

REPORT OF THE SUPERVISORY BOARD OF HOME24 SE



THE SUPERVISORY BOARD OF THE HOME24 SE

From left to right:

Lothar Lanz, Verena Mohaupt,
Magnus Agervald, Franco Danesi

The following report outlines the activities of the Supervisory Board of home24 SE during the 2019 financial year and reports on the audit of the Annual and Consolidated Financial Statements in accordance with Section 171 (2) of the German Stock Corporation Act (AktG).

COMPOSITION OF THE SUPERVISORY BOARD

At the start of the 2019 financial year, the Supervisory Board consisted of Lothar Lanz (Chairman), Magnus Agervald (Deputy Chairman), Verena Mohaupt, Alexander Samwer, Christian Senitz and Franco Danesi.

Effective at the end of January 28, 2019, Christian Senitz resigned his post on the Supervisory Board in agreement with the Supervisory Board because he wants to pursue a different career.

On June 19, 2019, the Annual General Meeting of the Company adopted a resolution to amend Article 9 (1) of the Articles of Association and reduce the number of Supervisory Board members from six to four. Previous Supervisory Board members Lothar Lanz, Magnus Agervald, Verena Mohaupt and Franco Danesi were reelected by the Annual General Meeting. All Supervisory Board members were elected until the end of the Annual General Meeting that passes a resolution concerning the ratification of their acts for the financial year ending on December 31, 2020.

The members of the Supervisory Board have been members of the Company's Supervisory Board since the following dates:

- Lothar Lanz since July 22, 2015
- Magnus Agervald since June 13, 2018
- Verena Mohaupt since May 13, 2015
- Franco Danesi since May 14, 2018

Lothar Lanz was elected Chairman of the Supervisory Board and Magnus Agervald Deputy Chairman on June 19, 2019.

ACTIVITIES OF THE SUPERVISORY BOARD

During the year under review, the Supervisory Board performed the duties required of it by law and by the Articles of Association of home24 SE. The Supervisory Board worked continuously with and regularly advised the Management Board, and monitored the management of the Company. The Management Board directly involved the Supervisory Board in all fundamental company decisions at all times. The strategic direction of the Group was closely coordinated by the Management Board and Supervisory Board.

During the reporting period, the Supervisory Board held a total of four meetings (on February 11, April 23, August 28, and November 25, 2019). All of these meetings were attended by all Supervisory Board members. The Supervisory Board dealt in detail with the economic position and operational and strategic development of the Company and its business units at these meetings. In 2019, the Supervisory Board also passed numerous resolutions by written circular outside of these meetings. The Supervisory Board also dealt intensively with the strategic direction, operating activities and compliance issues of the Company in this respect. Where necessary, the Supervisory Board held its meeting without Management Board members being present.

Discussions in the regular plenary sessions held by the Supervisory Board of home24 SE focused on the development of revenue and earnings, cash flows and investments as well as employment trends within home24 SE, its subsidiaries and locations. The strategic orientation towards profitable growth for the Group played a particularly significant role in this regard.

The Supervisory Board also regularly took note of the Group's risk position and risk management system, deviations from plans and targets and measures taken to counteract these deviations. The Supervisory Board voted on the reports and draft resolutions of the Management Board after in-depth discussion and consultation where required to do so in accordance with statutory provisions and those in the Articles of Association as well as the provisions of the Rules of Procedure of the Supervisory Board.

Between its regular meetings, the Management Board provided the Supervisory Board with regular, timely and comprehensive information, both in writing and orally, about events of material significance in assessing the situation, development and management of the Company. For such purpose, the Management Board and the Supervisory Board held regular telephone conferences where the Management Board reported on all key issues relating to the Group's position, short-term planning and strategic development. The Management Board discussed key business transactions for home24 SE and its subsidiaries with the Supervisory Board based on detailed reports. Transactions requiring approval by the Supervisory Board were submitted and explained by the Management Board in a timely manner. Mr. Lanz, in his role as Chairman of the Supervisory Board, and the other Supervisory Board members remained in regular close personal contact with the Management Board outside of their regular meetings and kept themselves informed about the current course of business and key business transactions.

The Supervisory Board's work also focused on carrying out its task of appointing Management Board members. At the start of 2019, the appointment of Management Board member Johannes Schaback was prematurely extended by a further two years. Dr. Philipp Kreibohm stepped down from the Company's Management Board effective March 31, 2019 with the agreement of the Supervisory Board. Following the departure of Christoph Cordes from the Management Board at the end of 2019, the Company ensured the Management Board could again be set up for the long term. The Company appointed Brigitte Wittekind as Christoph Cordes' successor. As Senior Vice President, Ms. Wittekind has been responsible for several strategically significant investment projects in the Operations unit since 2014. At the same time, the appointment of Marc Appelhoff as a member of the Management Board was prematurely extended by three years to the end of 2022. Mr. Appelhoff was also appointed Chairman of the Management Board (CEO) effective January 1, 2020. To take into account the changes in circumstances since the IPO and to continue to ensure appropriate and sustainable remuneration for the Management Board, the Company's Supervisory Board also adjusted the remuneration system for the Management Board.

In addition, the Supervisory Board conducted a self-evaluation in November 2019. Based on this self-evaluation, the Supervisory Board decided to amend its Rules of Procedure effective January 1, 2020 and, in particular, to introduce an age limit of 75 years for its members in accordance with the recommendations of the German Corporate Governance Code (GCGC).

SUPERVISORY BOARD COMMITTEES

During the reporting period, the Supervisory Board set up three committees as specified in its Rules of Procedure (Audit Committee, Remuneration Committee and Nomination Committee) in order to exercise its duties efficiently.

In accordance with its Rules of Procedure, the Supervisory Board transferred certain powers to the committees as set out in statutory provisions. Where duties are not transferred to them to be

dealt with conclusively, the committees undertake preparatory work on the issues and resolutions that concern them to be dealt with at plenary meetings. After committee meetings, the chairs of each committee regularly reported on the work of the committees at the Supervisory Board's plenary meetings.

At the start of the 2019 financial year, the committees were composed as follows:

Audit Committee	Remuneration Committee	Nomination Committee
Verena Mohaupt*	Verena Mohaupt*	Alexander Samwer*
Lothar Lanz	Alexander Samwer	Verena Mohaupt
Christian Senitz	Franco Danesi	Franco Danesi
Franco Danesi		

* Chair

After the Supervisory Board members were reappointed by the Annual General Meeting on June 19, 2019, the Supervisory Board passed a resolution to compose the committees as follows:

Audit Committee	Remuneration Committee	Nomination Committee
Verena Mohaupt*	Verena Mohaupt*	Lothar Lanz*
Lothar Lanz	Lothar Lanz	Verena Mohaupt
Franco Danesi	Franco Danesi	Franco Danesi

* Chair

The Audit Committee held a total of four meetings during the year under review (February 11, April 23, August 28 and November 25, 2019), all of which were attended by all committee members.

AUDIT OF THE ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Berlin, were appointed as auditors of the Annual and Consolidated Financial Statements for the 2019 financial year by the Annual General Meeting on June 19, 2019.

The auditors audited the Annual Financial Statements for 2019 and the Consolidated Financial Statements for 2019 as well as the Company's combined management report and issued an unqualified auditors' report.

A testable version of the Annual and Consolidated Financial Statements and Combined Management Report for home24 SE and the Group for the 2019 financial year were reviewed and extensively discussed at the virtual Audit Committee meeting on April 3, 2020 which took place via video conference. Management Board member Marc Appelhoff presented the financial statements of home24 SE and the home24 Group at this meeting. Audit firm's partners took part in the Audit Committee meetings, reported on the main findings of their audit, and discussed its scope and focal points. The Supervisory Board members have received and reviewed the draft audit reports in advance.

The draft audit reports were then discussed at the virtual Supervisory Board's plenary meeting on April 3, 2020 which took place via video conference; the draft audit reports were available to all Supervisory Board members. At this meeting, Audit Committee chair Verena Mohaupt reported on the Audit Committee's previous meeting and on the audit of the statements by the Audit Committee. The financial statements and the Combined Management Report were discussed within the Supervisory Board. The Audit Committee chair further explained that basis for the discussions in the Audit Committee were testable versions of the financial statements, but the formal audit opinions were still missing due

to logistical challenges because of COVID-19 related restrictions such as impossibility of physical meetings and few outstanding formal audit activities. The Audit Committee suggested to approve the financial statements after receipt of the final audit opinions. For such purpose the Audit Committee proposed to have another virtual meeting on April 6, 2020 where the auditor shall confirm the audit opinion on the basis of the discussed financial statements.

The Supervisory Board approved the result of the audit and agreed to the suggested procedure. No objections were raised as a result of the reviews carried out by the Audit Committee and the Supervisory Board. In the virtual Supervisory Board meeting on April 6, 2020 which took place via video conference, the auditor confirmed that the financial statements and presented audit reports have not been amended. On such basis, the Supervisory Board approved the Annual and Consolidated Financial Statements for the 2019 financial year in accordance with the recommendation of the Audit Committee, and the Annual Financial Statements of the Company for the 2019 financial year were thus adopted.

Berlin, April 6, 2020

For the Supervisory Board



LOTHAR LANZ

Chairman of the Supervisory Board