



**Compensation system
for the members of the Management Board of
HelloFresh SE**

The Act Implementing the Second Shareholders' Rights Directive ("ARUG II"), which was promulgated in the Federal Law Gazette on December 19, 2019, introduced a new Section 120a of the German Stock Corporation Act ("AktG"). Section 120a (1) sentence 1 AktG provides that the General Meeting of a listed company shall resolve on the approval of the compensation system for members of the Management Board resolved by the Supervisory Board in accordance with Section 87a AktG, which was also newly introduced, and presented to the General Meeting whenever there is a significant change to the compensation system, but at least every four years. The first resolutions of the Supervisory Board and the General Meeting must be passed by the end of the first ordinary General Meeting following December 31, 2020.

The Supervisory Board proposes – based on the recommendation of its compensation committee – that the compensation system for the members of the Management Board set out below and resolved by the Supervisory Board with effect as per May 27, 2021 be approved.

A. Basic Features of the remuneration system for the Members of the Management Board of HelloFresh SE

The remuneration system for the members of the Management Board makes a significant contribution to the promotion of the business strategy and the long-term development of HelloFresh SE (hereinafter also the "Company"). By structuring the remuneration as fixed remuneration on the one hand and as short-term variable remuneration in the form of *restricted stock units* ("RSUs") and long-term variable remuneration in the form of virtual options ("Virtual Options") on the other hand, the remuneration system creates an incentive for result-oriented and sustainable corporate governance. The remuneration of the members of the Management Board is based on the performance of the Management Board as a whole, the contribution of the individual member of the Management Board to the promotion of the company's objectives, and the business success of HelloFresh SE. In addition, the amount of the short-term and long-term variable remuneration of the members of the Management Board depends on the share price of HelloFresh SE, thereby linking the interests of the members of the Management Board with those of the shareholders. The integration of non-financial environmental, social, and governance objectives ("ESG") as components of the remuneration structure also incentivizes sustainable and future-oriented action

while striving to create value for customers, employees and shareholders as well as the environment as a whole.

The structure of the compensation system for the members of the Management Board and the structure and amount of the compensation paid to the members of the Management Board are based in particular on the following principles:

Implementation of the business strategy	Promoting the implementation of the long-term business strategy of HelloFresh SE
Long-term and sustainability	Promotion of the long-term and sustainable development of HelloFresh SE and the HelloFresh Group, in particular by making the amount of long-term variable remuneration dependent on the performance targets "revenues" and "adjusted EBITDA" as well as the ESG targets "reduction of food waste" and "reduction of CO2 emissions" in order to ensure socially responsible and future-oriented actions
Adequacy and marketability	Ensuring that the members of the Board of Management are remunerated appropriately and in line with market conditions
Consideration of individual performance & Pay for performance	Appropriate consideration of the individual performance of Executive Board members and linking of performance and compensation ("pay for performance")
Alignment of the interests of the Executive Board and shareholders	Strong alignment of the interests of the Management Board with the interests of the shareholders (i) by granting the predominant share of the remuneration of each member of the Management Board in the form of long-term variable remuneration and (ii) by share ownership guidelines, according to which the members of the Management Board are obliged to acquire HelloFresh SE shares equivalent to their respective base salary (gross) for one year and to hold at least this number of HelloFresh SE shares for the duration of their appointment.
Clarity and comprehensibility	The system for the remuneration of the members of the Management Board of HelloFresh SE is designed in a clear and comprehensible manner and provides the Supervisory Board with the necessary flexibility to react to organizational changes and to take into account different market conditions.
Conformity with regulatory requirements	It complies with the requirements of the German Stock Corporation Act and the recommendations of the German Corporate Governance Code as amended on December 16, 2019 (published in the Federal Gazette on March 20, 2020) ("GCGC"), insofar as no deviation from the recommendations of the GCGC is declared for the compensation system presented here.

The Supervisory Board's objective is to offer the members of the Management Board a compensation package that is both in line with market standards and competitive within this regulatory framework and in compliance with the above principles for structuring the compensation system.

B. Procedures for establishing, implementing and reviewing the compensation system; dealing with conflicts of interest

The remuneration system for the Management Board of HelloFresh SE is determined by the Supervisory Board in accordance with Section 87a (1) sentence 1 AktG, as is the remuneration of the Management Board in accordance with Section 87 (1) AktG. In this process, the Supervisory Board is supported by the Compensation Committee. The Compensation Committee develops a

system for the compensation of the members of the Management Board based on the principles outlined in section A. above, the legal requirements, and the recommendations of the GCGC as amended from time to time, and submits this to the entire Supervisory Board for discussion and resolution.

The Supervisory Board and the Compensation Committee may, if necessary, engage an external compensation expert to develop the compensation system and assess the appropriateness of the compensation. When mandating an external compensation expert, attention is also paid to his or her independence from the Management Board and the Company. In drawing up this compensation system, the Supervisory Board consulted an external compensation expert and in doing so ensured compliance with the above principles.

The compensation system is regularly reviewed by the Supervisory Board, supported by its Compensation Committee. The compensation system is submitted to the General Meeting for approval whenever there are significant changes, but at least every four years. If the General Meeting does not approve the compensation system presented, a revised compensation system will be submitted for resolution at the latest at the following ordinary General Meeting.

Throughout the process of establishing, implementing and reviewing the compensation system, the requirements of the German Stock Corporation Act (AktG) and the rules of procedure of the Supervisory Board, as well as the recommendations of the GCGC on the avoidance and handling of conflicts of interest, are complied with. In this respect, the members of the Supervisory Board and all committees are obliged to disclose to the Supervisory Board any conflicts of interest, in particular those that may arise as a result of a consultancy or board function with customers, suppliers, lenders, borrowers or other third parties. In this case, the Supervisory Board members do not participate in the resolutions on the relevant agenda items in the Supervisory Board and in the respective committees. In the event of material and not merely temporary conflicts of interest in the person of a Supervisory Board member, the Supervisory Board member concerned shall resign from office.

In accordance with the requirements of Section 26j (1) sentence 3 EGAktG and the GCGC, the previous compensation practice shall continue to apply to any existing service agreements as well as to any new service agreements to be concluded with new or existing members of the Management Board before the General Meeting 2021. This compensation system applies to all Management Board service agreements to be concluded or renewed from May 27, 2021.

C. Determination of the remuneration

The total target compensation comprises the sum of all fixed and variable compensation components for a year in the event of one hundred percent target achievement. The total target compensation to be determined for each Management Board member is commensurate with the tasks and performance of the respective Management Board member and the situation of the Company.

The Supervisory Board also ensures that the total target compensation, which is determined on the basis of a horizontal comparison and a vertical comparison, is in line with market practice and that the compensation does not exceed the customary compensation without special justification.

1. Horizontal comparison

HelloFresh SE pursues a market-oriented remuneration philosophy. In order to assess whether the remuneration of the individual members of the Management Board is in line with the market, the Supervisory Board first makes a horizontal comparison with a group of comparable companies to be determined by the Supervisory Board, taking into account in particular the market position of HelloFresh SE (including, industry, size (measured by market capitalization, revenue and employees) and country) as well as the overall economic situation of HelloFresh SE. In particular, the Supervisory Board analyzes comparable companies from the German DAX and MDAX as well as foreign listed companies of comparable size. In addition, the Supervisory Board considers selected e-commerce, internet and food or grocery delivery services from Germany and abroad. The Supervisory Board may change the composition of the peer group at any time, if it deems this appropriate. The Supervisory Board will transparently disclose the peer groups in the compensation report.

2. Vertical comparison

When determining the total target compensation, the Supervisory Board also takes into account the level of remuneration of the members of the Management Board in relation to the remuneration structure within the HelloFresh group, based on the fixed remuneration for the members of the Management Board and the variable remuneration in the event of (assumed) one hundred percent target achievement. As part of this vertical comparison, the Supervisory Board uses the average remuneration of senior management (C-levels (excluding the Management Board), senior vice presidents, and vice presidents) of HelloFresh SE and the HelloFresh group's U.S. subsidiaries. These comparison groups were chosen due to their significance for the HelloFresh group. HelloFresh SE is the parent company of the group and it is with this Company that the Management Board employment contracts are concluded. The US market is the HelloFresh group's strongest

market in terms of revenue and is therefore also of superior importance. Furthermore, the Supervisory Board also takes into account the average remuneration of the total workforce of HelloFresh group, as well as the development of the aforementioned comparison groups over time.

3. Differentiation according to different requirements for the individual Management Board positions

When determining the amount of the total target compensation of the individual Management Board members, the Supervisory Board is entitled to differentiate with regard to different requirements of the respective Management Board activity, market conditions or the qualifications and experience of the Management Board members. When setting the amount of the target total compensation, it may therefore in particular differentiate depending on the function of the individual Management Board members (Chairman of the Management Board or member of the Management Board), the Management Board department for which they are responsible, their experience or length of service on the Management Board, and may also take into account whether a member of the Management Board lives abroad.

D. Components of the target total compensation

The compensation system for the Management Board comprises fixed, non-performance-related and variable, performance-related compensation components. The sum of all compensation components constitutes the total compensation of the individual Management Board members.

The fixed, non-performance-related remuneration consists of a base salary and fringe benefits (in particular contributions to health and long-term care insurance and expenses).

The short-term variable compensation consists of *restricted stock units* (RSUs); the long-term variable compensation consists of Virtual Options.

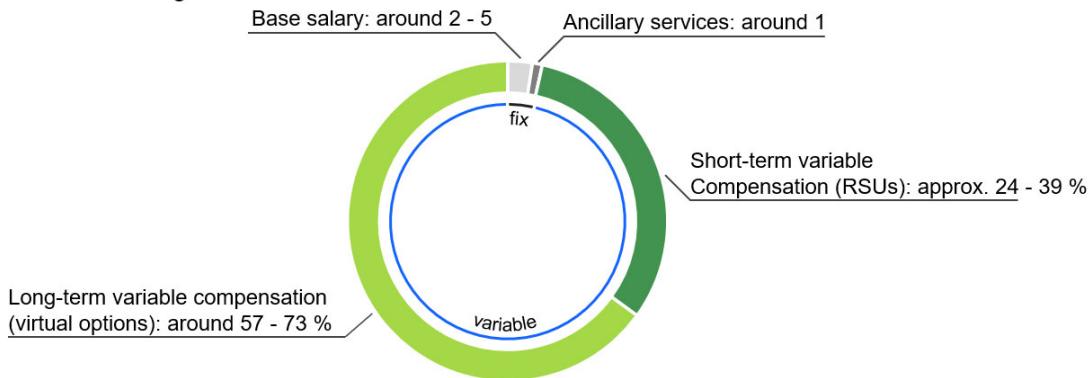
The following graphic summarizes the various components of the compensation system:

Fixed remuneration components	Basic salary	<ul style="list-style-type: none"> ▪ Basic salary agreed in individual contracts, paid in twelve equal installments
	Ancillary services	<ul style="list-style-type: none"> ▪ Grants for health and long-term care insurance, reimbursement of expenses and other expenses
Variable Compensation components	Short-term variable compensation	<ul style="list-style-type: none"> ▪ Plan: Restricted Stock Units (RSUs) ▪ Performance period: One year ▪ Payment: Basically in cash
	Long-term variable compensation	<ul style="list-style-type: none"> ▪ Plan: Virtual Options (VSOP) ▪ Performance Criteria: <ul style="list-style-type: none"> ▪ 40 % Sales revenue ▪ 40 % AEBITDA ▪ 20 % ESG targets ▪ Target achievement: 0 - 100 ▪ Performance Period: Three years ▪ Waiting time: Four years ▪ Exercise period: Six years ▪ Payment: Basically in cash
Other central components	Maximum remuneration	<ul style="list-style-type: none"> ▪ Chief Executive Officer: EUR 14,000,000 ▪ Other members of the Executive Board: EUR 11,000,000 ▪ Due to compensation payments, the maximum compensation can increase by up to EUR 2,000,000
	Share Ownership Guidelines	<ul style="list-style-type: none"> ▪ Obligation to purchase and hold shares in the amount of a gross annual salary ▪ Build up period of five years
	Malus / Clawback	<ul style="list-style-type: none"> ▪ Compliance Malus and Clawback ▪ Performance Clawback
	Severance cap	<ul style="list-style-type: none"> ▪ In the event of premature termination of the employment contract of a member of the Board of Management, payments shall not exceed the value of two years' compensation (target total compensation) and shall compensate no more than the remaining term of the employment contract ▪ If the special termination right is exercised in connection with a change of control, the amount of the severance payment is limited to two years' compensation (target total compensation) and no more than the remaining term of the employment contract is compensated
	Compensation payments / one-time payments	<ul style="list-style-type: none"> ▪ Possibility of granting compensation payments for discontinued benefits from previous employment relationship ▪ Exceptionally, Executive Board members may be granted one-time payments on the occasion of taking up office, extending their employment contract or for extraordinary performance

In agreement with the members of the Management Board, the Supervisory Board may adjust individual compensation components taking into account market practice and appropriateness. Against the background of these adjustment options, the shares of the individual compensation components in the total target compensation are presented below in percentage ranges.

The total target compensation for the Chief Executive Officer is as follows (all figures refer to the grant date):

Target total compensation for the Chairman of the Board of Management



The annual base salary of the Chairman of the Management Board corresponds to a share of around 2% to 5% of the total target compensation. In addition, fringe benefits of up to 1% of the total target compensation may be granted as a further fixed salary component. Short-term variable compensation (RSUs) corresponds to between around 24% and 39% of the CEO's total target compensation, while long-term variable compensation (Virtual Options) accounts for around 57% to 73% of the CEO's total target compensation.

The total target compensation for the other Management Board members is as follows (all figures refer to the grant date):

Target total compensation for the other members of the Board of Management



The annual base salary of the other Management Board members corresponds to a share of around 17% to 22% of the total target compensation. In addition, fringe benefits of up to 1% of the total target compensation may be granted as a further fixed salary component. Short-term variable compensation (RSUs) corresponds to between around 19% and 33% of the total target compensation of the other Management Board members, while long-term variable compensation

(Virtual Options) represents around 47% to 63% of the total target compensation of the other Management Board members.

In accordance with the recommendation in G.6 of the GCGC, when determining the target total remuneration, the Supervisory Board ensures that the variable remuneration resulting from the achievement of long-term oriented targets exceeds the share resulting from short-term oriented targets. This ensures that the remuneration system is focused on the long-term development and implementation of HelloFresh SE's business objectives.

In addition to the total target remuneration, other benefits may be granted to a Management Board member on the occasion of taking office, the extension of a Management Board service agreement or for extraordinary performance in exceptional cases (for example, compensation payments for benefits from a previous employment relationship that ceased to exist on the occasion of the transfer of the Management Board member concerned to HelloFresh SE, sign-on bonus, reimbursement of relocation costs or special remuneration for extraordinary performance).

The Management Board service agreements may also contain provisions under which the total target compensation is increased by a certain amount after a certain period of time and if certain conditions are met during the term of the Management Board service agreements. Despite fulfillment of the conditions, the Supervisory Board may decide by resolution that the increase in the total target compensation shall not apply if the Supervisory Board, at its discretion, comes to the conclusion that the increased total target compensation would not commensurate with the duties and performance of the Management Board member, the situation or development of the Company or the market environment and/or would not correspond to the customary compensation or if there are no special reasons to deviate from the customary compensation.

E. Ceilings and maximum compensation

In accordance with Section 87a (1) sentence 2 no. 1 AktG, the Supervisory Board sets a maximum compensation for the members of the Management Board consisting of the amount for fixed, non-performance-related compensation, the amounts for any other benefits and the maximum amounts for variable compensation (inflow cap). In this context, it is not important when the respective compensation element was paid out, but for which financial year it was granted.

The maximum compensation of the members of the Management Board for a financial year thus corresponds to the sum of the maximum inflow of all compensation components granted to the respective Management Board member in a financial year, whereby the time of inflow is irrelevant. The maximum compensation is fixed in amount for each Management Board member. The possible

capping of the amount exceeding the maximum compensation takes place at the time when the variable compensation would in principle be received.

The maximum compensation for a financial year – irrespective of whether it is paid in the financial year in question or at a later date – is EUR 14,000,000.00 for the chairman of the Management Board and EUR 11,000,000.00 for each of the other members of the Management Board.

The maximum remuneration does not represent the remuneration level targeted or deemed appropriate by the Supervisory Board, but merely an absolute maximum limit that can at most be reached in the event of a very strong increase in the share price of HelloFresh SE. In addition, it should be taken into account that the vast majority of the remuneration of the members of the Management Board is granted in the form of long-term variable remuneration through Virtual Options, the payout amount of which can fall to zero (namely, if the Relevant Stock Price (as defined below) is lower than, or equal to, the Exercise Price (as defined below) and/or the performance targets have not been met).

The maximum remuneration of the members of the Management Board may be increased by up to EUR 2,000,000.00 in exceptional cases on the occasion of the entry into office of the Management Board member concerned in the year of appointment or in the second year after appointment as a member of the Management Board, provided that the Management Board member concerned is granted compensation payments for benefits from a previous employment relationship that ceased to exist on the occasion of the transfer of the Management Board member concerned to HelloFresh SE.

F. Compensation components in detail

1. Fixed remuneration components

The fixed remuneration of the members of the Management Board comprises an annual base salary and fringe benefits (in particular contributions to health and long-term care insurance and expenses).

a. Base salary

Each Management Board member receives an individually agreed base salary, which is generally paid in twelve equal installments at the end of each calendar month.

b. Ancillary services

In addition, the Management Board members receive customary fringe benefits. Accordingly, they receive half of the monthly reimbursable contributions to German health and long-term care insurance, up to a maximum of the applicable maximum rate for statutory health and long-term care insurance. In the case of Management Board members living abroad, the fringe benefits are adjusted to the relevant national (in particular regulatory) particularities. In principle, in the case of Management Board members living abroad, the Company pays employer contributions, where required, into the foreign health and long-term care insurance of the Management Board member in accordance with the applicable statutory regulations, but together up to a maximum of the applicable maximum rate for German statutory health and long-term care insurance and any employer contributions to foreign pension insurance if and insofar that these are mandatory under the applicable law.

In addition, HelloFresh SE reimburses the Management Board for expenses and other expenditures incurred in connection with the proper performance of its duties for the Company.

Other fringe benefits, such as benefits in kind or budgets for work equipment, can be agreed individually with the respective Management Board members.

2. Other benefits

A member of the Management Board may be granted other benefits on the occasion of taking office, the extension of a Management Board service agreement or for extraordinary performance in exceptional cases, for example compensation payments for benefits from a previous employment relationship that ceased to apply on the occasion of the transfer of the Management Board member in question to HelloFresh SE, sign-on bonuses, reimbursement of relocation costs or special compensation for extraordinary performance.

3. Variable compensation components

The variable remuneration of the members of the Management Board of HelloFresh SE consists of a short-term oriented remuneration component, the *restricted stock units* (RSUs), and a long-term oriented remuneration component, the Virtual Options. When determining the total target compensation for each Management Board member, the Supervisory Board sets a total allocation amount for the variable compensation. The allocation of the total allocation amount of variable compensation can be made according to two different alternatives. In principle, 25% of the total allocation amount of variable compensation is allocated to RSUs and 75% to Virtual Options. However, for the last two full fiscal years of a Management Board service agreement, the Supervisory Board may also decide to allocate up to 40% of the total variable compensation to RSUs and up to 60% to Virtual Options.

The payment of the long-term oriented variable remuneration components depends on the achievement of financial and non-financial sustainability targets ("**ESG Targets**") and thereby makes a significant contribution to the long-term and sustainable development of HelloFresh SE and the HelloFresh group. By allocating the vast majority of the total target compensation to long-term oriented variable compensation, the Supervisory Board ensures maximum alignment of interest between the long-term interests of the company's shareholders and its Management Board.

a. Short-term variable compensation (*restricted stock units, RSUs*)

The members of the Management Board are granted *restricted stock units* (RSUs) as short-term variable compensation under the Company's existing *Restricted Stock Unit Program* ("RSUP"). As a rule, 25% of the total allocation amount for variable compensation determined by the Supervisory Board for each Management Board member is allocated to RSUs. However, for the last two full fiscal years of a Management Board service agreement, the Supervisory Board may also decide to allocate up to 40% of the total allocation amount for variable compensation to RSUs.

The number of RSUs to be granted is determined by dividing the partial amount of the total allocation amount attributable to the RSUs by the value of one share of the Company on the grant date, which is specified in the respective grant agreement ("**Grant Date**"). The value of one share of HelloFresh SE on the Grant Date corresponds to the average of the closing prices of the share of HelloFresh SE in XETRA trading on the Frankfurt Stock Exchange on the ten trading days preceding the Grant Date. Only whole RSUs are granted, not fractions; fractions are always rounded down to the nearest whole number.

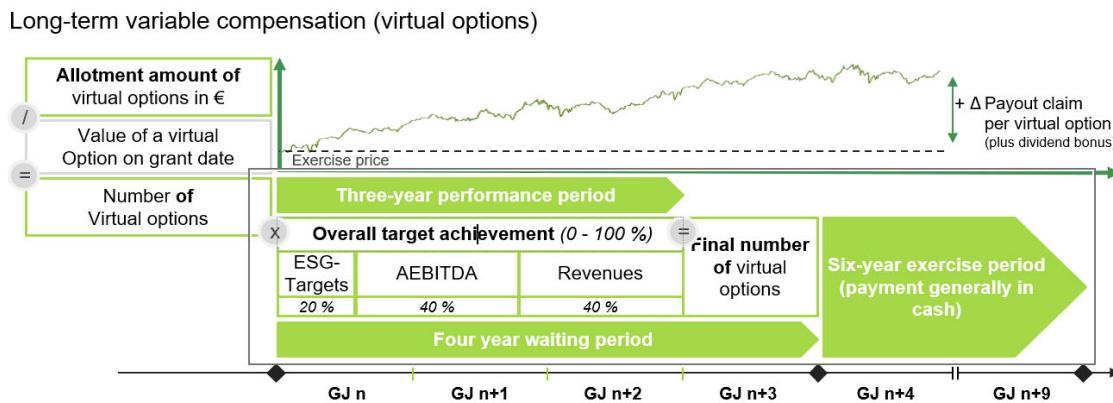
RSUs vest one year after the Grant Date. Vested RSUs entitle the holder to receive a cash payment equal to the average closing price of the HelloFresh SE share in XETRA trading on the Frankfurt Stock Exchange on the ten trading days following publication of (i) the Company's first quarter report, (ii) the Company's half-year report, (iii) the Company's third quarter report, or (iv) the Company's annual report. The settlement of the RSUs generally takes place in the form of a cash payment on one of the following dates: after the expiration of a period of twelve trading days following the publication of (i) the next report on the Company's first quarter, (ii) the next semi-annual report of the Company, (iii) the next report on the Company's third quarter, or (iv) the next annual report of the Company. Thus, in each case, settlement of the RSUs shall occur prior to the end of the fiscal year following the fiscal year in which the RSUs vested. The Company is also

entitled to deliver (new or treasury) shares of HelloFresh SE in whole or in part instead of the cash payment.

The RSUs do not provide for any specific performance criteria to be achieved by the members of the Management Board. The purely share price-based structure of the RSUs helps to align the interests of the members of the Management Board with those of the shareholders of HelloFresh SE to promote the development and growth of HelloFresh SE and the HelloFresh group.

b. Long-term variable compensation (Virtual Options)

The structure of the long-term variable compensation in the form of Virtual Options is summarized in the following illustration:



(i) Basic features of the Virtual Options

The members of the Management Board are granted Virtual Options as long-term variable compensation under the virtual stock option program ("VSOP") in place at the Company. As a rule, 75% of the total allocation amount for variable compensation determined by the Supervisory Board for each Management Board member is allocated to Virtual Options. However, for the last two full fiscal years of a Management Board member's service agreement, the Supervisory Board may also decide to allocate up to 60% of the total variable compensation to Virtual Options.

The number of Virtual Options to be granted is generally determined by dividing the partial amount of the total grant amount attributable to the Virtual Options by the value of a Virtual Option on the Grant Date, whereby the value of a Virtual Option on the Grant Date is determined according to generally accepted, marketable option valuation methods (such as Black-Scholes and based on certain parameters derived from the market price and certain assumptions that are applied

uniformly to Virtual Options granted to HelloFresh employees). In this case, the Virtual Options have an exercise price (“**Exercise Price**”) that corresponds to either (i) the average closing price of the HelloFresh SE share in XETRA trading on the Frankfurt Stock Exchange on the ten trading days preceding the Grant Date or (ii) an amount in euros specified in the respective grant agreement. Alternatively, the number of Virtual Options to be granted may be determined by dividing the partial amount of the total grant amount attributable to the Virtual Options on the Grant Date by a value of a Virtual Option specified in the respective Management Board service agreement. In this case, the exercise price may also be based on a price specified in the respective Management Board service agreement., whereby the specified exercise price in this case increases annually by the long-term average increase in the value of the DAX. However, the Supervisory Board may in this case decide by resolution that the value of a virtual option specified in the Management Board service agreement is not to be used as the basis for determining the number of Virtual Options to be granted and/or that the exercise price specified in the Management Board service agreement is not agreed if the Supervisory Board, using its discretionary powers, reaches the conclusion that the fixed Exercise Price and/or the agreed value of a Virtual Option would result in the resulting total target compensation not being commensurate with the duties and performance of the Management Board member, the situation or development of the Company or the market environment and/or would not correspond to the customary compensation, or there are no special reasons to deviate from the usual compensation. Should the Supervisory Board pass such a resolution, it will determine in it an appropriate Exercise Price and an appropriate value of a Virtual Option.

The exercisability of the Virtual Options is dependent on certain conditions, such as the achievement of certain *performance targets* (see below under Section F.3.b. (ii)) at the end of an approximately three-year period after the Grant Date. At the end of this approximately three-year period, the Supervisory Board determines whether and to what extent the performance targets have been achieved. Based on the overall degree of achievement of the performance targets, the Supervisory Board determines the number of Virtual Options to which the respective Management Board member is entitled. For this purpose, the number of Virtual Options originally granted is multiplied by the overall degree of target achievement, which is a maximum of 100%. Consequently, the final number of Virtual Options is limited to 100% of the Virtual Options originally granted (upper limit).

In addition to the achievement of certain performance targets, the Virtual Options are only exercisable if a vesting period of four years after the Grant Date has expired and the Virtual Options have vested. Furthermore, the Virtual Options may only be exercised within a specified exercise period of twelve trading days following the publication of (i) a report on the Company's first quarter, (ii) a semi-annual report of the Company, (iii) a report on the Company's third quarter, or (iv) an annual report of the Company. Virtual Options expire if they have not been exercised within six

years of the end of the vesting period. Virtual Options are generally settled in the form of a cash payment in the amount by which the average XETRA closing price of HelloFresh SE shares on the Frankfurt Stock Exchange on the ten trading days of the exercise period in which Virtual Options are exercised ("Relevant Market Price") exceeds the Exercise Price (as defined above). The Company is also entitled to deliver new or treasury shares of HelloFresh SE in whole or in part instead of the cash payment.

Virtual Options held by a member of the Management Board that are vested but have not yet been exercised generally grant the right to a dividend bonus, but only if the General Meeting of HelloFresh SE resolves to distribute a dividend. The dividend bonus is calculated as follows:

[(current market value of a HelloFresh share - exercise price per Virtual Option) / current market value of a HelloFresh share] x number of Virtual Options (vested and not yet exercised) x amount of dividend paid per HelloFresh share.

(ii) Performance criteria of the Virtual Options

The exercise of the Virtual Options is linked to financial and non-financial performance criteria (ESG targets). In addition, the level of the HelloFresh SE share price has an influence on the amount paid out for a Virtual Option.

The financial performance criteria are (i) revenue ("Revenue") and (ii) adjusted earnings ("AEBITDA"). The definitions of revenue and AEBITDA are each the same as those published by the Company in its respective annual report. The financial performance measures of Revenue and AEBITDA advance the Company's business strategy and contribute to the Company's long-term success. Revenue is an indicator of demand for HelloFresh group's products and an important factor in increasing the Company's value in the long term. AEBITDA is an indicator in the assessment of underlying operating profitability. The financial performance criteria promote long-term and sustainable corporate development and align the targets for Management Board remuneration with the interests of the shareholders.

In order to ensure the sustainable and long-term success of HelloFresh SE, the Supervisory Board makes the exercise of the Virtual Options additionally dependent on the achievement of the following ESG targets, as non-financial performance criteria: (i) reduction of food waste produced by the HelloFresh group's own production facilities (operating sites) that is disposed of in landfills or by incineration, per euro of Revenue ("Food waste per euro of Revenue") and (ii) reduction of CO2 emissions produced by the HelloFresh group's own production facilities (operating sites), per euro of Revenue ("CO2 emissions per euro of Revenue"). The integration of ESG targets into the remuneration structure incentivizes the Management Board members to act in a sustainable

and future-oriented manner and at the same time strives to create value for customers, employees, shareholders and the environment as a whole. The Supervisory Board reserves the right to designate other ESG targets if necessary and to replace the current ESG targets.

Virtual Options may only be exercised if the performance targets set by the Supervisory Board for the performance criteria revenue, AEBITDA and the two ESG targets have been achieved. The performance criteria sales revenue and AEBITDA each have a weighting of 40%. The non-financial ESG targets food waste per euro of sales and CO2 emissions per euro of sales each have a weighting of 10%. By the end of the first quarter of the year in which Virtual Options are granted at the latest, the Supervisory Board shall determine the minimum and maximum values for the performance targets for sales, AEBITDA, food waste per euro of sales, and CO2 emissions per euro of sales that must be achieved in the year after next after the Virtual Options are granted.

The Supervisory Board may, at its discretion, adjust the financial and non-financial performance targets downwards or make them less stringent once the performance targets have been set, if the market environment or the Company's business deviates significantly from the expectations at the time the performance targets were originally set.

At the end of the approximately three-year performance period, the Supervisory Board determines whether and to what extent the performance targets have been achieved. Achievement of the minimum value of the respective performance target corresponds to target achievement of 50%, and achievement of the maximum value corresponds to target achievement of 100% of the respective performance target. If a value between the minimum and maximum value is achieved, this is converted linearly into a target achievement between 50 % and 100 %. If the minimum value for one of the performance targets is not reached, the target achievement for this performance target is zero. Target achievement above 100 % is not possible.

The overall target achievement corresponds to the sum of the target achievement level for sales, the target achievement level with regard to AEBITDA, the target achievement level for food waste per euro of sales, and the target achievement level for CO2 emissions per euro of sales, i.e. the percentage target achievement values for each of the performance targets are added together based on their weighting in the overall target achievement (40% each for the financial targets and 10% each for the non-financial targets). Based on the overall degree of achievement of the performance targets, the Supervisory Board determines the number of Virtual Options to which the respective Management Board member is entitled. For this purpose, the number of Virtual Options originally granted is multiplied by the overall degree of target achievement.

The payout amount per Virtual Option is additionally - for the reasons mentioned above - dependent on the share price as a further performance criterion of HelloFresh SE. The share price-based

structure of the Virtual Options also serves the long-term and sustainable development of the Company and aligns the targets of the Management Board remuneration with the interests of the shareholders.

4. Share Ownership Guidelines for the Board of Management

The members of the Management Board are contractually obligated to acquire shares in HelloFresh SE equivalent to a respective annual basic salary (gross) for their own account within a period of five years from the effective date of a Management Board service agreement or any renewal agreement and to hold them for the duration of their Management Board activities. Shares in HelloFresh SE already held by the members of the Management Board are counted towards this obligation.

G. Compliance and performance malus / clawback

In the event of a serious breach by a Management Board member of the duties arising from Section 93 AktG, the Management Board service agreements or internal compliance or conduct guidelines, or in the event of serious compliance violations, whereby the respective violation must be so serious that the Supervisory Board is entitled to revoke the appointment of the Management Board, the Supervisory Board may, at its discretion, withhold in whole or in part any variable compensation not yet paid out (malus). Furthermore, the Supervisory Board may, at its discretion, demand the full or partial return of variable compensation already paid out in such cases (clawback).

Furthermore, Management Board members are obligated to repay any variable compensation already paid out if it becomes apparent after payment that the basis for calculating the amount paid out, in particular in the annual report or the sustainability report, was incorrect and must be corrected in accordance with the applicable auditing standards (clawback). The repayment must be made in the amount of the overpayment made to the Management Board in comparison with the correct basis for calculation.

H. Term, early termination , incapacity for work

The service agreements of the members of the Management Board of HelloFresh SE are each concluded for the duration of their appointment. In the event of reappointment and an extension of the term of office, the service agreements of the Management Board members shall continue to apply until the expiry of the new term of office, unless the company and the respective Management Board member reach deviating or supplementary agreements in connection with the reappointment.

In the event of termination of a Management Board mandate, in particular by revocation of the appointment or resignation from office, the respective Management Board service agreement shall also terminate automatically in compliance with the statutory notice periods without the need for notice of termination. In the event of illness or other impediment to service for which the Management Board member is not responsible, the Management Board member shall be paid his base salary at the longest until the termination of his service agreement

If a Management Board member becomes permanently incapacitated during the term of his service agreement, his service agreement shall end at the end of the quarter in which the permanent incapacity was established.

In the event of premature termination of the service agreement of a member of the Management Board (including mutually agreed cancellation of the service agreement), payments by the Company including fringe benefits shall not exceed the value of two years' compensation (total target compensation) (severance payment cap) and shall not compensate more than the remaining term of the service agreement. The severance payment cap shall be calculated on the basis of the total target compensation for the previous full fiscal year and, if applicable, also on the basis of the expected total target compensation for the current financial year. If a post-contractual non-competition clause is agreed, the severance payment shall be credited against the waiting compensation. The entitlement to payment of the RSUs and Virtual Options in the event of termination of the Management Board mandate is governed in principle by the respective RSU program and the respective Virtual Option program or the respective grant agreements, which contain customary *good leaver* and *bad leaver* clauses.

I. Change of control

To ensure that the Management Board member in question assesses any change of control solely in the interests of the Company and its shareholders and that the Management Board member's behavior is not guided by concerns about economic disadvantages as a result of a change of control, the Supervisory Board may agree a one-time special termination right in the respective Management Board service agreement for the members of the Management Board. If such a special termination right is agreed, the members of the Management Board have the right to terminate their service agreements with three months' notice to the end of the month and to resign from the Management Board on the termination date. A change of control exists if

- (i) a third party acquires at least 30% of the voting rights in HelloFresh SE alone or on the basis of attribution pursuant to section 30 of the German Securities Acquisition and Takeover Act ("WpÜG") (section 29 (2) WpÜG),
- (ii) a third party, alone or in cooperation with others, acquires all or substantially all of the assets of HelloFresh SE, or

- (iii) HelloFresh SE is merged with a third party or merged with a third party or merged with a third party in a similar manner, whereby "third parties" for the purposes of this provision are not direct or indirect subsidiaries of the Company (hereinafter each a "**Change of Control**").

The special termination right may only be exercised within two months of the execution of a change of control. If the special termination right is exercised, the amount of a severance payment is limited to the value of two years' compensation (total target compensation) (severance payment cap) and no more than the remaining term of the service agreement will be compensated.

J. Post-contractual non-competition clause

The Supervisory Board may provide for a post-contractual non-competition clause, according to which the members of the Management Board are prohibited from competing with the company for a certain period of time after termination of the agreement. In such a case, HelloFresh SE shall pay the members of the Management Board compensation for the duration of the post-contractual non-competition clause in the amount of half of the fixed remuneration last received by the Management Board member and attributable to one month. Any severance payment shall be offset against the compensation. The Company may waive the post-contractual non-competition clause at any time by written declaration, with the effect that it shall be released from payment of the severance payment upon expiry of six months from the declaration.

K. Secondary activities of the members of the Board of Management

During the term of their office, the members of the Management Board are generally prohibited from engaging in any remunerated or unremunerated secondary activity, unless such activity is performed on behalf of or with the written consent of the Company. Publications and lectures which do not relate to the Company's area of activity, as well as the assumption of offices in supervisory bodies of other companies and honorary offices in organizations, insofar as the Company is not itself a member of these, require the prior written consent of the Supervisory Board.

Insofar as members of the Management Board are executive bodies or members of executive bodies of a subsidiary of HelloFresh SE, no separate remuneration is granted for this activity. In the event of the assumption of supervisory board mandates outside the group, the Supervisory Board decides whether and to what extent the remuneration is to be credited.

L. Extraordinary developments

In the event of extraordinary developments, the Supervisory Board is entitled to adjust the amount of the individual compensation components, including the long-term variable compensation

components, the ratio of the individual compensation components to each other, the criteria for target achievement, the respective payment amounts and the payment dates, provided that the defined maximum compensation is not exceeded.

Extraordinary developments occur when circumstances have arisen or are likely to arise that could not have been foreseen when the targets for the variable remuneration components were set and that have a significant impact on the total remuneration of the members of the Management Board. In particular, significant acquisitions, the sale of significant parts of HelloFresh SE, significant changes in the underlying accounting standards or tax regulations, natural disasters, pandemics, or comparable circumstances may be considered. In making its decision, the Supervisory Board takes into account, among other things, the extent to which HelloFresh SE, the shareholders and the employees are or will be affected by the extraordinary developments.

M. Temporary deviations

The Supervisory Board may temporarily deviate from the compensation system if this is necessary in the interests of the long-term well-being of the Company, for example in the event of an economic or corporate crisis or changes in the regulatory framework.

Even in the event of a deviation from this Management Board compensation system, the compensation of the members of the Management Board must be geared to the long-term sustainable development of the Company and take into account the situation of the Company and the performance of the Management Board. The components of the compensation system from which deviation is possible are the procedure, the compensation structure, the amount of compensation, the amount of the individual compensation components and the performance criteria. In such cases, the Supervisory Board may also introduce new compensation components. Deviation from the compensation system requires a resolution of the Supervisory Board, which also determines the circumstances leading to the deviation.

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