

**The Annual General Meeting of bet-at-home.com AG on May 26, 2023 approved the compensation system ("Compensation System 2023") for the members of the Management Board resolved by the Supervisory Board, which is presented below.**

**Compensation system for members of the management board:**

**1. Principles of the compensation system for members of the management board of bet-at-home.com AG**

The compensation system for the management board aims to remunerate management board members appropriately in line with their duties and responsibilities and to directly consider the performance of each management board member as well as the success of the Company. The structure of the compensation system for the management board of bet-at-home.com AG is aimed at achieving a sustainable increase in enterprise value and success-oriented corporate management. In principle, the supervisory board complies with the following guidelines when determining compensation levels and the compensation system:

The compensation system as a whole makes a significant contribution to promoting the business strategy. To this end, the variable compensation components in particular are also to be linked to the achievement of strategic targets. The focus here is on profitable growth, in particular measured against the target figures of (i) the Group's gross betting and gaming revenue and (ii) consolidated profit adjusted for income taxes, net financial income, depreciation and amortization (EBITDA). In order to ensure that the interests of shareholders are also considered, the variable compensation components are supplemented by a multi-year share price-based component. The creation and preservation of value for shareholders thus also leads to positive salary development. The performance of the management board members is appropriately considered by setting adequate and ambitious performance criteria within the variable compensation components ("*pay for performance*").

In addition, non-financial performance criteria such as integrity, employee satisfaction and diversity as well as sustainability/environmental social governance (ESG) aspects are included in the assessment of compensation.

The compensation system and the performance criteria of its variable components thus incentivize long-term and sustainable development of the bet-at-home.com AG Group.

## **2. Procedures for determining, reviewing and implementing the compensation system**

The compensation of the management board is determined by the supervisory board as a whole. The establishment of a separate Personnel Committee has been dispensed with, as the supervisory board of the Company consists of three members and there is therefore no need for such a committee. If necessary, independent external advisors are consulted. In accordance with the Rules of Procedure for the supervisory board, the members of the supervisory board are obliged to report any conflicts of interest without delay. The supervisory board designs the system for the compensation of management board members considering applicable laws and regulations, in particular the requirements of the AktG as amended, any regulatory requirements and the recommendations of the German Corporate Governance Code. In doing so, it shall ensure clarity and comprehensibility.

The management board compensation system thus adopted by the supervisory board will be submitted to the annual shareholders' meeting for a resolution on its approval.

The supervisory board determines the specific target total compensation on the basis of the compensation system.

The supervisory board regularly reviews the compensation system for the management board and the appropriateness of the compensation. In accordance with the requirements of Section 120a (1) AktG, the supervisory board will submit the compensation system for the members of the management board to the annual shareholders' meeting for approval in the event of significant changes, but at least every four years.

The present system of compensation for members of the management board shall apply to future management board service contracts. Existing service agreements with members of the management board may be amended in accordance with this

compensation system. In accordance with the statutory provision (Section 87a (2) AktG), the supervisory board may temporarily deviate from the components of the compensation system described below in exceptional circumstances if this is necessary in the interests of the long-term welfare of the Company.

### **2.1. Horizontal comparison**

When designing the compensation system, an attempt was made to use a suitable peer group to assess the market standard of the overall compensation. In the opinion of the supervisory board, however, no suitable peer group (listed online betting and gaming providers) has been identified that provides reliable information for a horizontal comparison. However, generally accessible compensation studies were considered, but these only provide a comparative starting point in terms of company size and other non-specific aspects.

### **2.2. Vertical comparison**

The compensation and employment conditions of employees were considered as part of the vertical comparison. In line with previous practice, the supervisory board considers the relationship of compensation to senior executives in the Group, to the extended management group, and to the workforce as a whole. This consideration was also carried out over the course of the last three years.

## **3. Compensation components in detail**

### **3.1. Fixed compensation components**

The fixed compensation components granted to the members of the management board under the compensation system comprise basic compensation and fringe benefits. The members of the management board do not receive a pension commitment.

#### **3.1.1. Fixed Compensation**

The members of the management board shall receive a fixed basic compensation. Provision may be made for this to be payable monthly or in up to fourteen (14) monthly salaries.

### **3.1.2. Fringe benefits**

Fringe benefits are granted on the basis of service contracts with the individual members of the management board and may include, for example: private use of company cars, special payments such as payment of tuition, housing, rent and relocation expenses, reimbursement of fees for the preparation of income tax documents, reimbursement of fees, subsidies for pension insurance (with the exception of the pension commitments presented here), subsidies for accident, life and health insurance or other insurance. Fringe benefits may be provided on a one-time or recurring basis. The members of the management board are granted appropriate leave of absence.

### **3.1.3. Pension commitments**

The members of the management board do not receive any pension commitments.

## **3.2. Variable Compensation 1 ("VC1")**

Under the compensation system, the members of the management board are entitled to Variable Compensation 1, which can lead to an annual bonus payment. Variable Compensation 1 rewards the members of the management board for the success of the Group based on certain financial indicators and non-financial performance targets.

### **3.2.1. Target amounts**

With regard to Variable Compensation 1, target amounts are agreed with the management board members in their service agreements, which are granted to them if they achieve 100% of their targets ("**VC1 target amount**"). The Variable Compensation 1 is calculated based on the VC1 target amount within a target achievement corridor of 50% to 200%. Regarding the target achievement corridor, the target value at 100 % target achievement as well as the upper and lower limits must be specified. However, this does

not require an arithmetic calculation based on a target at 100 % target achievement. The exact payment is determined by multiplying the degree of target achievement by the VC1 target amount of the individual management board member. If the target is exceeded, there is an increase up to a maximum of 200% of the target amount (cap). If the target is achieved by up to 50%, Variable Compensation 1 is reduced on a straight-line basis; if the target is achieved by less than 50%, Variable Compensation 1 is not paid at all. The supervisory board is authorized to deviate from the target achievement corridor in favor of the Company when concluding service agreements with the members of the management board.

### **3.2.2. Performance targets**

The performance targets to be determined for Variable Compensation 1 shall include financial performance criteria and may also - to the extent legally permissible - include performance-related operational indicators (such as the number of registered customers and customer activity) (together "**Financial Performance Targets**").

In addition, up to 10% of the VV1 target amount shall be attributable to non-financial performance targets.

#### **Financial Performance Targets**

As Financial Performance Targets, reference can be made in particular to the gross betting and gaming revenue and to EBITDA and to key operating figures (such as the number of registered customers and customer activity).

Performance targets are set accordingly for each fiscal year.

#### ***Non-financial performance targets***

Non-financial performance targets are to be included in the target agreement alongside criteria such as integrity, employee satisfaction and diversity, as well as sustainability/environmental social governance (ESG) aspects, which are to account for up to 10% of the overall target achievement.

For the non-financial, strategic targets, the agreement with the management board members is to define the conditions under which the respective target is fully met (100% target achievement of the individual criterion) and which parameters are used to assess the degree of target achievement. In the case of non-financial strategic project targets, particular consideration is given to aspects such as quality, budget compliance and adherence to deadlines.

### **3.2.3. Change of performance targets**

A subsequent change of the performance targets is excluded.

### **3.2.4. Calculation of target achievement / Payment due date**

The total target achievement of the short-term Variable Compensation 1 is derived from the agreed average of the individual performance criteria and the degree of target achievement in each case. The Variable Compensation 1 to be granted on this basis for a financial year shall become due in the month following the approval of the annual financial statements and the consolidated financial statements for such year by the supervisory board of the Company.

### **3.2.5. Abolition of Variable Compensation 1**

If the Company terminates the employment relationship for good cause within the meaning of Section 626 of the German Civil Code (Bürgerliches Gesetzbuch - BGB), the Variable Compensation 1 shall cease to apply for the financial year in which the termination takes effect. For other cases of premature termination, the management board receives the VC1 payment pro rata temporis.

## **3.3. Variable Compensation 2 ("VC2")**

A Variable Compensation 2 can be agreed with the members of the management board. This can result in a bonus payment after a review period of at least three and a maximum of years ("**Review Period**"). In the event of a change of control and significant structural

measures, an early expiry of the Review Period and an early settlement and payment of Variable Compensation 2 may be agreed.

The accrual and amount of Variable Remuneration 2 depend on the development of the market capitalization of bet-at-home.com AG in the Review Period as follows:

At the beginning of the Review Period, a share price of the Company is determined ("**Basis Price**"). Based on the Basis Price, the market capitalization of the Company is calculated by multiplying it by the number of outstanding shares ("**Market Capitalization 1**").

At the end of the Review Period, the Market Capitalization is calculated again ("**Market Capitalization 2**"). The basis for calculating Market Capitalization 2 is the average share price in the six months prior to the end of the Review Period ("**Relevant Share Price**"). The supervisory board can agree with the members of the management board that the Relevant Share Price is to be adjusted if the Relevant Share Price deviates from the fair value of the shares by more than 20% according to recognized valuation methods (based on EBITDA multiples).

The "**Increased Market Capitalization**" in the Review Period is equal to Market Capitalization 2 minus Market Capitalization 1.

Variable Compensation 2 is calculated based on a percentage of the Increased Market Capitalization agreed with the members of the management board, which shall not exceed 5.00%. Minimum targets for the Increased Market Capitalization and a percentage scale can be agreed.

Variable Compensation 2 for a Review Period is due in the month following approval of the annual financial statements and consolidated financial statements by the supervisory board of the Company for the fiscal year ending on or after the end of the Review Period.

#### **4. Target total compensation**

In accordance with the compensation system, the supervisory board determines the amount of the target total compensation for each management board member.

In doing so, it shall consider not only an appropriate relationship to the duties and performance of the management board member, but also the economic situation and the success and future prospects of the Company. The supervisory board shall ensure that the target total compensation does not exceed the customary compensation without special justification. The target total compensation for the individual management board members is derived from the basic compensation and Variable Compensation 1 in the event of 100% target achievement.

In addition, there is Variable Compensation 2, which, being share price-based, is not a component to be measured on the basis of a target achievement level based on a target agreement.

In determining the target total compensation for the individual management board members, the supervisory board will therefore use among other things the consensus estimates of analysts as a basis with regard to Variable Compensation 2 and determine the target compensation from Variable Compensation 2.

## **5. Maximum compensation**

The maximum amount of fixed basic compensation plus fringe benefits for each management board member is EUR 500,000.00 p.a.

The maximum amount of Variable Compensation 1 is EUR 300,000.00 p.a. for each management board member based on 100% target achievement.

The payment from Variable Compensation 2 is limited to 10 times the basic compensation paid out for the Review Period added by Variable Compensation 1 paid out for the Review Period.

## **6. Commitments to members of the management board in the event of resignation**

The supervisory board may determine exit regulations for each compensation component and for each case in which the employment relationship of a member of the management board or the appointment as a member of the management board ends. This includes cases such as retirement or full or partial reduction in earning capacity, death, ordinary termination of the service contract or termination of the service contract



for good cause, dismissal from office for good cause, transfer of a service contract to the major shareholder of the Company or to a company affiliated with the major shareholder of the Company. For each of these cases, the supervisory board may determine in advance what requirements apply in order for individual or all compensation components to be paid either in full or in part, early or delayed, to the members of the management board or - in the event of death - to the heirs of the management board member concerned, or to lapse. In any case, a payment of variable compensation components can only be made in accordance with the targets and comparison parameters as well as the due dates specified in the respective plan terms and conditions referred to in the service agreements or agreed in the service agreements with the respective members of the management board.

The supervisory board concludes service agreements with members of the management board that provide for a severance payment cap.

Severance payments in the event of premature termination of management board membership without good cause may not exceed a total of two years' compensation, but may not exceed the total compensation entitlement for the remaining term of the contract ("**severance payment cap**").

In the event of temporary incapacity to work due to illness or accident or for other reasons not attributable to gross negligence or intent on the part of the management board member, the supervisory board may determine that the fixed compensation shall continue to be paid for a period of up to six months, but not beyond the end of the management board member's contract.

Commitments for benefits in the event of premature termination of the employment contract by the management board member as a result of a **change of control** may not be agreed.

If there is good cause for terminating the service agreement, no severance payments will be made.

The supervisory board may agree with members of the management board that, in the event that their employment contract is not extended or ends for any other reason before the end of the regular term, they will receive a transitional allowance amounting to 50% of their last gross annual salary (including variable compensation component). The

transitional allowance may not be paid if the contract is extended. The entitlement to payment of the transitional allowance shall lapse if the management board member has refused a reappointment and extension of the management board contract offered to him on terms that are the same or more favorable to him, or if the non-extension or termination is based on an important reason for which the management board member is responsible, or on an ordinary notice of termination given by the management board member.

The supervisory board may agree a post-contractual non-competition clause with members of the management board for a period of up to two (2) years. If such a post-contractual non-competition clause takes effect, the members of the management board may receive compensation amounting to up to 100 % of their respective basic compensation per year of the respective period of validity of the post-contractual non-competition clause. Payments under a post-contractual non-competition clause are to be offset against any severance payments.

## **7. Rights of the Company to reclaim variable compensation components**

The Supervisory Board may determine that variable compensation components not yet paid out are to be retained in full or in part and not paid out ("**Claw Back**") in the event of serious misconduct by the member of the Management Board. The Supervisory Board decides on the claw-back at its reasonable discretion. The Supervisory Board shall agree with the Management Board member in detail under what conditions serious misconduct by the member of the Management Board is to be assumed in this sense.

With regard to annual bonuses, a Claw Back is permissible in any case for the financial year in which the misconduct has occurred. With regard to multi-year variable compensation components, a Claw Back is permissible if and to the extent that the serious misconduct occurred within the calculation period or waiting period.

A Claw Back is also permissible if and to the extent that variable compensation was paid based on annual financial statements or consolidated financial statements to the extent that a subsequent correction has determined that the basis on which the variable compensation was calculated was too high. Claw Back of amounts already paid out can also be agreed. Amounts withheld under the Claw Back or repaid by the member of the

Management Board are offset against any claim for damages by the Company arising from the misconduct of the member of the Management Board.

## **8. Contract terms, termination options**

The term of the employment contracts is linked to the duration of the appointment and complies with the requirements of stock corporation law; agreements on early resignation from office and ordinary termination of the service agreement by a member of the management board may be concluded. Ordinary members of the management board are generally appointed for a maximum of three years.

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).

## **9. Compensation system in the event of special and exceptional circumstances**

In special and exceptional circumstances (e.g. in the event of a severe financial or economic crisis), the supervisory board has the right to temporarily deviate from the compensation system in accordance with Section 87a (2) sentence 2 AktG and to amend the regulations relating to the compensation structure and individual compensation components as well as the regulations on the respective procedure, provided this is necessary in the interests of the long-term welfare of the Company. A deviation from the compensation system is only possible by a corresponding resolution of the supervisory board and after careful examination of the necessity. The components of the compensation system from which deviation is possible under the above circumstances are the procedure, the compensation structure, the individual compensation components and their performance criteria. Furthermore, in this case the supervisory board may temporarily grant additional compensation components or replace individual compensation components with other compensation components to the extent necessary to restore the appropriateness of management board compensation in the specific situation.