

HORNBACH Baumarkt AG
76879 Bornheim bei Landau/Pfalz

ISIN DE0006084403

INVITATION TO THE ANNUAL GENERAL MEETING

We hereby invite our shareholders to attend our
Annual General Meeting
to be held at Jugendstil-Festhalle Landau, Mahlastrasse 3,
76829 Landau in der Pfalz, Germany
at 10.00 a.m. (CEST) on Thursday, July 6, 2023.

non-binding English convenience translation



Overview with information pursuant to § 125 of the German Stock Corporation Act (AktG) in conjunction with Table 3 of the Implementing Regulation (EU) 2018/1212 (EU-IR)

A. Specification of the message

Unique identifier of the event	Annual General Meeting 2023 of HORNBACH Baumarkt AG <i>(formal indication pursuant to EU-IR: HBA072023oHV)</i>
Type of message	Notice of Annual General Meeting <i>(formal indication pursuant to EU-IR: NEWM)</i>

B. Specification of the issuer

ISIN	DE0006084403
Name of issuer	HORNBACH Baumarkt AG

C. Specification of general meeting

Date of general meeting	07.06.2023 <i>(formal indication pursuant to EU-IR: 20230706)</i>
Time of general meeting (start)	Start: 10:00 a.m CEST <i>(formal indication pursuant to EU-IR: 08:00 UTC)</i>
Type of general meeting	Annual General Meeting <i>(formal indication pursuant to EU-IR: GMET)</i>
Location of general meeting	Jugendstil-Festhalle Landau, Mahlastrasse 3, 76829 Landau in der Pfalz, Germany
Record date	06.15.2023, 00:00 a.m. CEST <i>(formal indication pursuant to EU-IR: 20230614, 22:00 UTC)</i>
Uniform resource locator of general meeting/URL	www.hornbach-holding.de/en/company/hornbach-baumarkt-ag/annual-general-meeting

Other disclosures

Voting	The votes on Agenda Items 2, 3, 4, 5, 6, and 7 are of a binding nature in each case <i>(formal indication pursuant to EU-IR: BV)</i> No vote is held on Agenda Item 1.
Alternative voting options	The following voting options are available for each of Agenda Items 2 to 7: vote in favor, vote against, abstention <i>(formal indications pursuant to EU-IR: VF, VA, AB)</i>

Blocks D to F

Further information on

- Participation in general meeting (Block D)
- The agenda (Block E), and
- The specification of the deadlines regarding the exercise of other shareholders' rights (Block F)

can be found on the following website:

www.hornbach-holding.de/en/company/hornbach-baumarkt-ag/annual-general-meeting

AGENDA

1. Presentation of the adopted annual financial statements for the 2022/2023 financial year, the approved consolidated financial statements for the 2022/2023 financial year and the combined management report for HORNBACH Baumarkt AG and the Group, and the report of the Supervisory Board

Consistent with statutory requirements, no resolution is required for Agenda Item 1, as the Supervisory Board already adopted the annual financial statements and approved the consolidated financial statements on May 11, 2023.

2. Resolution on the appropriation of net profit for the 2022/2023 financial year

The Board of Management and the Supervisory Board propose to appropriate the net profit reported for the 2022/2023 financial year

amounting to € 232,831,000.67
as follows:

Distribution of a dividend of € 0.90
per no-par ordinary share € 28,626,129.00

Balance carried forward € 204,204,871.67

The proposal in respect of the appropriation of net profit is based on the existing number of no-par ordinary shares with dividend entitlement at the time at which the Board of Management and Supervisory Board adopted the proposal. Should the number of no-par ordinary shares with dividend entitlement change before the time at which the Annual General Meeting adopts its resolution, a suitably amended proposal in respect of the appropriation of net profit will be submitted for resolution by the Annual General Meeting; this will still provide for a dividend of € 0.90 per no-par ordinary share with dividend entitlement and a correspondingly adjusted balance carried forward. The resolution adopted will therefore still utilize net profit in its entirety. The company currently holds 190 treasury stocks, which do not have dividend entitlement.

3. Resolution on approval of Board of Management members' actions in the 2022/2023 financial year

The Board of Management and Supervisory Board propose that the actions of the members of the Board of Management in the 2022/2023 financial year be approved for this period.

4. Resolution on approval of Supervisory Board members' actions in the 2022/2023 financial year

The Board of Management and Supervisory Board propose that the actions of the members of the Supervisory Board in the 2022/2023 financial year be approved for this period.

5. Election of auditor and group auditor for the 2023/2024 financial year

Based on the recommendation made by the Audit Committee, the Supervisory Board proposes that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, be elected as auditor and group auditor for the 2023/2024 financial year.

The Audit Committee declared that its recommendation was free of undue influence by third parties and that no clauses restricting its selection of the type referred to in Article 16 (6) of the EU Audit Regulation had been imposed.

6. Elections to Supervisory Board

The terms in office of all Supervisory Board members elected as shareholder representatives expires upon the conclusion of the Annual General Meeting on July 6, 2023.

Pursuant to § 96 (1) of the German Stock Corporation Act (*Aktiengesetz* – AktG) in conjunction with § 7 (1) Sentence 1 No. 2 of the German Codetermination Act (*Mitbestimmungsgesetz* – MitbestG), and § 11 (1) of the company's Articles of Association, the Supervisory Board consists of eight shareholder representatives and eight employee representatives. Pursuant to § 101 (1) AktG in conjunction with § 8 (1) MitbestG, the shareholder representatives on the Supervisory Board must be elected by the Annual General Meeting.

Based on a corresponding proposal submitted by its Nomination Committee, the Supervisory Board proposes that the persons listed below under 6.1 to 6.8 should be elected to the company's Supervisory Board as of the conclusion of the Annual General Meeting. Pursuant to § 11 (2) of the Articles of Association, these individuals should be elected for the period through to the conclusion of the Annual General Meeting adopting a resolution to approve the actions of the Supervisory Board for the fourth financial year after the beginning of the term of office, with the year in which the term in office begins not included in this calculation:

- 6.1 Albrecht Hornbach, Chief Executive Officer of HORNBACH Management AG, Annweiler am Trifels, resident in Annweiler am Trifels;
- 6.2 Dr. John Feldmann, Former Executive Board member of BASF SE, Ludwigshafen, resident in Mannheim;
- 6.3 Georg Hornbach, Head of Group Coordination and Commercial Director of Centrum für Labordiagnostik Universitätsklinikum Köln, Cologne, resident in Bonn;
- 6.4 Martin Hornbach, Managing Partner of Corivus Gruppe GmbH, Neustadt/Weinstrasse, resident in Neustadt/Weinstrasse;
- 6.5 Steffen Hornbach, Former Chief Executive Officer of HORNBACH Baumarkt AG, Bornheim, resident in Annweiler am Trifels;
- 6.6 Simona Scarpaleggia, Member of the Consiglio di Amministrazione der GVS S.p.A., Bologna (Italy), resident in Zurich (Switzerland);
- 6.7 Melanie Thomann-Bopp, Managing Director of Nolte Küchen GmbH & Co. KG and Express Küchen GmbH & Co. KG, Löhne, resident in Münster;
- 6.8 Prof. Dr. Ing. Jens P. Wulfsberg, Professor of Production Technology, Helmut-Schmidt Universität / Universität der Bundeswehr and Co-founder and Partner of Hamburger Institute for Value Creation and Knowledge Management, Hamburg, resident in Norderbrarup.

It is intended to hold the election of Supervisory Board members on an individual basis.

7. Resolutions on various amendments to the Articles of Association

The Board of Management and Supervisory Board propose making various amendments to the Articles of Association:

7.1 Amendment to § 13 (1) Sentence 5 of the Articles of Association – Supervisory Board Meetings

The manner in which the Supervisory Board Chair may convene meetings with a curtailed notice period should be adapted to modern forms of communication (electronically rather than by telegram or facsimile). The Board of Management and Supervisory Board therefore propose the adoption of the following resolution:

§ 13 (1) Sentence 5 of the Articles of Association shall receive the following wording:

“In urgent cases, he or she may curtail the three-week notice period and, where appropriate, convene the meeting verbally, by telephone, or electronically.”

The other sentences in § 13 (1) of the Articles of Association shall be retained without amendment.

7.2 Amendment to § 15 of the Articles of Association – Supervisory Board Remuneration

The current remuneration provisions for members of the Supervisory Board of HORNBACH Baumarkt AG are laid down in § 15 of the Articles of Association of HORNBACH Baumarkt AG.

Having reviewed these provisions in detail, the Board of Management and Supervisory Board have concluded that the current level of remuneration no longer conforms to market practice or the requirements and expectations placed in the activities of the Supervisory Board of HORNBACH Baumarkt AG. To do justice to the increased requirements and expectations placed in Supervisory Board activities, the remuneration of Supervisory Board members is to be reformulated.

The following provisions are envisaged: Supervisory Board members should receive fixed annual remuneration of € 40,000. The Supervisory Board Chair should receive twice and the Deputy Chair one-and-a-half times this remuneration. Supervisory Board members also sitting on a Supervisory Board committee should receive additional fixed committee remuneration, amounting to € 18,000 for the Audit Committee, € 12,000 for the Personnel Committee, and € 4,000 for the Mediation Committee, should this latter committee be convened. Supervisory Board members chairing a Supervisory Board committee receive twice the respective committee membership remuneration.

The new provisions should be applicable from March 1, 2023.

The Board of Management and Supervisory Board propose the adoption of the following resolution:

a) § 15 of the Articles of Association shall be reformulated as follows:

“§ 15

Supervisory Board Remuneration

(1) In addition to the reimbursement of his or her expenses, each Supervisory Board member receives fixed remuneration of € 40,000 payable retrospectively on the day after the Annual General Meeting taking receipt of the annual financial statements for the respective financial year. The Chair receives twice and the Deputy Chair one-and-a-half times the fixed remuneration. Supervisory Board members also sitting on a Supervisory Board committee receive additional fixed committee remuneration, amounting to € 18,000 for the Audit Committee, € 12,000 for the Personnel Committee, and € 4,000 for the Mediation Committee, should this latter committee be convened, retrospectively payable together with the fixed remuneration pursuant to Sentence 1. Supervisory Board members chairing a Supervisory Board committee receive twice the respective committee membership remuneration.

(2) Supervisory Board members only sitting on the Supervisory Board for part of a financial year receive proportionately lower remuneration on a pro rata temporis basis. Corresponding provisions apply for remuneration pursuant to Paragraph 1, Sentence 2 and fixed committee membership remuneration pursuant to Paragraph 1, Sentences 3 and 4 should the respective member retire from the Supervisory Board, or from the respective function while remaining in the Supervisory Board.

(3) Sales tax is refunded by the company to the extent that Supervisory Board members are entitled to charge the company separately for sales tax and exercise this right. Furthermore, the company pays or reimburses the Supervisory Board member for any employer contributions to social insurance incurred under foreign legislation due to the member's activity on the Supervisory Board.

(4) To protect its interests, the company maintains an appropriate financial loss liability insurance policy for its directors, officers, and senior management. This policy also covers Supervisory Board members, who are co-insured at the company's expense.”

b) Upon entry in the Commercial Register, the amendments to the Articles of Association presented under a) shall replace the current provisions and shall be applicable for the first time in the financial year beginning on March 1, 2023.

7.3 Authorization to hold a virtual Annual General Meeting

§ 118a AktG allows Annual General Meetings to be held on a virtual basis if so permitted by the Articles of Association. The Board of Management and Supervisory Board prefer in-person Annual General Meetings to virtual Annual General Meetings. To retain the

necessary flexibility and be able to hold Annual General Meetings on a legally secure basis, particularly during times of pandemic, the Board of Management is to be authorized to convene virtual Annual General Meetings.

The Board of Management and Supervisory Board therefore propose the adoption of the following resolution:

The Articles of Association shall be supplemented by § 16a as formulated below:

“§ 16a
Virtual Annual General Meeting

The Board of Management is authorized to hold an Annual General Meeting of the company without physical attendance by shareholders or their authorized representatives at the venue of the Annual General Meeting (virtual Annual General Meeting). The authorization provided in Sentence 1 is valid for a five-year period subsequent to entry of this § 16a in the Commercial Register by amendment to the Articles of Association.”

7.4. Virtual participation of Supervisory Board members

The members of the Supervisory Board should be permitted in exceptional cases in future to participate in the Annual General Meeting by video and audio transmission, particularly when the Annual General Meeting is held on a virtual basis.

The Board of Management and Supervisory Board therefore propose the adoption of the following resolution:

The Articles of Association shall be supplemented by § 17a as formulated below:

“§ 17a
Virtual participation of Supervisory Board members

Members of the Supervisory Board are permitted to participate in the Annual General Meeting by video and audio transmission on an exceptional basis in cases in which, due to legal or health-related restrictions or due to their place of work or residence being located abroad, it is not possible for them to attend the meeting in person, or only at considerable expense, or when the Annual General Meeting is held as a virtual Annual General Meeting without physical attendance by shareholders or their authorized representatives at the venue of the Annual General Meeting.“

Notes regarding the Agenda Items

The adopted annual financial statements of HORNBACH Baumarkt AG for the 2022/2023 financial year, the approved consolidated financial statements for the 2022/2023 financial year, the combined management report for HORNBACH Baumarkt AG and the Group, the report of the Supervisory Board on the 2022/2023 financial year, which was adopted by the Supervisory Board and signed by the Chair of the Supervisory Board, as well as the proposal by the Board of Management and the Supervisory Board on the utilization of unappropriated net profit, have been available pursuant to § 175 (2) Sentence 4 AktG at the website of HORNBACH Holding at www.hornbach-holding.de/en/company/hornbach-baumarkt-ag/annual-general-meeting since the date on which the Annual General Meeting was convened and will also be available for inspection there during the Annual General Meeting on July 6, 2023.

Further information about the convening of the meeting

1. Conditions for participating in the meeting and exercising voting rights

Pursuant to § 17 (1) of the Articles of Association, to be entitled to participate in the Annual General Meeting and exercise their voting rights, shareholders and/or their authorized representatives must have registered and submitted proof of their shareholding to the company in good time ahead of the Annual General Meeting. In order to provide proof of shareholding, a certification issued in text form in German or English by the depository financial institution or documentary evidence pursuant to § 67c (3) AktG which refers to the beginning of the 21st day prior to the Annual General Meeting, i.e. **Thursday, June 15, 2023, 00:00 hours (CEST)**, (“record date”) will be sufficient.

Both the registration and the proof of shareholding must have been received by the company at least six days prior to the Annual General Meeting (not counting the date of the Annual General Meeting and the date of receipt), i.e. by the latest on **Thursday, June 29, 2023, 24:00 hours (CEST)**, at the following address or e-mail address:

HORNBACH Baumarkt AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany

E-mail: hornbach-baumarkt@better-orange.de

The company is entitled to request further appropriate proof should it have any doubts as to the correctness or authenticity of the proof. Should such proof not be provided, or not in suitable form, then the company is entitled to reject the shareholder in question pursuant to § 17 (3) of the Articles of Association.

2. Voting procedures, proxy voting

- a. Shareholders not wishing to participate in the Annual General Meeting themselves are entitled to have their voting rights at the Annual General Meeting exercised by an authorized representative, e.g. a shareholders' association or a person of their choice, or by the voting proxy appointed by the company. In these cases as well, shareholders must register for the Annual General Meeting in due time and submit proof of their shareholding in accordance with the aforementioned requirements.

The issuing of a power of attorney, its revocation, and the proof of authorization vis-à-vis the company must be made in text form, unless the authorized representative is an intermediary (e.g. a financial institution), a shareholders' association, or any other equivalent person or institution pursuant to § 135 AktG.

Powers of attorney may be issued vis-à-vis the company or the authorized representative. When issued vis-à-vis the authorized representative, proof of such must be provided to the company. This proof can be provided by the authorized representative presenting the power of attorney at the entry desk on the date of the Annual General Meeting. Moreover, powers of attorney issued vis-à-vis the company and proof of powers of attorney issued to the authorized representative may be communicated to the company by post or e-mail at the following address:

HORNBACH Baumarkt AG
c/o Better Orange IR & HV AG
Haidelweg 48
81241 Munich
Germany

E-mail: hornbach-baumarkt@better-orange.de

Furthermore, the password-protected online portal is available for this purpose at the website of HORNBACH Holding at www.hornbach-holding.de/en/company/hornbach-baumarkt-ag/annual-general-meeting.

Intermediaries (e.g. financial institutions), shareholders' associations, and other equivalent persons and institutions pursuant to § 135 AktG may stipulate different requirements for the form of power of attorney used to authorize them. In such cases, shareholders are requested to agree the form and procedure for issuing powers of attorney in good time with the person or institution to be authorized.

- b. The comments in a. apply by analogy to the revoking or amendment of powers of attorney.
- c. As an additional service, we provide our shareholders and their authorized representatives with the option of being represented in accordance with their instructions at the Annual General Meeting (AGM) by a voting proxy appointed by the company. This proxy exercises voting rights on the exclusive basis of the instructions issued by the shareholder or their authorized representatives. The proxy cannot accept instructions for motions for which no proposals by the Board of Management and/or Supervisory Board have been published in this invitation.

Furthermore, please note that voting proxies cannot accept any instructions to make statements, pose questions, submit motions, or declare objections.

Those wishing to issue powers of attorney and instructions to the voting proxy appointed by the company are requested to do so using the password-protected online portal at www.hornbach-holding.de/en/company/hornbach-baumarkt-ag/annual-general-meeting or the form for issuing powers of attorney and instructions on the reverse side of the AGM ticket.

Powers of attorney and instructions issued by correctly registered shareholders and/or their authorized representatives to the voting proxy appointed by the company must have been received by the company at the post or e-mail address stated above under a. or via the password-protected online portal at www.hornbach-holding.de/en/company/hornbach-baumarkt-ag/annual-general-meeting at the latest by **Wednesday, July 5, 2023, 24:00 hours (CEST)**; the same applies for the amending or revoking of powers of attorney or instructions. The time at which the respective document is received by the company is decisive.

In addition, shareholders or their authorized representatives who attend the Annual General Meeting but have to leave prior to voting also have the option upon leaving of issuing a power of attorney and specific instructions for the exercising of their voting rights to a voting proxy appointed by the company. To do so, they should use the form included on the voting ticket.

3. Shareholders' rights

a. Minority motions pursuant to § 122 (2) AktG

Pursuant to § 122 (2) AktG, shareholders whose combined shareholdings are equivalent to one twentieth of the share capital or a prorated amount of € 500,000.00 are entitled to request that items be added to the agenda and announced. Such requests must be received by the company at least 24 days prior to the Annual General Meeting (not counting the date of the Annual General Meeting and the date of receipt), and thus at the latest by **Sunday, June 11, 2023, 24:00 hours (CEST)**. Such requests must be addressed in writing to the Board of Management of HORNBACH Baumarkt AG. Please use the following address:

HORNBACH Baumarkt AG
Board of Management
Hornbachstrasse 11
76879 Bornheim bei Landau/Pfalz, Germany

Each new agenda item must be accompanied by a substantiation or a draft resolution. The respective shareholders are required by § 122 (2) and (1) Sentence 3 AktG to submit documentary evidence that they have owned the shares for at least 90 days prior to the company receiving the motion (not counting the date of receipt) and that they will hold the shares until the Board of Management decides on the motion.

b. Countermotions and election proposals pursuant to § 126 (1) and § 127 AktG

Shareholders may submit countermotions to any proposal made by the management concerning a specific agenda item. Shareholders may also propose candidates for election as auditors and/or Supervisory Board members. Shareholders are requested to communicate any countermotions and election proposals exclusively to the following post or e-mail address:

HORNBACH Baumarkt AG
Investor Relations/Hauptversammlung
Hornbachstrasse 11
76879 Bornheim bei Landau/Pfalz, Germany

E-mail: gegenantraege.baumarkt@hornbach.com

The company will publish any countermotions and election proposals requiring publication and received at the aforementioned post or e-mail address at the latest on **Wednesday, June 21, 2023, 24:00 hours (CEST)**, together with the shareholder's name, any substantiation provided, and any statement made by the management, on the website of HORNBACH Holding at www.hornbach-holding.de/en/company/hornbach-baumarkt-ag/annual-general-meeting.

4. Data protection information

We collect personal data about you if you register for the Annual General Meeting and/or about any person you authorize if you issue powers of attorney for your voting rights. Furthermore, we collect personal data about you and/or about any person you authorize if you issue powers of attorney and instructions to the voting proxy appointed by the company, and/or when the online portal is used. Personal data is collected in accordance with the requirements of the EU's General Data Protection Regulation (GDPR) and of all other relevant legislation. This data is collected to enable shareholders to exercise their rights at the Annual General Meeting and to enable the Annual General Meeting to be organized and conducted in an orderly manner. Details of your rights and of the treatment of your personal data by the responsible body, HORNBACH Baumarkt AG, can be found on the internet at www.hornbach-holding.de/en/company/hornbach-baumarkt-ag/annual-general-meeting.

Bornheim, May 2023

HORNBACH Baumarkt AG
The Board of Management