI). Mr Keul's current contract does not contain an LTI component for financial year 2022. His fixed remuneration is 70% of the basic salary and the STI accounts for 30%.
- LTI measurement criteria (M. Keul)
No LTI is agreed with Mr Keul for financial year 2022. As a result, the focus of Mr Keul's variable remuneration is STI and not LTI, which is why Mr Keul's variable remuneration in financial year 2022 was not geared towards sustainable corporate development or the development of the share price.

1.4 Remuneration in financial year 2022

Leifheit defines granted and owed remuneration pursuant to section 162 para. 1 sentence 1 AktG as follows: The stated remuneration contains all amounts actually received by each member of the Board of Management in the reporting period (granted remuneration) and all legally owed remuneration that has not yet been received (owed remuneration).

It is assumed that the remuneration is disclosed in the remuneration report pursuant to section 162 para. 1 sentence 2 no. 1 AktG for the financial year in which the remunerated service (in one year or over multiple years) has been completed. Short-term variable remuneration is therefore regarded as *owed remuneration*, as the underlying service has been fully completed by the respective balance sheet date. As a result, short-term variable remuneration payout amounts are stated for the reporting year even though the amounts will actually be paid after the end of the respective reporting period.

LTI does not constitute *granted* or *owed* remuneration, as its payment hinges on the attainment of the defined targets at the end of the four-year performance period. Given that the current performance period for the LTI tranche for financial year 2022 ends on 31 December 2025, any remuneration from the LTI 2022-2025 will be disclosed in the remuneration report for financial year 2025 in accordance with the above provisions.

Granted/owed remuneration in 2022 in k€	Non-performance-related fixed remuneration				Performance-related variable remuneration			One-off remuneration	Share of one-off remuneration ¹	Total remuneration
	Fixed remuneration	Fringe benefits	Total	Share of fixed remuneration	Short-term variable remuneration (STI)	Long-term variable remuneration (LTI) ¹	Share of variable remuneration			
Marco Keul (2021-2024)	283	15	295	62%	180	–	38%	–	–	478
Igor Iraeta Munduate (2018-2025)	341	16	357	66%	180	0	34%	–	–	537
Henner Rinsche (2019-2025)	498	12	510	64%	248	0	31%	35	4%	793
Total	1,122	43	1,165		608	0		35		1,808

¹ The long-term variable remuneration for financial year 2019 (LTI 2019 tranche) was vested in financial year 2022. However, the minimum target threshold values were not reached. The remuneration for this tranche is therefore zero.

Former members of the Board of Management that served on the Board of Management in the past ten years were not granted or owed any remuneration in financial year 2022. Pensions amounting to k€ 602 were paid in financial year 2022 to former members of the Board of Management or to their surviving dependants whose active service period was longer than 10 years ago.

There are no share option programmes and no defined benefit pension commitments. The remuneration system for the members of the Board of Management does not provide for any opportunity to claim back remuneration components.

No member of the Board of Management was promised or granted any benefits from third parties. In addition, no benefits were promised for the premature or regular end to his term of service. No benefits of this nature were promised or granted to any other former member of the Board of Management.

The company maintains directors and officers (D&O) liability insurance for the members of its boards and certain employees in the Leifheit Group. The insurance is agreed or extended on an annual basis. The insurance covers personal liability in the event of any claims asserted against an insured party relating to the performance of their duties. The policy for members of the Board of Management for financial year 2022 includes an insurance excess that meets the requirements of the AktG.

The remuneration structure, consisting of the three components of fixed annual basic remuneration, short-term variable remuneration (STI) and long-term variable remuneration (LTI), is based on the fixed basic remuneration plus the STI and LTI target values. The remuneration structures for Mr Rinsche and Mr Iraeta Munduate for the year 2022 correspond to the remuneration system.

k€	Marco Keul				Igor Iraeta Munduate				Henner Rinsche			
	Target	Share	Range ¹	Maximum	Target	Share	Range ¹	Maximum	Target	Share	Range ¹	Maximum
Fixed remuneration	283	70%	43-55%	283	342	48%	43-55%	342	498	49%	43-55%	498
STI	120	30%	12-20%	180	120	17%	12-20%	180	165	16%	12-20%	248
LTI	—	—	33-40%	—	252	35%	33-40%	504	350	35%	33-40%	700
Total remuneration	403	100%		463	714	100%		1,026	1,013	100%		1,446

¹ According to the remuneration system.

The maximum defined remuneration for the STI (150% of the contractually agreed target) was complied with for all Board of Management member contracts. The maximum defined remuneration for the LTI and total remuneration per year can only be determined once the amounts granted for the LTI have been determined following the four-year performance period at the end of 2025.

The performance criteria for the STI are Group EBIT, Group free cash flow and the modifier. Group EBIT and Group free cash flow are determined in the annual financial statements 2022 of the Group. In the meeting on 7 December 2021, the Supervisory Board defined the performance criteria for the 2022 modifier. They include individual sustainability and innovation targets. The 2022 modifier was set at 1.2 by the Supervisory Board by way of a circulation procedure on 19 January 2023. The performance criteria for the LTI will only be determined following the end of the four-year performance period at the end of 2025.

The following table lists the criteria for variable remuneration and the individual weighting of each component.

	Description of criteria for remuneration component		Relative weighting of performance criteria	Information on performance targets		a) Measured performance and b) actual remuneration granted
				a) Minimum target attainment threshold and b) corresponding bonus/remuneration	a) Maximum target attainment and b) corresponding bonus/remuneration	
Marco Keul (CFO)	STI	Group EBIT 2022 (target: m€ 2.3)	50%	a) m€ 1.8	a) m€ 2.7	a) m€ 2.8
				b) 0.0%	b) 150.0%	b) k€ 90
	Modifier	Group free cash flow 2022 (target: m€ 5.0)	50%	a) m€ 4.0	a) m€ 6.0	a) m€ 8.8
				b) 0.0%	b) 150.0%	b) k€ 90
		Individual performance 2022 ¹ Sustainability	50%	a) 1 of 2 defined targets	a) 2 of 2 defined targets	a) 2 of 2 defined targets
				b) 0.8	b) 1.2	b) 1.2
	Individual performance 2022 ¹ Innovation	50%	a) Delivery authorisation for 2 defined product development initiatives	a) Delivery authorisation for 2 defined product development initiatives and 3 others	a) Delivery authorisation for 2 defined product development initiatives and 3 others	
			b) 0.8	b) 1.2	b) 1.2	
Igor Iraeta Munduate (COO)	STI	Group EBIT 2022 (target: m€ 2.3)	50%	a) m€ 1.8	a) m€ 2.7	a) m€ 2.8
				b) 0.0%	b) 150.0%	b) k€ 90
	Modifier	Group free cash flow 2022 (target: m€ 5.0)	50%	a) m€ 4.0	a) m€ 6.0	a) m€ 8.8
				b) 0.0%	b) 150.0%	b) k€ 90
		Individual performance 2022 ¹ Sustainability	50%	a) 1 of 2 defined targets	a) 2 of 2 defined targets	a) 2 of 2 defined targets
				b) 0.8	b) 1.2	b) 1.2
		Individual performance 2022 ¹ Innovation	50%	a) Delivery authorisation for 2 defined product development initiatives	a) Delivery authorisation for 2 defined product development initiatives and 3 others	a) Delivery authorisation for 2 defined product development initiatives and 3 others
				b) 0.8	b) 1.2	b) 1.2
	LTI	EPS 2022 compared to 2018 (LTI 2019-2022 tranche)	50%	a) 10.0%	a) 20.0%	a) -85.6%
				b) 50.0%	b) 150.0%	b) k€ 0
Average ROCE 2019-2022 (LTI 2019-2022 tranche)		50%	a) 12.5%	a) 17.5%	a) 7.8%	
			b) 50.0%	b) 150.0%	b) k€ 0	
Henner Rinsche (CEO)	STI	Group EBIT 2022 (target: m€ 2.3)	50%	a) m€ 1.8	a) m€ 2.7	a) m€ 2.8
				b) 0.0%	b) 150.0%	b) k€ 124
	Modifier	Group free cash flow 2022 (target: m€ 5.0)	50%	a) m€ 4.0	a) m€ 6.0	a) m€ 8.8
				b) 0.0%	b) 150%	b) k€ 124
		Individual performance 2022 ¹ Sustainability	50%	a) 1 of 2 defined targets	a) 2 of 2 defined targets	a) 2 of 2 defined targets
				b) 0.8	b) 1.2	b) 1.2
		Individual performance 2022 ¹ Innovation	50%	a) Delivery authorisation for 2 defined product development initiatives	a) Delivery authorisation for 2 defined product development initiatives and 3 others	a) Delivery authorisation for 2 defined product development initiatives and 3 others
				b) 0.8	b) 1.2	b) 1.2
	LTI	EPS 2022 compared to 2018 (LTI 2019-2022 tranche)	50%	a) 10.0%	a) 20.0%	a) -85.6%
				b) 50.0%	b) 150.0%	b) k€ 0
Average ROCE 2019-2022 (LTI 2019-2022 tranche)		50%	a) 12.5%	a) 17.5%	a) 7.8%	
			b) 50.0%	b) 150.0%	b) k€ 0	

¹ The modifier for individual performance is applicable to the total STI and results in an STI of between 80% and 120% of the target amount. As the STI is capped at 150% of the target amount, the modifier of 1.2 factually has no impact on the STI in financial year 2022.

2. Remuneration of members of the Supervisory Board

2.1 Applying the remuneration

In accordance with section 113 para. 3 AktG in the version of the act implementing the second shareholders' rights directive (ARUG II), the Annual General Meeting of a listed company must resolve on the remuneration of members of the Supervisory Board at least once every four years as well as in the case of proposals to amend remuneration regulations. This resolution was most recently passed at the Annual General Meeting on 2 June 2021.

The remuneration of Supervisory Board members is governed by art. 12 of Leifheit AG's articles of incorporation. The resolution regarding long-term variable remuneration for the Supervisory Board was passed by the Annual General Meeting on 29 May 2019 under agenda item 9.

2.2 Overview of the remuneration

Overall, the remuneration system of Leifheit AG is geared towards sustainable corporate development and is aligned with the business strategy. For the members of the Supervisory Board individually and for the Supervisory Board as a whole, it provides an incentive to perform their duties with a view to the long-term, successful development of the company.

The remuneration system reflects the provisions of the AktG and considers the recommendations of the DCGK.

The members of the Supervisory Board receive fixed remuneration, attendance fees and variable remuneration. The variable remuneration is divided into a short-term variable remuneration and a long-term variable remuneration component.

The remuneration system provides for a maximum remuneration for all members of the Supervisory Board. The maximum remuneration is set out in art. 12 para. 8 of the articles of incorporation. Since 1 January 2020, the total annual remuneration (the sum of fixed remuneration, short-term performance-related remuneration and attendance fees) has been limited to a maximum of € 80,000.00 for an ordinary member of the Supervisory Board, € 150,000.00 for the deputy chairperson of the Supervisory Board, € 100,000.00 for the chairperson of the Audit Committee and € 200,000.00 for the chairperson of the Supervisory Board. If a Supervisory Board member performs more than one function within a financial year, the higher amount shall apply to the limitation.

The remuneration of the members of the Supervisory Board is aligned with the business strategy and long-term development of Leifheit AG through fixed remuneration and attendance fees as well as a short-term and a long-term variable remuneration component, which in turn are based on financial targets that are appropriate for Leifheit AG, with an emphasis on long-term key performance indicators.

In addition to reimbursement of their expenses and any value added tax incurred for their Supervisory Board activities, each member of the Supervisory Board receives annual fixed remuneration in the amount of € 35,000.00. The chairperson of the Supervisory Board receives € 100,000.00, and their deputy receives € 70,000.00. Inasmuch as they relate to telecommunications, postage or other office costs, expenses are reimbursed with the payment of a lump sum in the amount of € 1,000.00 per year. Each member of a committee, except the Audit Committee, receives an additional fixed remuneration of € 2,500.00; the chairperson of a committee, except for the Audit Committee, receives € 5,000.00. Each member of the Audit Committee receives an additional fixed remuneration of € 5,000.00; the chairperson of the Audit Committee receives € 10,000.00.

In addition, the Supervisory Board members receive an attendance fee of € 1,500.00 for each meeting (in person, by telephone or video conference of at least two hours in duration) of the Supervisory Board and its committees in which they participate. For several meetings that take place on one day, the attendance fee is paid only once. The chairperson of the Supervisory Board and the respective chairperson of a Supervisory Board committee receive twice the meeting attendance fee in the first sentence above for participating meetings they chair.

In addition, each Supervisory Board member receives a performance-related remuneration for their membership of the Supervisory Board during the previous financial year, provided that the earnings per share (EPS) for the period calculated in accordance with IFRS accounting principles exceeds the comparable amount of the previous financial year.

Moreover, one part of the remuneration comprises the member's theoretical per head share of a directors and officers liability insurance policy (D&O insurance) concluded on behalf of Leifheit AG at standard market conditions for the members of the Supervisory Board, the costs of which are borne by Leifheit AG.

If a member is only a member of the Supervisory Board or a Supervisory Board committee for part of a financial year, the fixed and performance-related remuneration shall only be granted pro rata temporis and the maximum remuneration shall also be reduced pro rata temporis.

In addition, members of the Supervisory Board are granted a long-term variable remuneration component for financial years 2020 to 2022. The participating members of the Supervisory Board receive a one-time bonus payment that depends on the degree to which certain performance targets are met over the three-year period from 2020 to 2022 and on the personal investment in shares of Leifheit AG made by each Supervisory Board member. The bonus payment is calculated by multiplying a multiplier by the number of shares purchased by the Supervisory Board members as their own investment by a reference price. The maximum multiplier is 1.2.

The short-term variable remuneration amounts to € 500.00 for each cent by which the earnings per share (EPS) for the period calculated in accordance with IFRS accounting principles exceeds the comparable amount of the previous financial year.

By basing remuneration on the EPS performance target, the focus is placed on earnings while ensuring the ability of Leifheit AG to pay dividends.

To receive the long-term variable remuneration component, a Supervisory Board member must make a personal investment in shares of the company (personal investment shares) by 31 July 2020. Shares in Leifheit AG already held by a Supervisory Board member at the time the resolution was adopted at the Annual General Meeting on 29 May 2019 are also deemed to be personal investment shares, even if the member was not yet a member of the Supervisory Board at the time the shares were purchased. The chairperson of the Supervisory Board may participate with a personal investment of up to 10,000 shares, his or her deputy with up to 7,500 shares. The other members of the Supervisory Board may participate with a personal investment of up to 5,000 shares.

The performance targets, which must be achieved by 100% in each case to be counted, are:

- average annual growth rate in earnings per share for the period of at least 21% during the period from 1 January 2020 to the end of 31 December 2022 – “incentive period” (EPS target);
- more than 15% ROCE on average during the incentive period (ROCE target);
- average annual free cash flow growth rate of at least 15% during the incentive period (free cash flow target).

The annual growth rates are calculated based on the key performance indicators for financial year 2019 as at 31 December 2019. If, according to the audited and approved consolidated financial statements of the company as at 31 December 2019, EPS for financial year 2019 is less than € 0.65 per share, an amount of € 0.65 per share is to be used as the basis for calculating the annual growth rates for EPS.

The participating Supervisory Board members are only entitled to a bonus payment if they have achieved at least one of the performance targets by 100%. The bonus payment is calculated by multiplying a multiplier by the number of personal investment shares multiplied by the reference price.

- Full performance: If all three performance targets are achieved, the multiplier is 0.5.
- Partial performance: If only two of the three performance targets are met, the multiplier is 0.33. If only one of the three performance targets is met, the multiplier is 0.17.
- Exceeding the EPS target: If the free cash flow target and the ROCE target are achieved and the average annual growth rate of EPS during the incentive period is 21.8% or more, the multiplier is between 0.66 and 1.2, as shown in the following table:

Average growth rate of EPS	Multiplier
21.8%	0.66
23.6%	0.83
25.3%	1.01
26.9%	1.20

The reference price is the volume-weighted average price of the company’s shares in Xetra trading or a successor system on the Frankfurt Stock Exchange during the last three months of the incentive period. If the volume-weighted average price of the company’s shares in Xetra trading or any successor system on the Frankfurt Stock Exchange during the last three months of the incentive period exceeds € 35.00, the reference price shall be € 35.00. In the event of a change in the number of shares due to a stock split or a reverse stock split, the reference price for the calculation of the bonus payment shall be adjusted accordingly; for this purpose, the reference price shall be divided by the number of shares before the stock split or reverse stock split and multiplied by the number of shares after the stock split or reverse stock split. Even in the event of such an adjustment, the relevant reference price for the calculation shall not exceed € 35.00.

The Supervisory Board’s responsibility for sustainable corporate development is appropriately reflected in the linking of long-term variable remuneration to EPS, ROCE and free cash flow. Furthermore, due to the long-term variable remuneration, there is an additional incentive for members of the Supervisory Board to focus their exercise of office on the long-term, successful development of the company.

2.3 Remuneration in financial year 2022

Leifheit defines granted and owed remuneration pursuant to section 162 para. 1 sentence 1 AktG as follows: The stated remuneration contains all amounts actually received by each member of the Supervisory Board in the reporting period (granted remuneration) and all legally owed remuneration that has not yet been received (owed remuneration).

The fixed remuneration, the attendance fee and the short-term variable remuneration are regarded as *owed* remuneration, as the remunerated service has been completed in full by the respective balance sheet date. As a result, the table below lists remuneration for the reporting period even though the amounts will actually be paid out after the end of the respective reporting period.

The LTI for the three-year period between 2020 and 2022 also constitutes *owed* remuneration, as the bonus payment hinges on the attainment of performance targets at the end of the three-year incentive phase between 2020 and 2022.

The short-term variable remuneration target for financial year 2022 was not achieved after Group earnings per share for financial year 2022 calculated according to IFRS accounting principles fell below the amount reported in the previous financial year.

The performance criterion for the single-year variable remuneration is the change in the net result for the period per share (earnings per share/EPS) compared to the previous financial year. The change in EPS can be determined in the annual financial statements for 2022 and 2021.

The performance criteria for the long-term variable remuneration are as follows:

	EPS growth rate	ROCE	FCF growth rate
2020	103.1%	14.1%	-154.5%
2021	12.9%	13.8%	274.5%
2022	-91.3%	1.8%	-8.3%
Average	8.2%	9.9%	37.3%
Target	21.8%	15.0%	15.0%

As only the FCF target was reached, the multiplier was 0.17. The volume-weighted average price of the company's shares in Xetra trading on the Frankfurt Stock Exchange during the last three months of the incentive period amounted to € 14.17. This results in the following long-term remuneration for the three-year period between 2020 and 2022:

	Multiplier	Number of shares	Price	Long-term variable remuneration (LTI)
Joachim Barnert	0.17	170	14.17	k€ 0.4
Dr Günter Blaschke	0.17	10,000	14.17	k€ 24.1
Georg Hesse	0.17	0	14.17	–
Karsten Schmidt	0.17	0	14.17	–
Thomas Standke	0.17	100	14.17	k€ 0.3
Dr Claus-O. Zacharias	0.17	10	14.17	k€ 0.0
Total				k€ 24.8

The remuneration system approved by the Annual General Meeting on 2 June 2021 for the members of the Supervisory Board is fully represented in the articles of incorporation. The remuneration of the members of the Supervisory Board for financial year 2022 was determined on the basis of the requirements set out in the articles of incorporation and is therefore in accordance with the resolved remuneration system.

Granted/owed remuneration in 2022 in k€	Non-performance-related fixed remuneration						Performance-related variable remuneration			Total remuneration	
	Supervisory Board membership ¹	Attendance fee Supervisory Board membership	Committee membership	Attendance fee Committee membership	Fringe benefits ²	Total	Share of fixed remuneration	Short-term variable remuneration (STI)	Long-term variable remuneration (LTI)		Share of variable remuneration
Joachim Barnert (2019-2023)	36.0	16.5	2.5	1.5	0.0	56.5	99%	0.0	0.4	1%	56.9
Dr Günter Blaschke (2019-2023)	101.0	36.0	20.0	12.0	4.4	173.4	88%	0.0	24.1	12%	197.5
Georg Hesse (2018-2023)	36.0	15.0	7.5	4.5	0.0	63.0	100%	0.0	0.0	0%	63.0
Karsten Schmidt (2019-2023)	71.0	18.0	12.5	1.5	1.1	104.1	100%	0.0	0.0	0%	104.1
Thomas Standke (2004-2023)	36.0	18.0	6.7	6.0	0.0	66.7	100%	0.0	0.3	0%	67.0
Dr Claus-O. Zacharias (2019-2023)	36.0	12.0	12.5	16.5	0.0	77.0	100%	0.0	0.0	0%	77.0
Total	316.0	115.5	61.7	42.0	5.5	540.7		0.0	24.8		565.5

¹ Including expense allowance.

² Travel costs.

There are no share option programmes.

The option of claiming back variable remuneration components was not utilised in the financial year as the requirements for this measure were not met.

No remuneration was granted or owed to former members of the Supervisory Board in financial year 2022.

3. Vertical comparison

The vertical comparison pursuant to section 162 para. 1 sentence 2 no. 2 AktG encompasses the development of earnings at Leifheit, the year-on-year change in the remuneration of the members of the Board of Management and of the Supervisory Board and the year-on-year change in the average remuneration of employees on a full-time-equivalent basis.

Total remuneration, Change ¹	2018 vs 2017		2019 vs 2018		2020 vs 2019		2021 vs 2020		2022 vs 2021	
Board of Management remuneration										
Marco Keul (CFO) since May 2021	—		—		—		k€ 247	n/a	k€ 478	94%
Igor Iraeta Munduate (COO) since November 2018	k€ 82	n/a	k€ 499	509%	k€ 433	-13%	k€ 443	2%	k€ 537	21%
Henner Rinsche (CEO) since June 2019	—		k€ 486	n/a	k€ 651	34%	k€ 822	26%	k€ 793	-4%
Ivo Huhmann (CFO) April 2017 - March 2020	k€ 389	19%	k€ 672	73%	k€ 113	-83%	—		—	
Ansgar Lengeling (COO) November 2016 - April 2018	k€ 121	-70%	—		—		—		—	
Thomas Radke (CEO) January 2014 - October 2018	k€ 398	-29%	—		—		—		—	
Supervisory Board remuneration										
Joachim Barnert (Member) since May 2019	—		k€ 34.6	n/a	k€ 80.0	131%	k€ 63.6	-20%	k€ 56.9	-11%
Dr Günter Blaschke (Chairman) since April 2019	—		k€ 106.1	n/a	k€ 186.4	76%	k€ 172.4	-8%	k€ 197.5	15%
Georg Hesse (Member) since May 2018	k€ 26.1	n/a	k€ 59.3	127%	k€ 80.0	35%	k€ 76.0	-5%	k€ 63.0	-17%
Karsten Schmidt (Deputy chairman) since May 2019, formerly January 2007 - January 2018	k€ 3.4	-94%	k€ 64.5	1.799%	k€ 133.7	107%	k€ 113.0	-15%	k€ 104.1	-8%
Thomas Standke (Member) since May 2004	k€ 33.5	3%	k€ 42.3	26%	k€ 80.0	89%	k€ 63.5	-21%	k€ 67.0	5%
Dr Claus-O. Zacharias (Member) since May 2019	—		k€ 46.3	n/a	k€ 100.0	116%	k€ 84.0	-17%	k€ 77.0	-8%
Ulli Gritzuhn (Member) February 2016 - March 2019	k€ 66.9	106%	k€ 19.1	-71%	—		—		—	
Baldur Groß (Member) May 2014 - May 2019	k€ 34.0	5%	k€ 11.3	-67%	—		—		—	
Sonja Wärtges (Member) February 2016 - February 2019	k€ 55.2	30%	k€ 5.2	-91%	—		—		—	
Helmut Zahn (Chairman) April 2001 - March 2019	k€ 129.3	26%	k€ 33.1	-74%	—		—		—	
Company performance ²										
Group EBIT	k€ 13,056	-31%	k€ 9,876	-24%	k€ 18,783	90%	k€ 20,071	7%	k€ 2,774	-86%
Group free cash flow	k€ 3,695	147%	k€ 10,053	172%	k€ -5,547	-155%	k€ 9,559	272%	k€ 8,771	-8%
Group earnings per share (EPS)	€ 0.88	-35%	€ 0.61	-31%	€ 1.32	116%	€ 1.49	13%	€ 0.13	-91%
Net income Leifheit AG	k€ 10,269	160%	k€ 7,945	-23%	k€ 7,630	-4%	k€ 4,349	-43%	k€ -2,216	-151%
Operating result Leifheit AG	k€ 10,124	-7%	k€ 7,948	-21%	k€ 13,964	76%	k€ 15,181	9%	k€ -6,967	-146%
Average employee remuneration										
Company employees – Leifheit AG employees ³	—		—		k€ 63.9	6%	k€ 62.1	-3%	k€ 65.1	5%

¹ Percentage changes in the first and last year of contract are only comparable to a limited extent, as the figures do not cover a full calendar year.

² Group key performance indicators according to IFRS accounting standards, Leifheit AG KPIs according to the German commercial code (HGB).

³ Based on the reference figure of all employees according to German commercial law requirements on a full-time-equivalent basis.

Earnings development is presented using the performance indicators Group EBIT, Group free cash flow and Group earnings per share (EPS) for the Leifheit Group – each reported according to IFRS – as well as on the basis of the net income and operating result of Leifheit AG reported according to the German commercial code (HGB).

Independent auditor's assurance report on examination of the remuneration report pursuant to section 162 (3) AktG

To Leifheit Aktiengesellschaft, Nassau/Lahn

Opinion

We have formally examined the remuneration report of Leifheit Aktiengesellschaft, Nassau/Lahn for the financial year from January 1st to December 31st, 2022 to determine whether the disclosures pursuant to section 162 (1) and (2) AktG have been made in the remuneration report. In accordance with section 162 (3) AktG, we have not examined the content of the remuneration report.

In our opinion, the accompanying remuneration report complies, in all material respects, with the disclosure requirements pursuant to section 162 (1) and (2) AktG. Our opinion does not cover the content of the remuneration report.

Basis for Opinion

We conducted our examination of the remuneration report in compliance with section 162 (3) AktG taking into account the IDW assurance standard: Examination of the remuneration report pursuant to section 162 (3) AktG (IDW AsS 870 (08.2021)). Our responsibilities under this regulation and this standard are further described in the "Our Responsibilities" section of our assurance report. Our audit firm has applied the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1). We have complied with our professional duties pursuant to the German Public Accountants Act [WPO] and the Professional Charter for Auditors/Chartered Accountants [BS WP/vBP], including the independence requirements.

Responsibilities of the Management Board and the Supervisory Board

The management and the Supervisory Board of Leifheit Aktiengesellschaft, Nassau/Lahn, are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

Our Responsibilities

Our objectives are to obtain reasonable assurance about whether the remuneration report complies, in all material respects, with the disclosure requirements pursuant to section 162 (1) and (2) AktG, and to issue an assurance report that includes our opinion.

We planned and performed our examination to obtain evidence about the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by section 162 (1) and (2) AktG. In accordance with section 162 (3) AktG, we have not examined whether the disclosures are correct or individual disclosures are complete or whether the remuneration report is fairly presented.

Frankfurt/Main, 24 March 2023

KPMG AG Wirtschaftsprüfungsgesellschaft

Original German version signed by

Forstreuter

Eifert

Wirtschaftsprüfer

Wirtschaftsprüfer

(German Public Auditor)

(German Public Auditor)

III MORE INFORMATION ABOUT THE CONVOCATION

1 Total number of shares and voting rights

At the time the Annual General Meeting was convened, the company's share capital was divided into 10,000,000 no-par-value bearer shares, of which every share was allocated one vote. The total number of voting rights thus amounted to 10,000,000 voting rights at the time the Annual General Meeting was convened. At the time the Annual General Meeting was convened, the company held 484,697 treasury shares which did not grant it voting rights.

2 Registering for the Annual General Meeting, attendance and exercising voting rights

Only those shareholders who have registered for the Annual General Meeting ("registration") and who have provided to the company that they are eligible to exercise their voting rights ("record of share ownership") are entitled to attend the Annual General Meeting and to exercise their voting rights. Shareholders must register in text form, either in German or English. A record of share ownership in text form by the final intermediary in accordance with section 67c para. 3 AktG suffices for verification.

The record of share ownership must refer to the beginning of the twenty-first day before the Annual General Meeting, i.e. the **beginning of the day [00:00 CEST] on 17 May 2023** ("record date"). The eligibility specified above is defined solely in accordance with the stake held by the shareholder at the record date, without this constituting a block on the ability to sell the stake. Even in the event of a full or partial sale of the shareholding following the record date, only those shares owned by the shareholder at the record date are relevant to the right to exercise shareholder rights during the Annual General Meeting, i.e. the disposal or acquisition of shares after the record date will not affect the right to exercise shareholder rights during the Annual General Meeting.

Registration and record of share ownership must be received by the company until the **end of day [24:00 CEST] on Wednesday, 31 May 2023** at the following address:

Leifheit AG
c/o Computershare Operations Center
80249 Munich, Germany

or by email to anmeldestelle@computershare.de

After receiving the registration and record of share ownership, the company will send the shareholders or the proxies appointed by them admission tickets for the Annual General Meeting. To ensure that the admission tickets, which will be sent together with the relevant proxy forms, are received in good time, shareholders are requested to send their registration and record of share ownership to the company at the address listed above at their earliest convenience. This request is not linked to any restriction of shareholder rights.

The admission ticket includes, among other things, the individual registration data with which shareholders can use the AGM portal online at agm.leifheit-group.com as well as a form for voting by postal vote or issuing proxies or instructions.

3 Exercising voting rights by proxies

a) Authorising third parties as proxies to exercise voting rights and other shareholder rights

Shareholders can allow their voting rights and their other shareholder rights to be exercised by a proxy or by an association of shareholders, subject to the appropriate authorisation procedures. They must also submit the record of share ownership and registered in due form and time in this case. The issuing of proxy authorisations, their revocation and verifications of proxy authorisation must be submitted to the company in text form, if neither an intermediary nor a shareholders' association or proxy adviser or an equivalent person according to section 135 para. 8 AktG has been authorised to exercise the voting rights.

If an intermediary, a shareholders' association, a proxy adviser or an equivalent person according to section 135 para. 8 AktG is to be authorised to act as the shareholder's proxy, this authorisation – in derogation of the above principle – does not require a specific form either under the law or under the company's articles of incorporation. It should be noted, however, that in such cases the institutions or persons to be authorised may request that they be issued a specific form of proxy, as, according to section 135 AktG, they are required to record any proxy authorisations in a verifiable manner. You should therefore consult with them on whether there is a potential formal requirement for proxies.

If a shareholder authorises more than one person, the company can reject one or several of them.

Shareholders will find a form for issuing a proxy on the back of their admission ticket. In addition, the form can also be found online at [agm.leifheit-group.com](https://www.agm.leifheit-group.com).

From the time the Annual General Meeting has been convened until the **end of day [24:00 CEST]** on Tuesday, **6 June 2023** (time of receipt), the issuing of a proxy, its revocation and the proof of authorisation can be submitted by post, email or on the AGM portal.

The following addresses are available for this use:

Leifheit AG
c/o Computershare Operations Center
80249 Munich, Germany
anmeldestelle@computershare.de
or by email to anmeldestelle@computershare.de
or on the AGM portal at [agm.leifheit-group.com](https://www.agm.leifheit-group.com)

After this time – but at the earliest from the time of admission to the Annual General Meeting – the issuing of a proxy, its revocation or the proof of authorisation is only possible at the location of the Annual General Meeting until the time specified by the chairperson of the meeting.

b) Authorising voting proxies appointed by the company who are bound to the instructions given to them

The company offers its shareholders the opportunity to assign proxy rights to proxies designated by the company. Also in this case, the submission of the record of share ownership and registration in due form and time are required. The proxies appointed by the company exercise the voting right based exclusively on the shareholder's instructions. Issuing authorisation to voting proxies appointed by the company, its revocation and the issuance of instructions must be made in text form.

Shareholders will find a form for issuing a proxy and instructions on the back of their admission ticket. In addition, the form can also be found online at [agm.leifheit-group.com](https://www.agm.leifheit-group.com).

From the time the Annual General Meeting has been convened until the **end of day [24:00 CEST]** on Tuesday, **6 June 2023** (time of receipt), the issuing of a proxy and instructions, its revocation and the proof of authorisation can be submitted by post, email or on the AGM portal.

The addresses given in section 3 a) "Authorising third parties as proxies to exercise voting rights and other shareholder rights" above are available for this purpose (by post, email or on the AGM portal).

After this time – but at the earliest from the time of admission to the Annual General Meeting – the issuing of a proxy and instructions, the revocation of a proxy and instructions or the proof of authorisation is only possible at the location of the Annual General Meeting until the time specified by the chairperson of the meeting.

4 Exercising voting rights by postal vote

Shareholders who have registered in due form and time and their authorisations may cast their votes by postal vote. An intermediary, a shareholders' association, a proxy advisor or an equivalent person according to section 135 para. 8 AktG may also use postal voting. Postal votes that cannot be clearly attributed to a registration in due form and time will not be considered.

The postal vote does not eliminate the right to attendance at the Annual General Meeting.

Shareholders will find a postal vote form on the back of their admission ticket. In addition, the form can also be found online at [agm.leifheit-group.com](https://www.agm.leifheit-group.com).

From the time the Annual General Meeting has been convened until the **end of day [24:00 CEST]** on Tuesday, **6 June 2023** (time of receipt), postal votes can be submitted, changed or revoked by post, email or on the AGM portal.

The addresses given in section 3 a) "Authorising third parties as proxies to exercise voting rights and other shareholder rights" above are available for this purpose (by post, email or on the AGM portal).

After this time – but at the earliest from the time of admission to the Annual General Meeting – a revoke of the postal votes is only possible at the location of the Annual General Meeting until the time specified by the chairperson of the meeting.

More information on the postal vote method can be found on the admission ticket that is sent to shareholders who have registered in due form and time. Corresponding information and a more detailed description of the postal vote method is also available online on the AGM portal at [agm.leifheit-group.com](https://www.agm.leifheit-group.com).

5 Further information on the exercising of voting rights

If voting rights in due time are exercised by postal vote or by issuing proxy and instructions by several methods (post, email or on the AGM portal), they will be considered in the following order, irrelevant of the time of receipt: 1. via the AGM portal, 2. by email, 3. by post.

If more than one postal vote or proxy and instructions are received in due time by the same method of transmission, the declaration received last in time shall be binding.

If declarations with more than one form of exercising voting rights are received in the same way, the following shall apply: postal votes shall have priority over the issuing of a proxy and, if applicable, instructions to the proxies of the company and the last-mentioned shall have priority over the issuing of a proxy and instructions to an intermediary, a shareholders' association, a proxy advisor or an equivalent person according to section 135 para. 8 AktG.

If an intermediary, a shareholders' association, a proxy advisor or an equivalent person according to section 135 para. 8 AktG is not willing to act as proxy, the proxies of the company are authorised to act as proxies in accordance with the instructions.

The votes by postal vote or proxies and instructions on agenda item 2 (appropriation of the balance sheet profit) also remain binding in the event of an adjustment of the proposal for the appropriation of the balance sheet profit because of a change in the number of shares which are eligible to receive dividends.

If an individual vote is taken on an agenda item instead of a collective vote, the postal vote or instruction given on this agenda item applies accordingly to each item of the individual vote.

6 Supplementary motions to the agenda at the request of a minority according to section 122 para. 2 AktG

According to section 122 para. 2 AktG, shareholders whose shares, when taken together, amount to one-twentieth of the share capital or represent a proportional amount of € 500,000.00 may request to have items placed on the agenda and announced. The reasons for the request or a proposed resolution must be enclosed for each new item.

Requests must be addressed to the company's Board of Management in writing and must be received by the company until the end of day [24:00 CEST] on Sunday, 7 May 2023, at the following address:

Leifheit AG
Der Vorstand
Leifheitstraße 1, 56377 Nassau, Germany

7 Countermotions and proposals for election from shareholders according to section 126 para. 1 AktG and section 127 AktG

Countermotions, including reasons for them, against a proposal made by the Board of Management and/or the Supervisory Board with respect to a specific agenda item and shareholder proposals for elections of members to the Supervisory Board or auditors of the company, provided they concern items on the agenda, must be sent prior to the Annual General Meeting exclusively to the following address:

Leifheit AG
Leifheitstraße 1, 56377 Nassau, Germany
or by email to HV2023@leifheit.com

Accompanied by proof of shareholder status, countermotions and election proposals received until the end of day [24:00 CEST] on Tuesday, 23 May 2023, at the address above and which are to be published will be made accessible online at agm.leifheit-group.com. Any comments by the management shall also be published on the website listed above after 23 May 2023.

8 Shareholders' right to information according to section 131 para. 1 AktG

At the Annual General Meeting, each shareholder shall, upon request, be provided with information by the Board of Management on the affairs of the company, including legal and business relations with affiliated companies as well as about the Group and the companies included in the consolidated financial statements, to the extent that such information is necessary for the adequate assessment of an item on the agenda. The right to information may be exercised at the Annual General Meeting without the need for prior announcement or other notification.

9 The company's website, the documents and information to be made accessible there according to section 124a AktG as well as further explanations on the rights of the shareholders

This invitation to the Annual General Meeting, the documents to be made accessible to the Annual General Meeting according to section 124a AktG and further information in connection with the Annual General Meeting will be available online at **agm.leifheit-group.com** from the time at which the Annual General Meeting is convened. Any and all counter-motions, proposals for election and supplementary motions from shareholders as well as the voting results after the Annual General Meeting, will also be made accessible via the website listed above.

On the company's website at **agm.leifheit-group.com**, further explanations and information on shareholders' rights under section 122 para. 2, section 126 para. 1, section 127 and section 131 para. 1 AktG are available for shareholders.

10 Web-based AGM portal and Annual General Meeting hotline

From 17 May 2023 on, the company will operate a web-based AGM portal online at **agm.leifheit-group.com**. An admission ticket is required for access, which shareholders who registered in due form and time will receive. This admission ticket contains the individual registration data. In the AGM portal, shareholders have the opportunity until the end of day [24:00 CEST] on 6 June 2023, to issue or change proxies and instructions and to cast their postal votes or to revoke or change these postal votes. Shareholders will receive further details on the AGM portal and the registration and terms of use together with their admission ticket or online at **agm.leifheit-group.com**.

For questions regarding registration, proxy voting, postal voting or the use of the AGM portal, members of our AGM hotline are available on +49 89 30903-6330 from Monday to Friday – excluding German holidays – from 9:00 a.m. to 5:00 p.m. (CEST).

11 Information regarding data protection

Information regarding the processing of personal data in connection with the Annual General Meeting can be found online at **agm.leifheit-group.com**.

Nassau/Lahn, April 2023

Leifheit Aktiengesellschaft
The Board of Management

DIRECTIONS

Deutsche Nationalbibliothek (German National Library), Adickesallee 1, 60322 Frankfurt/Main, Germany



By public transportation

From Frankfurt main station, lower level (Hauptbahnhof) take the U 5 towards Preungesheim and get off at the stop Deutsche Nationalbibliothek. Travel time: roughly 10 minutes.

From Frankfurt airport (regional station) take the S 8 or S 9 towards Hanau or Offenbach Ost and get off at the stop Konstablerwache. → Change to the U 5 towards Preungesheim and get off at the stop Deutsche Nationalbibliothek. Travel time: roughly 30 minutes.

Bus line 32 travels to the bus stop Deutsche Nationalbibliothek.

By car

Take the A 5 or A 66 at the Nordwestkreuz junction travelling in the direction of Miquelallee/Stadtmitte (city centre) until the end of the motorway → Follow the signs for Fulda/Hanau → Turn right at the third junction onto the Eckenheimer Landstraße towards Stadtmitte (city centre) → After approximately 100 metres, the underground car park of the Deutsche Nationalbibliothek will appear on the right-hand side. Parking charges apply.

From the A 3 at the Offenbacher Kreuz junction, proceed onto the A 661 travelling in the direction of Bad Homburg → At the Frankfurt-Eckenheim junction, take the Berkersheim exit towards Stadtmitte (city centre) → Approximately 100 metres after the third traffic light crossing, the underground car park of the Deutsche Nationalbibliothek will appear on the right-hand side. Parking charges apply.