

CECONOMY

**REMUNERATION
REPORT**

2023/24

REMUNERATION REPORT

In accordance with the provisions of Sec. 162 of the German Stock Corporation Act (Aktiengesetz – AktG), this remuneration report explains the application of the remuneration system for members of the CECONOMY AG Management Board and Supervisory Board and describes the amount and structure of remuneration individually granted and owed to current and former members of the Management Board and the Supervisory Board in financial year 2023/24.¹ The remuneration report also complies with the recommendations and suggestions of the German Corporate Governance Code in the version dated 28 April 2022. This remuneration report will be presented to the Annual General Meeting of CECONOMY AG, which is expected to take place on 26 February 2025, for approval in accordance with Sec. 120a para. 4 AktG.

The remuneration report for financial year 2022/23 was approved by a General Meeting on 14 February 2024 with a majority of 96.6 per cent in accordance with Section 120a para. 4 AktG. The Management Board and Supervisory Board see this clear vote as confirmation of the format used in the remuneration report. It is therefore generally retained for this remuneration report.

Remuneration system for the Management Board

The Supervisory Board of CECONOMY AG has established the remuneration system outlined below. This determination was carried out for the first time by means of Supervisory Board resolutions in September and October 2020 (“2020 remuneration system”). The 2020 remuneration system applied effective from the start of financial year 2020/21. The Supervisory Board presented this system to the Annual General Meeting of CECONOMY AG on 17 February 2021, which approved it with an approval rate of 99.15 per cent. At its meeting on 13 December 2021, the Supervisory Board resolved to amend certain aspects of the remuneration system 2020 with effect from the start of the 2022/23 financial year and to submit the amended system to the Annual General Meeting for approval. The updated remuneration system (“2021 remuneration system”) was presented to the Annual General Meeting of CECONOMY AG on 9 February 2022, which approved it with an approval rate of 91.98 per cent. The 2021 remuneration system is relevant for this remuneration report for financial year 2023/24. Unless expressly noted otherwise, the following information therefore refers to the 2021 remuneration system. The service agreements of Management Board members in office in financial year 2023/24 comply with the 2021 remuneration system.

Immediately after the respective resolutions of the General Meeting to approve the 2020 remuneration system and the 2021 remuneration system, the resolutions and the relevant remuneration system were made publicly accessible in accordance with Section 120a para. 2 AktG. They can be found on the website www.ceconomy.de/en/ under Company – Corporate Governance.

Procedures for the implementation and review of the remuneration system

The Supervisory Board decides on the remuneration system, its implementation and the determination of the specific remuneration of the Management Board after preparation by the Presidential Committee.

If the Supervisory Board consults external remuneration experts on the further development of the remuneration system and to assess that the specific Management Board remuneration is appropriate and customary, it assures itself that such experts are independent before engaging them.

The Supervisory Board has the option of appropriately taking extraordinary developments into account, in particular when granting variable remuneration. In justified cases, entitlements to the payment of variable remuneration can be denied (penalty) or remuneration already paid can be claimed back (clawback).

The subsequent amendment of targets or the comparative parameters for variable remuneration (repricing) is precluded. However, if this is necessary in the interests of the long-term wellbeing of the company, the Supervisory Board can temporarily deviate from this remuneration system. Such deviations are permitted only on the basis of a resolution by the Supervisory Board as a whole, setting out the reasons for and duration of the deviation. Temporary deviations from all components of the remuneration system and, in particular, the variable remuneration components are possible.

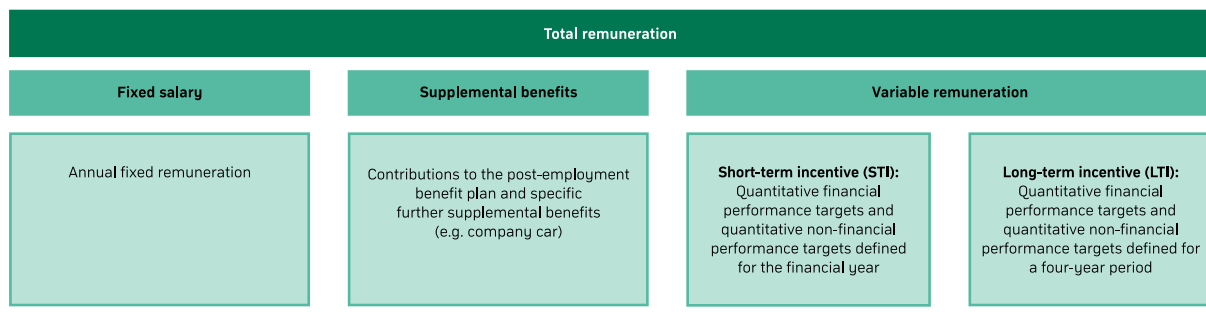
¹ In order to provide a better overview, decimal places are not shown in this remuneration report’s tables in some cases. Figures in the tables may contain rounding differences.

Remuneration components in accordance with the remuneration system

OVERVIEW OF REMUNERATION COMPONENTS

The total compensation of the members of the Management Board of CECONOMY AG are made up of non-performance-related fixed and performance-related variable remuneration components. The following chart provides an overview of the individual remuneration components in accordance with the 2021 remuneration system:

Presentation of the remuneration components of Management Board remuneration

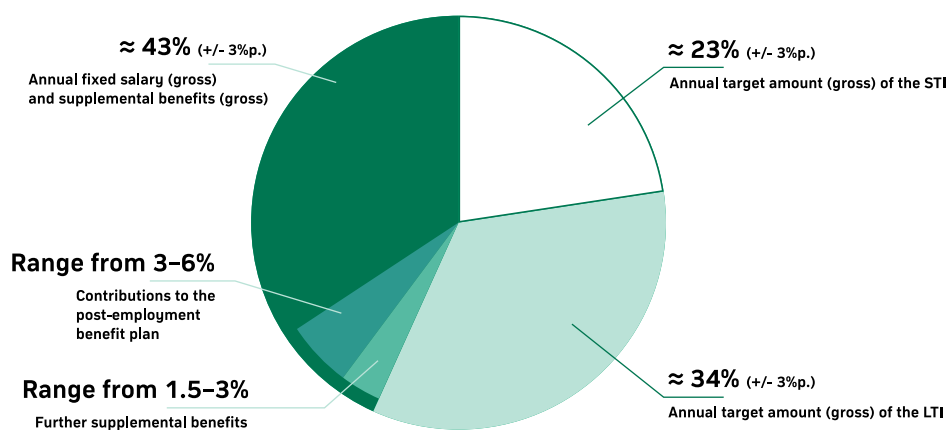


Total target remuneration is designed so that, typically, the target amounts of the variable remuneration components outweigh the fixed remuneration components (fixed salary and supplemental benefits) and that, within the variable remuneration components, the share of long-term variable remuneration components (LTI) outweighs the share of short-term variable remuneration components (STI).

As a rule, a share of around 43 per cent of the target total remuneration of the individual Management Board member should be attributable to the annual fixed salary and supplemental benefits, a share of around 34 per cent to the annual target amount of the LTI and a share of around 23 per cent to the annual target amount of the STI. The relative share of contributions to the post-employment benefit plan should not exceed the range of 3 to 6 per cent of the target total remuneration while other supplemental benefits should not exceed 1.5 to 3 per cent of the target total remuneration.

The relative share of the different remuneration components within total target remuneration is visually presented as follows:

Relative share of the various remuneration components within total target remuneration



NON-PERFORMANCE-BASED FIXED REMUNERATION

The non-performance-based fixed remuneration consists of the fixed annual salary, the contributions for the post-employment benefit plan and the other supplemental benefits.

Fixed salary

The fixed salary is agreed with each Management Board member as fixed remuneration and is paid in monthly instalments. If the Management Board member is only a member of Management Board for part of a financial year, fixed salary is paid pro rata temporis.

Post-employment benefits

The members of the Management Board receive a post-employment benefits in the form of a defined benefit direct contribution.

The post-employment benefits plan is financed jointly by the Management Board member and the company. The breakdown is defined as "5 + 10". If the Management Board member makes a personal contribution of 5 per cent of his defined assessment basis (fixed salary and target STI amount), the company pays double the contribution. If a Management Board member departs before being entitled to pension benefits, the contributions are preserved at the level reached. Matching cover for the post-employment benefit plan is provided by Hamburger Pensionsrückdeckungskasse VVaG (HPR) . The contributions bear interest according to the articles of association of HPR regarding participation features with a guarantee on contributions paid in.

Contributions by the company to the post-employment benefit plan are limited based on the set breakdown and assessment basis for each individual member of the Management Board. In addition, these contributions are limited to €100,000 per year in each case.

Members of the Management Board also have the option to convert future remuneration components from the fixed salary and variable remuneration into entitlements to post-employment benefit plans from HPR by way of tax-privileged deferred compensation. A retirement pension and early retirement regulations are not agreed.

Further details on the post-employment benefit plan for members of the Management Board are provided below under "Pension entitlements in the 2023/24 financial year".

Supplemental benefits

In addition to the fixed salary and contributions to the post-employment benefit plan, the company exclusively grants the members of the Management Board the following supplemental benefits:

- Contributions to accident insurance
- Allowances for health/nursing insurance
- Assumption of costs for preventive health care
- Provision of a company car at the disposal of the member of the Management Board

This conclusive list of supplemental benefits is capped at a combined amount of €50,000 per year .

PERFORMANCE-BASED VARIABLE REMUNERATION

The performance-based remuneration components are variable remuneration as a short-term incentive (STI) for the respective financial year and variable remuneration as a long-term incentive (LTI) over several financial years. The components have different bases of assessment and success parameters according to the respective performance periods. The granting of the STI and the LTI, and the corresponding incentive effects of these variable performance-based remuneration components, is dependent on financial and non-financial performance criteria.

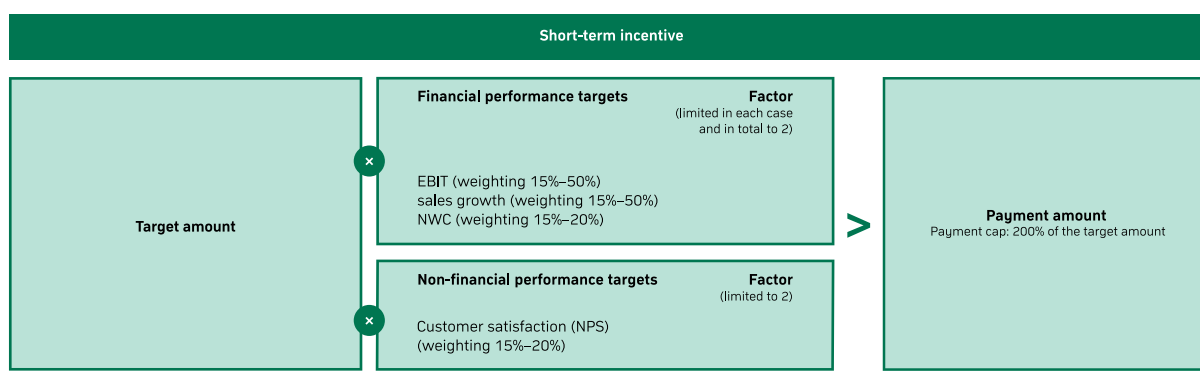
The variable remuneration granted to the members of the Management Board is predominantly share-based: within the variable remuneration components, the proportion of long-term variable components predominates, which in turn are largely based on financial performance criteria relating to the key figures absolute shareholder return and relative shareholder return. As a result of both key figures, the amount of any payout is linked to the performance of CECONOMY AG's ordinary share.

STI

The short-term performance-based component is granted for one financial year and paid out after the end of that year. If a member joins or leaves the Management Board during a financial year, the STI is granted and paid pro rata temporis for that financial year. The STI for financial year 2023/24 was calculated using financial and non-financial performance criteria. These are based on the following key performance indicators, in the case of the first three performance criteria in accordance with the company's consolidated financial statements (adjusted for the effects of portfolio changes):

- Earnings before interest and taxes (EBIT) on the basis of absolute EBIT figures
- Sales growth adjusted for exchange rates
- Net working capital (NWC) on the basis of absolute NWC values (four-quarter average)
- Customer satisfaction (NPS)

Short-term performance-based remuneration



The above performance criteria are weighted at the Supervisory Board's due discretion. The performance criteria should lie within the ranges shown in the chart. If the Supervisory Board does not define a specific weighting, the previous year's weighting continues to apply.

STI performance targets

Supervisory Board sets the performance targets for all members of the Management Board uniformly on the basis of the business planning submitted to it by Management Board before the start of the financial year for which the STI is granted. Factors (achievement factors) are allocated to the degree of achievement for each indicator. For this purpose, the Supervisory Board determines the value for the lower threshold (entry hurdle), the target value 100-per cent target achievement and the value for a 200-per cent target achievement, at which the amount of the achievement factor is capped.

Calculation of the payment amount

After the end of the financial year, the degree of achievement is measured for each indicator based on the respective achievement factors. Intermediate values are interpolated on a straight-line basis.

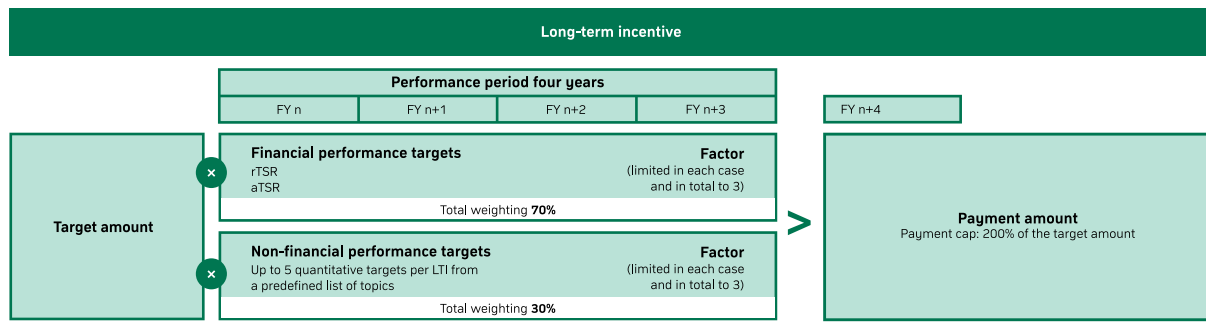
The total achievement factor is calculated from the individual established achievement factors based on their weighting. The STI payment amount is produced by multiplying the total achievement factor by the STI target amount. The payment amount is capped at double the target amount. Payment is made four months after the end of the financial year for which the STI in question was granted, but not before the consolidated financial statements for the respective financial year have been approved by the Supervisory Board. If a member leaves the Management Board during the year, any STI entitlements not yet paid out that relate to the period up to the termination of the contract are paid pro rata temporis in accordance with the originally agreed targets and at the original agreed due dates.

Details on the STI in the 2023/24 financial year are provided below under "Variable remuneration of the Management Board in the 2023/24 financial year".

LTI

The long-term performance-based component is granted annually and paid out after a performance period of four financial years in total. If a member joins or leaves the Management Board during a financial year, the LTI is granted and paid pro rata temporis for the financial year. The calculation in accordance with the remuneration system 2021 includes financial performance targets with a weighting of 70 per cent and non-financial performance targets with a weighting of 30 per cent. The Supervisory Board also defines the LTI performance targets for all members of the Management Board uniformly. The LTI of the 2021 remuneration system is based on a "vesting logic": According to the 2021 remuneration system, the targets that are applicable over the entire four-year performance period of an LTI tranche are broken down into the four individual years of the performance period.

Long-term performance-based remuneration



Financial performance targets of the LTI

The financial performance criteria, which are generally weighted equally with a typical combined weight of 70 per cent, are absolute total shareholder return ("aTSR") and relative total shareholder return ("rTSR").

aTSR component: the aTSR target achievement factor is calculated as a percentage from the change in the end price of the ordinary share and the sum of the hypothetically reinvested dividends during the performance period in relation to the starting price of the ordinary share.

rTSR component: the target achievement factor of the rTSR component is calculated on the basis of the development of the shareholder return of the company's ordinary shares in the performance period relative to the benchmark indices, the MDAX and the STOXX Europe 600 Retail.

The relevant starting price of the company's ordinary share for the aTSR and rTSR components is calculated by taking the average of the XETRA closing prices over a period of 40 consecutive trading days immediately after the beginning of the financial year. One year later, the relevant end price for the respective tranche year is also calculated using the XETRA closing prices of the company's ordinary share over a period of 40 consecutive trading days immediately after the beginning of the financial year. The opening and closing values for the benchmark indices for the rTSR component are calculated accordingly.

Non-financial LTI performance targets

The non-financial LTI performance criteria in accordance with the 2021 remuneration system, which are generally weighted at 30 per cent in total, are based on up to five quantitative targets specifically formulated by the Supervisory Board for the following subject areas:

- Employee satisfaction
- Climate and environmental protection
- HR development and training
- Diversity
- Corporate culture and compliance

If the Supervisory Board does not define a specific weighting, the non-financial performance criteria are weighted equally to each other.

Calculation of the LTI payment amount

The thresholds for the financial and non-financial LTI performance targets are set by the Supervisory Board at its due discretion at the end of the financial year preceding the year in which the LTI will be granted. Factors (achievement factors) are allocated to the degree of achievement for each indicator. The Supervisory Board defines the lower threshold (entry barrier), the target for 100 per cent target achievement and the value for 300 per cent target achievement, at which the amount of the achievement factor is capped. The subsequent amendment of targets or the comparative parameters is precluded.

After the end of each financial year, the achievement factors are measured and recorded for the individual financial and non-financial performance targets in line with the “vesting logic” of the 2021 remuneration system. Intermediate values are interpolated on a straight-line basis. The weighted average of the achievement factors for the financial and non-financial performance targets forms the basis for the respective total achievement factor. It is limited to 3 in each case. The overall target achievement factor of the LTI for the respective year is determined from the resulting overall target achievement factors of the financial performance targets and the non-financial performance targets based on the defined weighting of the performance targets in relation to each other. This overall target achievement factor is also limited to 3. The overall target achievement factor of the LTI for the respective year is recorded. At the end of the four-year performance period, the target achievement factor for the total four-year period is then calculated as the arithmetic mean of the target achievement in each of the four years.

The target achievement factor calculated for the LTI for the four-year period as a whole is multiplied by the LTI target amount to give the payment amount. The payout amount is limited to a maximum of 200 per cent of the agreed individual target amount (payout cap).

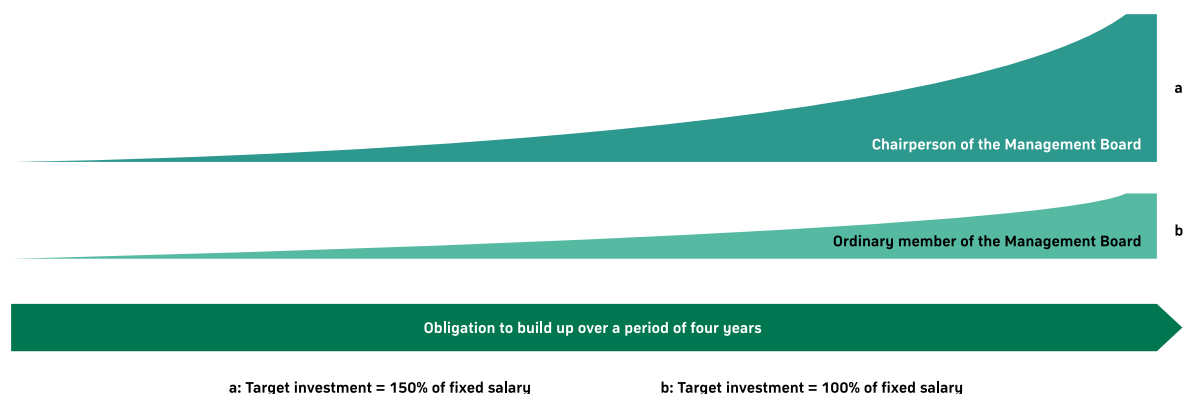
The remuneration amount calculated for the LTI is paid out after the end of the performance period of the LTI in question. A requirement for this is that the entitled member of the Management Board of the company can prove the necessary investment in ordinary shares of the company according to the company’s shareholding programme. If a member leaves the Management Board during the year, any entitlements to the LTI not yet paid out that relate to the period up to the termination of the contract are paid pro rata temporis in accordance with the originally agreed targets and at the original agreed due dates.

Details on the LTI in the 2023/24 financial year are provided below under "Variable remuneration of the Management Board in the 2023/24 financial year".

Shareholding programme

As part of CECONOMY AG’s shareholding programme for members of the Management Board, the members of the Management Board are obliged to acquire shares in the company in the amount of a certain target participation and to hold them for the duration of their Management Board service. The relevant target participation for the Chairman of the Management Board is 150 per cent and for the ordinary members of the Management Board 100 per cent of their respective gross fixed salary applicable at the end of the build-up phase. The total equivalent value must be spent as the purchase price for the shares acquired by each Management Board member. The set-up phase covers a period of four years from the start of the contract as a member of the Management Board.

Shareholding programme



The Management Board members are obliged to provide evidence of their current shareholding regularly and at the company's request. In order to receive payment from the LTI, the Management Board member must hold the relevant target investment in shares of the company. If the target investment is not sufficiently demonstrated, the respective Management Board member receives no payments from the LTI.

Total target remuneration

The total target remuneration of the individual member of the Management Board is the total of the fixed annual salary contractually agreed with the member of the Management Board, the supplemental benefits, the cost for the post-employment benefit plan and the annual STI and LTI target amounts. There is no provision for scheduled increases in compensation in line with length of service. This total target remuneration is appropriate to the responsibilities and performance of the respective member of the Management Board and the company's situation. It therefore fulfils the statutory requirements regarding the customary level of remuneration.

Maximum remuneration

The remuneration system stipulates maximum amounts, both as a whole and for the individual remuneration components. The maximum remuneration of the individual member of the Management Board is the total of the fixed annual salary contractually agreed with the member of the Management Board, the maximum amounts for the supplemental benefits and the post-employment benefit plan and the respective maximum variable remuneration components.

The maximum remuneration for the Chairman of the Management Board is 5,150,000 € and for ordinary members of the Management Board 2,650,000 €. The Supervisory Board notes that these amounts are the maximum amounts possible assuming the consistent and maximum utilization of the corresponding ranges.

The above maximum limits were complied with in the 2023/24 financial year. Both the remuneration granted and owed to Dr Karsten Wildberger and the remuneration granted and owed to Dr Kai-Ulrich Deissner are below the above amounts (see "Remuneration granted and owed to members of the Management Board" below).

Penalties and clawbacks of variable remuneration components

Once paid, the member of the Management Board in question can do as they please with their performance-based variable remuneration components. However, if a member of the Management Board breaches their statutory obligations within the meaning of Sec. 93 AktG during or up to the end of one year after the end of the respective performance period of an STI or LTI or if there is a reason for the revocation of the appointment of the Management Board member within the meaning of Sec. 84 para. 4 sent. 1 AktG, the entitlements to payment of the variable remuneration components (penalty) are cancelled or can be reclaimed by the company after payment (clawback). Corresponding regulations are included in the Management Board contracts of members of the Management Board active in the reporting period who are entitled to variable remuneration. Neither the malus rules nor the clawback rules were utilised in the 2023/24 financial year.

Deduction of remuneration for side-line activities

If members of the Management Board serve as supervisory board members or hold similar offices within the Group, the remuneration for these activities counts towards their Management Board remuneration.

In the event that a member of the Management Board performs a secondary activity outside the Group, it is contractually ensured that the Supervisory Board is authorised in accordance with the recommendation G. 16 of the GCGC can decide whether and to what extent the remuneration for non-Group secondary employment must be deducted from Management Board remuneration. By resolution dated 20 November 2020, the Supervisory Board determined that, until further notice, the remuneration granted for non-Group Supervisory Board mandates will not be offset.

Terms of service agreements

The term of Management Board contracts is always linked to the duration of the respective member's appointment to the Management Board. Contract terms are extended in each case for the period for which the member of the Management Board is re-appointed as a member of the Management Board. The Supervisory Board observes the limits of Section 84 AktG with regard to the term of appointment and reappointment.

First-time appointments as a member of the Management Board should typically not last for longer than three years.

Management Board contracts do not provide for a right of ordinary termination for either party. However, both the company and the Management Board member have the right to extraordinary termination for good cause in accordance with Section 626 of the German Civil Code (BGB).

Regulations for the termination of Management Board service

If a member of the Management Board leaves the company regularly at the end of his or her term of office, entitlements acquired during the term of the service agreement do not fall due for payment prematurely. The same applies if a member of the Management Board ends his contract early.

In any case of premature termination of the appointment of the Management Board member - whether by mutual agreement, by revocation of the appointment or by resignation - the service contract ends automatically after expiry of the period specified in Section 622 para. 2 BGB without the need for a separate notice of termination.

In the event of early termination, the members of the Management Board receive compensation for the contractual entitlements that would have arisen over the remaining term of their employment agreements, generally in the form of a one-time payment. This severance pay is capped at the maximum of the annual remuneration for two years, comprising the fixed salary and the STI target amount. If the remaining term of the contract is less than two years at the time of termination, the amount of severance pay is reduced pro rata temporis.

There is no entitlement to severance pay or other payments in the event of extraordinary termination of the employment contract by the company for cause (Section 626 BGB). Similarly, there is no entitlement to severance pay or other payments if the member of the Management Board resigns without cause.

In the event of contract termination, the LTI entitlements of a member of the Management Board not yet paid are forfeit in the following cases:

- Early dismissal of a member of the Management Board for cause in accordance with Section 84 para. 4 AktG
- Termination of the employment contract of the Management Board member by the company for cause in accordance with Section 626 BGB
- Resignation by the member of the Management Board without cause

In the event of the death of a Management Board member during active service, the surviving dependants receive the fixed salary for the month of death and a further six months.

If the member of the Management Board becomes permanently unable to work during the term of his contract, the company is entitled to terminate his contract with notice of six months to the end of the quarter.

The Management Board contracts make no provision for benefits for early termination due to a change of control.

Horizontal remuneration comparison

The Supervisory Board regularly assesses the appropriateness and customary nature of the specific total remuneration of the Management Board members.

This is firstly assessed in accordance with the remuneration system by a horizontal comparison with MDAX companies. Since 2018, CECONOMY AG has been listed in the SDAX and no longer in the MDAX. Due to the relatively high investments of CECONOMY AG's anchor shareholders, the company does not have the free float market capitalisation required for the MDAX and its shares do not have the necessary trading volume. Measured in terms of sales, EBIT, employees and total market capitalisation, however, CECONOMY AG is comparable with the companies in the MDAX.

In this horizontal comparison, the target total remuneration currently planned/granted for the Chief Executive Officer and the other members of the Management Board of CECONOMY AG is compared against the total target remuneration granted at MDAX companies. This comparison was last made in July 2024 and, on the reporting date of 9 July 2024, showed that the total target remuneration for the Chief Executive Officer was placed at the 60th percentile (2023: 56th

percentile) and at the 58th percentile for the other Management Board member (2023: 51st percentile). The structure of Management Board remuneration is comparable to that of the peer group. Taking into account the company's size relative to the peer group, the Management Board remuneration is appropriate overall, in terms of both amount and structure.

Vertical remuneration comparison

The review of appropriateness, on the other hand, involves a vertical comparison with senior management and the workforce of CECONOMY in Germany as a whole. For this remuneration report, this comparison relates to the reporting date of 30 September 2024. The Supervisory Board also takes into account the ratio of Management Board remuneration to the remuneration of senior management and the workforce as a whole with regard to its development over time.

The Supervisory Board determined how to define senior management and the relevant workforce. By resolution dated 30 October 2018, the Supervisory Board defined the senior management of CECONOMY AG and the relevant workforce as follows:

- Senior management is formed by the Leadership Team of MediaMarktSaturn Retail Group and the Vice Presidents of CECONOMY AG.
- The other relevant workforce are all employees of MediaMarktSaturn Retail Group in Germany and of CECONOMY AG.

In December 2021, the Supervisory Board also resolved the following amendments to the presentation of the annual vertical remuneration comparison and the method for calculating the senior management remuneration relevant for the vertical remuneration comparison and the relevant workforce as a whole: The ratio of the target direct remuneration as the sum of the annual fixed remuneration and the annual bonus target amounts for the short and long-term variable remuneration of the Management Board members to the average target direct compensation of the senior management and to the average target direct compensation of the entire workforce in Germany (but excluding temporary staff) will be determined, with the remuneration relationship for the remuneration of the Chief Executive Officer and for the average remuneration of the ordinary Management Board members being presented separately.²

The vertical remuneration comparison is then as follows:

Ratio of target remuneration of the average for the respective Chief Executive Officer to...

Financial year	... Target remuneration of the senior management	... Target remuneration of the relevant workforce
2023/24	10	74
2022/23	10	73
2021/22	9	75
2020/21	7	76
2019/20	7	69

Ratio of target remuneration of the average for the other Management Board members to...

Financial year	... Target remuneration of the senior management	... Target remuneration of the relevant workforce
2023/24	4	33
2022/23	5	36
2021/22	4	35
2020/21	4	37
2019/20	4	37

² For all peer groups, absences due to maternity or paternity leave and release from work as well as social security contributions (employer contribution), contributions to the post-employment benefit plan and supplemental benefits are not taken into account.

Variable remuneration of the Management Board in the 2023/24 financial year

This section of the remuneration report contains information on variable Management Board remuneration for financial year 2023/24. The variable remuneration in the 2023/24 financial year was in line with all the stipulations of the remuneration system.

Strategic element of variable remuneration performance criteria

The aim of business strategy is for customer to regard the company as a trustworthy consultant and partner for all questions relating to consumer electronics products. CECONOMY AG's remuneration system is geared towards promoting this business strategy and the long-term development of the company. This is achieved, in particular, by linking performance-based variable remuneration to share price development and to clearly definable performance indicators aligned with the sustainable ongoing development of the company.

The short-term performance-based remuneration component (short-term incentive – STI) relating to the financial year creates incentives for continuously increasing operational success and customer satisfaction and for implementing initiatives to improve profitability. Due to its ongoing nature and the recurring reference to key figures that are important for CECONOMY AG, the component is geared towards promoting the business strategy. The STI rewards the company's operating development on the basis of financial and non-financial performance targets for the respective financial year. The performance targets are based on EBIT, sales growth and net working capital (NWC) as key performance indicators (KPIs) that are important for CECONOMY AG and on the important non-financial performance target for measuring customer satisfaction (net promoter score - NPS).

The long-term performance-based remuneration component (long-term incentive - LTI) rewards the company's development on the basis of quantitative financial and non-financial performance targets, each defined for a four-year period. The LTI is predominantly based on the share price and thus creates incentives for a sustainable and long-term increase in enterprise value, while also taking into account the concerns of shareholders and other stakeholders in the company. The financial performance targets of the LTI are therefore particularly geared towards the long-term development of the company. The non-financial targets are also intended to promote the company's sustainable and long-term development and to make it attractive to shareholders, who value this particularly highly. For the tranche of the LTI issued in the 2023/24 financial year, targets were defined in the areas of climate and environmental protection, diversity and employee satisfaction. In addition, linking the payment of the LTI to the obligation to hold CECONOMY AG shares ensures that the members of the Management Board have a long-term interest in increasing the value of the company.

Variable remuneration target amounts

The tables below show the amount equivalent to 100 per cent target achievement for the STI and LTI for each Management Board member in office in financial year 2023/24. They also show the minimum and maximum amounts for STI and LTI that can be individually achieved. These are the relevant amounts for financial year 2023/24.

Variable remuneration target amounts for financial year 2023/24

thousand €	Dr. Karsten Wildberger Chief Executive Officer and Labour Director			Dr. Kai-Ulrich Deissner Chief Financial Officer		
	100% target value	Minimum value	Maximum value	100% target value	Minimum value	Maximum value
One-year variable remuneration	805	0	1,610	350	0	700
Multi-year variable remuneration	1,181	0	2,362	525	0	1,050
Total	1,986	0	3,972	875	0	1,750

Targets and target achievement (STI and LTI)

Specific STI targets and target achievement for the 2023/24 financial year

The Supervisory Board resolved the one-year variable remuneration targets shown in the chart below for financial year 2023/24. The definition and weighting of the targets correspond to the relevant 2021 remuneration system. As provided for in the remuneration system, the Supervisory Board has set the targets uniformly for all members of the Management

Board. The chart below also shows the STI target achievement for financial year 2023/24 (achievement factors) both for the individual performance targets and for overall target achievement.

Performance targets and target achievement STI 2023/24

KPI	EBIT ¹ in € million	Sales growth ² in %	NPS ³ score in points	NWC ⁴ in € million
0% target value	217.50	±0.00	51.00	-731.49
100% target value	271.87	+2.98	55.00	-914.36
200% target value	326.24	+5.96	59.00	-1,097.23
Weighting	35%	25%	20%	20%
Target achievement	1.62x	1.79x	1.85x	1.38x
Total bonus factor	1.66x			

¹ Earnings before interest and taxes (EBIT) adjusted for the effects of portfolio changes and restructuring programmes (restructuring expenses and unplanned extraordinary income) if the Supervisory Board of CECONOMY AG has approved these programmes, and for the earnings effects from companies accounted for using the equity method. EBIT calculated in this way for financial year 2023/24 corresponds to the adjusted EBIT of €305 million reported for the Group. The basis is the reported Group EBIT of €254 million. In 2023/24, the non-recurring effects amounted to around €-52 million. These include a €23 million earnings effect from companies accounted for using the equity method and portfolio changes, €-29 million for the simplification and digitalization of central structures and processes and €-46 million for other non-recurring effects, which primarily include the accounting effects from application of IAS 29 in Türkiye as a hyperinflationary economy.

² Measurement of target achievement: actual 2023/24 compared to forecast 2022/23, which was the basis for budget planning for 2023/24

³ Net promoter score (customer satisfaction)

⁴ Absolute net working capital, calculated as the average of the four budget cut-off points 31/12/2023, 31/03/2024, 30/06/2024 and 30/09/2024

Objectives of the LTI tranche granted for the 2023/24 financial year

The performance targets and weightings set by the Supervisory Board for the tranche of the LTI granted to the members of the Management Board of CECONOMY AG for the 2023/24 financial year are as follows

Performance targets for the long-term incentive 2023/24

LTI performance targets		
Quantitative financial performance targets 70% weighting		
rTSR (relative total shareholder return compared to index performance)	aTSR (absolute total shareholder return)	
Weighting 1/2	Weighting 1/2	
Quantitative non-financial performance targets 30% weighting		
Diversity Proportion of women in management positions	Employee satisfaction Average NPP based on satisfaction surveys of employees in the Group	Climate and environmental protection Reduction of carbon dioxide emissions (Scope 3)
Weighting 1/3	Weighting 1/3	Weighting 1/3

The above performance targets and weightings correspond to the remuneration system applicable for the 2023/24 financial year 2021.

For each of the LTI performance targets, the Supervisory Board has defined a lower threshold, a target value and a value for capping target achievement. The target ranges and target achievement are reported in specific detail in the remuneration report for the financial year in question after the tranche expires or is paid out, respectively. In order to

provide a picture of the performance of the current LTI tranches, the fair values at the end of the financial year for all current LTI tranches of the members of the Management Board in office in the financial year are shown below as a voluntary disclosure:

LTI fair values according to IFRS at the end of the 2023/24 financial year

thousand €	Dr. Karsten Wildberger Chief Executive Officer and Labour Director (since 01/08/2021)	Dr. Kai-Ulrich Deissner Chief Financial Officer (since 01/02/2023)
2020/21 tranche	46 ¹	–
2021/22 tranche	675	–
2022/23 tranche	1,854	590 ¹
2023/24 tranche	1,724	766
Total	4,299	1,356

¹ Granted pro rata temporis due to Management Board service during only part of the financial year

Remuneration granted and owed to members of the Management Board

In accordance with Sec. 162 para. 1 sent. 1 AktG, the remuneration report must report on the remuneration granted and owed to each individual member of the Management Board in the last financial year. "Granted" in this sense means all remuneration components actually received in/for the reporting period, i.e. the underlying activity has already been performed and all the performance criteria are met. The time of the actual payment is not necessarily relevant in this context. "Owed" means all legally established liabilities relating to remuneration components that are due but have not yet been fulfilled.

The following remuneration components are therefore recognised as remuneration granted and owed for the 2023/24 financial year in the tables below:

- Base salary and supplemental benefits paid in financial year 2023/24
- One-year variable remuneration paid for the 2023/24 financial year (STI; actual payment in January 2025)

The degree of overall target achievement for the 2023/24 STI, as shown above under "Variable Management Board remuneration in the 2023/24 financial year", is 1.66.

The remuneration granted and owed for the 2022/23 financial year is also disclosed voluntarily below. For this, the following remuneration components were reported:

- Base salary and supplemental benefits paid in financial year 2022/23
- Special payments paid in financial year 2022/23 or to which an unconditional entitlement already existed in financial year 2022/23
- The one-year variable remuneration paid for the 2022/23 financial year (STI; actual payment in January 2024)

The contributions to the post-employment benefit plan do not constitute remuneration granted or owed within the meaning of Sec. 162 para. 1 sent. 1 AktG and are therefore not included in supplemental benefits (see "Pension entitlements in financial year 2023/24" below for the post-employment benefit plan). No tranches of the multi-year variable remuneration (LTI) for Management Board members active in the reporting period expired or were paid out in financial years 2022/23 and 2023/24, and therefore no disclosure as part of the remuneration granted and owed must be made in this respect. The respective LTI tranches are reported after they expire in the financial year in which they are paid. The tranche of the LTI issued in the 2023/24 financial year must therefore be reported on in the remuneration report for the 2027/28 financial year, as only then will all the target achievement criteria for determining the amount to be paid out be known.

Remuneration granted and owed to members of the Management Board

thousand €	Dr. Karsten Wildberger Chief Executive Officer and Labour Director (since 01/08/2021)				Dr. Kai-Ulrich Deissner Chief Financial Officer (since 01/02/2023)			
	2022/23		2023/24		2022/23		2023/24	
	in % of total remuneration		in % of total remuneration		in % of total remuneration		in % of total remuneration	
Total fixed non-performance-based components	1,372	56	1,472	52	887	72	714	55
Fixed salary	1,350	55	1,450	52	467	38	700	54
Supplemental benefits	22	1	22	1	20	2	14	1
Special payments	-	-	-	-	400 ¹	33	-	0
Total variable remuneration components	1,087	44	1,335	48	338	28	580	45
One-year variable remuneration (STI)	1,087	44	1,335	48	338	28	580	45
Multi-year variable remuneration (LTI)	-	-	-	-	-	-	-	-
Total compensation pursuant to § 162 AktG	2,459	100	2,807	100	1,225	100	1,294	100

¹ Payment to compensate for disadvantages experienced by Dr Deissner as a result of the early termination of his previous activities

Former members of the Management Board of CECONOMY AG and of companies merged into CECONOMY AG who left the Management Board more than ten years ago and their surviving dependants were granted pension payments of €3.1 million in the 2023/24 financial year (2022/23: €3.2 million). This corresponds to 100 per cent of the benefits granted to this group of persons.

Pension entitlements in the 2023/24 financial year

The members of the Management Board receive pension entitlements on the basis of a defined contribution system (defined contribution commitment pursuant to German company pension law) described above as part of the explanation of the remuneration system under "Non-performance-based fixed remuneration". In the event of entitlement due to invalidity or death, this commitment stipulates that the company will increase the plan assets by the attribution capital. The additional capital corresponds to the sum of the contributions that would have been credited to the Management Board member for each calendar year up to a total contribution period of ten years, but not exceeding the age of 60. A provision is recognised for this component. The individual service costs and present values of pension entitlements for the 2023/24 financial year are as follows:

Pension entitlements (HGB and IFRS)

thousand €	Dr. Karsten Wildberger Chief Executive Officer and Labour Director	Dr. Kai-Ulrich Deissner Chief Financial Officer (since 01/02/2023)	Total
Expense – post-service benefit plan (as per IFRS)	108	108	216
Expense – post-service benefit plan (as per HGB)	96	99	195
Provision recognised by 30/09/2024 (in accordance with IFRS)	28	14	42
Provision recognised by 30/09/2024 (according to HGB)	28	15	43
Present value of pension obligations (as per IFRS)	738	265	1,003
Present value of pension obligations (as per HGB)	738	265	1,003

Remuneration of Supervisory Board members

The remuneration system for the members of the Supervisory Board of CECONOMY AG is regulated in Section 13 of the articles of association of CECONOMY AG and was last approved by the Annual General Meeting on 22 February 2023 with a majority of 99.88 per cent of the voting share capital represented. The corresponding resolution of the Annual General Meeting in accordance with section 113 para. 3 AktG is available on the website www.ceconomy.de/en under "Company - Corporate Governance".

In accordance with Article 13 of the Articles of Association of CECONOMY AG, the members of the Supervisory Board receive fixed annual remuneration payable at the end of each financial year. The individual amount of Supervisory Board remuneration accounts for the amount of work and the responsibility of the individual Supervisory Board members as a result of their supervisory role. The basic amount of remuneration for the individual member is €70,000. Due to their special duties, the Chairperson of the Supervisory Board receives three times the remuneration of an ordinary member of the Supervisory Board and his deputy twice the remuneration.

In principle, it is envisaged for all committees that the Committee Chairperson receives double and the other committee members one and a half times the standard remuneration. As an exception, the remuneration for the Chairperson of the Nomination Committee is one and a half times the standard remuneration and one and a quarter times the standard remuneration for the other members of the Nomination Committee. Chairmanship and membership of the Mediation Committee in accordance with Section 27 para. 3 MitbestG are not remunerated separately.

However, the higher remuneration for membership or chairmanship of a committee only applies if at least two meetings or other resolutions took place in the financial year in question. The table below illustrates the multipliers that may be applicable to the fixed annual remuneration for individual Supervisory Board members:

Remuneration factors	
Chairperson of the Supervisory Board	3
Deputy Chairperson of the Supervisory Board	2
Committee Chair	2
Committee members	1.5
Committee Chair (Nomination Committee)	1.5
Committee members (Nomination Committee)	1.25
Members of the Supervisory Board	1

If a member of the Supervisory Board holds several offices as (Deputy) Chairman of the Supervisory Board or as a member or Chair of a committee at the same time, he or she will only receive remuneration for one office in accordance with Section 13 para. 2 sentence 4 of the articles of association, and in the case of different remuneration for the highest remunerated office.

Members of the Supervisory Board who have only belonged to Supervisory Board for part of the financial year receive one twelfth of the remuneration for each month of service or part thereof. Members of the Supervisory Board who leave the company within a month and are reappointed receive only one twelfth of the annual remuneration for that month. This applies accordingly to memberships in a committee, the chairmanship or vice chairmanship of the Supervisory Board or chairmanship of a committee.

In accordance with the provisions of the articles of association, the company also reimburses the members of the Supervisory Board for expenses incurred in the exercise of their office. Any value added tax payable on the remuneration and reimbursement of expenses is also reimbursed to the members of the Supervisory Board.

In the 2023/2024 financial year, the remuneration system for the Supervisory Board was applied in all aspects in accordance with Section 13 of the company's articles of association, as amended. The following table shows the remuneration granted and owed to the current and former members of the Supervisory Board for the past financial year 2023/24, including the respective relative share in accordance with Section 162 AktG. As there is no provision for variable remuneration for the Supervisory Board, 100 per cent of the remuneration consists of the fixed remuneration set out in the Articles of Association.

Remuneration granted and owed to members of the Supervisory Board in the 2023/24 financial year

thousand €	Additional functions	Fixed remuneration ¹
Thomas Dannenfeldt	Chairman of the Supervisory Board, Chairman of the Presidential Committee of the Supervisory Board, Chairman of the Strategy Committee, Chairman of the Mediation Committee and member of the Nomination Committee	210
Jürgen Schulz	Vice Chairman of the Supervisory Board and the Strategy Committee, member of the Presidential Committee of the Supervisory Board, member of the Mediation Committee	140
Katrin Adt	Member of the Presidential Committee	105
Karin Dohm	Chairperson of the Audit Committee, member of the Mediation Committee	140
Henrike Eickholt (Member of the Supervisory Board since 28/03/2024)		41
Daniela Eckardt		70
Sabine Eckhardt	Chairwoman of the Nomination Committee	105
Dr. Florian Funck (Member of the Supervisory Board until 30/04/2024)	Member of the Audit Committee (until 30/04/2024)	61
Ludwig Glosser	Member of the Audit Committee	105
Corinna Groß	Member of the Audit Committee	105
Doreen Huber	Member of the Strategy Committee (Ms Huber has waived her remuneration for membership of the Strategy Committee)	70
Stefan Infanger (Member of the Supervisory Board until 31/01/2024)		23
Jürgen Kellerhals		70
Peter Kimpel (Member of the Supervisory Board since 03/06/2024)	Member of the Audit Committee (since 03/06/2024)	35
Birgit Kretschmer (Member of the Supervisory Board since 14/02/2024)	Member of the Audit Committee (since 14/02/2024)	70
María Laube		70
Paul Lehmann		70
Julian Norberg		70
Claudia Plath (Member of the Supervisory Board until 14/02/2024)	Member of the Audit Committee and member of the Mediation Committee (until 14/02/2024)	44
Erich Schuhmacher		70
Jascha Sperl (Member of the Supervisory Board since 08/05/2024)		29
Maren Ulbrich (Member of the Supervisory Board until 15/01/2024)		23
Christoph Vilanek	Member of the Nomination Committee	88
Sylvia Woelke	Member of the Presidential Committee of the Supervisory Board, member of the Audit Committee and member of the Strategy Committee	105
Total		1,919

¹ Fixed remuneration represents a relative share of 100 per cent of remuneration for members of the Supervisory Board.

Comparison

The following table illustrates the annual change in the company's earnings performance, the remuneration granted and owed to current and former members of the Management Board and members of the Supervisory Board and the average remuneration of employees on a full-time equivalent basis over the last five financial years.

For the development of Management Board and Supervisory Board remuneration, the remuneration granted and owed is taken into account as shown above under "Remuneration granted and owed to members of the Management Board" and "Remuneration of members of the Supervisory Board".

As in the vertical remuneration comparison carried out by Supervisory Board, the scope of employee includes all employees of the MediaMarktSaturn Retail Group in Germany and CECONOMY AG. As part of the comparison, average employee remuneration takes account of target remuneration at the end of the financial year on a full-time basis (including absences due to maternity protection or parental leave and release from work as well as social security contributions (employer contribution) and supplemental benefits).

Earnings performance is shown using the company's net profit or loss under commercial law, adjusted EBIT and Group sales.

Comparative presentation in accordance with section 162 para. 1 sentence 2 no. 2 AktG

	2019/20		2020/21		2021/22		2022/23		2023/24	
		in % ¹		in % ¹		in % ¹		in % ¹		
Earnings performance (€ million)										
Adjusted EBIT	236	0.4	237	-12.2	208	16.8	243	25.5		305
Sales	20,831	2.5	21,361	1.9	21,768	2.2	22,242	0.9		22,442
Net profit or loss CECONOMY AG under HGB	-38	565.8	177	-71.2	51	27.5	65	213.8		204
Average annual remuneration of employees in Germany on a full-time basis (€ thousand)	47.7	1.9	48.6	4.9	51.0	2.5	52.3	7.5		56.2
Members of the Executive Board (€ thousand)										
Dr. Karsten Wildberger	-	-	2,754	-39.8	1,658	48.3	2,459	14.2		2,807
Dr. Kai-Ulrich Deissner	-	-	-	-	-	-	1,225	5.6		1,294
Former members of the Management Board ²	2,919	-0.8	2,895	1.7	2,944	4.9	3,087	1.9		3,145
Members of the Supervisory Board (€ thousand)										
Thomas Dannenfeldt	-	-	150	40.0	210	0.0	210	0.0		210
Jürgen Schulz	107	-28.0	77	36.4	105	8.6	114	22.8		140
Katrin Adt	-	-	-	-	93	12.9	105	0.0		105
Henrike Eickholt (since 28/03/2024)	-	-	-	-	-	-	-	-		41
Karin Dohm	148	3.4	153	-8.5	140	0.0	140	0.0		140
Daniela Eckardt	74	4.1	77	-9.1	70	0.0	70	0.0		70
Sabine Eckhardt	-	-	77	51.9	117	-5.1	111	-5.4		105
Dr Florian Funck (until 30/04/2024)	111	3.6	115	-8.7	105	0.0	105	-41.7		61
Ludwig Glosser	111	3.6	115	-8.7	105	0.0	105	0.0		105
Corinna Groß	-	-	-	-	-	-	50	110.0		105
Doreen Huber	-	-	-	-	47	61.7	76	-7.9		70
Stefan Infanger (until 31/01/2024)	-	-	-	-	-	-	41	-43.1		23
Jürgen Kellerhals	-	-	-	-	47	48.9	70	0.0		70
Peter Kimpel (since 03/06/2024)	-	-	-	-	-	-	-	-		35
Birgit Kretschmer (since 14/02/2024)	-	-	-	-	-	-	-	-		70
Maria Laube	-	-	-	-	-	-	41	70.7		70
Paul Lehmann	-	-	-	-	-	-	41	70.7		70
Julian Norberg	-	-	-	-	-	-	41	70.7		70
Claudia Plath (to 14/02/2024)	111	3.6	115	-8.7	105	0.0	105	-58.3		44
Erich Schuhmacher	-	-	-	-	18	288.9	70	0.0		70
Jascha Sperl (since 08/05/2024)	-	-	-	-	-	-	-	-		29
Maren Ulbrich (to 15/01/2024)	-	-	-	-	-	-	41	-43.1		23
Christoph Vilanek	74	4.1	77	20.8	93	3.2	96	-8.9		88
Sylvia Woelke	135	13.3	153	-8.5	140	-4.3	134	-21.6		105

¹ Change compared to previous financial year

² Exclusively pension payments to former members of the Management Board of CECONOMY AG and of companies merged into CECONOMY AG who left the Management Board more than ten years ago and their surviving dependants

As per the CECONOMY AG General Meeting's resolution dated 17 February 2021, the basic amount for membership in the Supervisory Board was reduced from €80,000 to €70,000 with effect from 1 June 2021. With effect from 1 April 2023, the remuneration for chairs and members of the Nomination Committee was also reduced according to the resolution of the General Meeting on 22 February 2023. Other changes to Supervisory Board member remuneration in the individual annual comparisons – some of which are very significant – are the result not of changes to remuneration

REMUNERATION REPORT

levels but of various individual factors (such as longer membership periods compared to the previous year or changes to committee activities or the vice chair of the Supervisory Board).

This remuneration report was prepared jointly by the Management Board and the Supervisory Board in compliance with all the requirements of Section 162 AktG.

16 December 2024



Thomas Dannenfeldt
Chairman of the Supervisory Board



Dr Karsten Wildberger
Chief Executive Officer and Labour Director

AUDITOR'S REPORT

TO CECONOMY AG, DÜSSELDORF

We have audited the remuneration report of CECONOMY AG, Düsseldorf, for the financial year from October 1, 2023 to September 30, 2024 including the related disclosures, which was prepared to comply with § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board of CECONOMY AG are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory board, as well as evaluating the overall presentation of remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Audit Opinion

In our opinion, based on the findings of our audit, the remuneration report for the financial year from October 1, 2023 to September 30, 2024, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report.

Restriction on use

We issue this auditor's report on the basis of the engagement agreed with CECONOMY AG. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. § 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Düsseldorf, December 16, 2024

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