

# CORPORATE GOVERNANCE REPORT

## Corporate Governance Statement pursuant to sections 289f and 315d of the German Commercial Code (HGB)

To achieve our objectives, we have defined principles for our corporate activity that go beyond the legal regulations. Laid down in a Code of Conduct and the Group Guidelines, these principles provide guidance for our day-to-day activities. They are included in the Corporate Governance Statement, which – together with the statements of previous years – is published in full under “Investors” – “Corporate Governance” on our website at [ir.gerryweber.com](http://ir.gerryweber.com). In this Corporate Governance Statement, the Managing Board and the Supervisory Board report on the company’s corporate governance in accordance with sections 289 et seq., 315d of the German Commercial Code (HGB) and as provided for in Principle 22 of the German Corporate Governance Code, in particular on the distribution of rights and duties, the composition and procedures of the Managing Board and the Supervisory Board as well as on equal participation of women and men in management positions.

## Corporate governance at Gerry Weber

The term corporate governance comprises methods, instruments and, hence, the entire system for the management and supervision of an enterprise. This includes not only the legal framework but also the values, business policies and guidelines of the enterprise. We are committed to good, responsible and sustainable value-oriented corporate governance, which forms the basis for the success of the GERRY WEBER Group. It increases the confidence our customers, business partners, investors, employees and society place in us.

Besides the guidelines of the German Corporate Governance Code that are implemented by the company, good corporate governance at GERRY WEBER also comprises the Compliance Guidelines and our Code of Conduct.

Since the introduction of the German Corporate Governance Code in 2002, GERRY WEBER International AG has complied with nearly all recommendations of the Code. There are only a few exceptions, which are attributable to the size of the company, its business model as well as to company-specific aspects; these exceptions are outlined and explained in the declaration of conformity in accordance with the “comply or explain” principle laid

down in section 161 of the German Stock Corporation Act (AktG). The suggestions made by the Code which are not complied with by the company are outlined under the respective clause of the Code giving the reasons for non-compliance.

## Declaration of conformity pursuant to section 161 of the German Stock Corporation Act (AktG)

The Management Board and Supervisory Board of GERRY WEBER International AG declare in accordance with section 161 of the German Stock Corporation Act that the company has followed and will follow the recommendations of the of the “Government Commission on the German Corporate Governance Code” published by the Federal Ministry of Justice in the official part of the Federal Gazette in the version dated 16 December 2019 since the submission of the last annual declaration of conformity from 30 April 2021, as updated on 19 November 2021, with the following exceptions:

### **B.2 – Age limit for members of the Management Board and C.2 – Age limit for members of the Supervisory Board and their details in the declaration on corporate governance:**

An age limit for members of the Management Board and of the Supervisory Board was not set since skills, qualifications and experience are considered to be the main criteria for the admission to the corporate bodies. The company does not want to do without the knowledge and experience of older members of the Management Board and the Supervisory Board. Thus, no age limit for the members of the Board of Management and the Supervisory Board can be stated in the corporate governance statement.

**F.2 – Accounting:** Due to the first-time audit by the appointed auditor as well as the company’s still special situation as a result of the restructuring, it was not possible to publish the consolidated financial statements and management report for the fiscal year 2021 within a period of 90 days after the end of the fiscal year.

Halle/Westphalia, 31 March 2022

Management Board and Supervisory Board of  
GERRY WEBER International AG

## Allocation of powers, composition and work of the Managing Board and the Supervisory Board

The dual board system, under which the company is managed by the Managing Board and supervised by the Supervisory Board, is a key characteristic of GERRY WEBER's corporate governance structure. The co-determined composition of the Supervisory Board with representatives of the shareholders and the employees (equal representation up to the end of the Annual General Meeting on 19 August 2021 and since then representation according to the One-Third Participation Act ("Drittelbeteiligungsgesetz") as well as the rights of shareholders at the Annual General Meeting are also characteristic of the company's corporate governance structure.

### Management and conduct of business by the Managing Board

In the reporting period, the Managing Board of GERRY WEBER International AG was composed of the following members: Alexander Gedat, Chief Executive Officer (CEO) (until 19 August 2021), Angelika Schindler-Obenhaus, Chief Operating Officer (COO) (until 19 August 2021) and subsequently Chief Executive Officer (CEO) (from 19 August 2021) and Florian Frank, Chief Financial Officer (CFO).

The Managing Board has sole responsibility for managing the company free from third-party instructions in accordance with the applicable laws, the statutes, the rules of procedure of the Managing Board and the resolutions adopted by the Annual General Meeting. While the Managing Board as a whole has collective responsibility, each Board member is responsible for managing the departments of which they are in charge. The Managing Board defines the corporate objectives and the strategic positioning of the GERRY WEBER Group and controls and monitors the business units and subsidiaries.

The rules of procedure of the Managing Board show which Managing Board member is responsible for which business segment. The rules of procedure also govern material affairs of the company that require a decision by the full Managing Board and the processes for passing resolutions. Amendments to the rules of procedure require the consent of the Supervisory Board. As a general rule, the Managing Board takes its decisions by a simple majority. Before closing important business transactions, which are defined in the rules of procedure of the Managing Board, the Managing Board must obtain the Supervisory Board's approval.

As a general rule, the Managing Board informs the Supervisory Board regularly, without delay and comprehensively of all issues of importance to the company with regard to business development, the risk situation and planning as well as business transactions of material importance. In addition, the Managing Board coordinates the company's strategic approach with the Supervisory Board.

Succession planning for the Managing Board is discussed intensively between the Managing Board and the Supervisory Board. The decision-making process of the Supervisory Board is supported by the Human Resources Committee formed from among its members.

### Supervisory function of the Supervisory Board

The Supervisory Board is responsible for appointing the Managing Board members as well as for supervising and advising them in managing the GERRY WEBER Group. It is directly involved in decisions that are of fundamental importance for the company at an early stage. Such decisions may require the consent of the Supervisory Board. The Chairman of the Supervisory Board coordinates the work of the Supervisory Board and maintains a regular exchange with the Managing Board.

The Supervisory Board has laid down its own rules of procedure, which also apply to the committees of the Supervisory Board. The Supervisory Board takes its decisions on the basis of resolutions passed by a simple majority unless a different majority is prescribed by law. In the event of a tie, the Chairman has the casting vote. All resolutions are passed at meetings. To simplify the procedure, the Supervisory Board may stipulate that resolutions be passed by way of a written vote in accordance with the statutes.

In accordance with Suggestion A.3 of the German Corporate Governance Code, the Chairman of the Supervisory Board is available – within reasonable limits – to discuss Supervisory Board-related issues with investors.

### Composition of the Supervisory Board

Until the end of the Annual General Meeting on 19 August 2021, the Supervisory Board had equal representation and was composed of twelve members, half of whom were representatives of the shareholders, while the other half were representatives of the employees. Since the end of the Annual General Meeting on 19 August 2021, the Supervisory Board has been subject to one-third participation. In accordance with the law, the Supervisory Board thus consisted of three members until 8 September 2021, two of whom were shareholder representatives, while one member represented the workforce. The determination of six Supervisory Board members in the statutes as resolved by the Annual General Meeting on 19 August 2021 was entered in the Commercial Register on 8 September 2021. The Supervisory Board has since been composed of six members, four of whom are shareholder representatives, while two are employee representatives.

Since the beginning of the fiscal year 2021, the shareholder representatives have been Dr. Tobias Moser (Chairman), Dagmar Heuer, Christina Käbhöfer, Milan Lazovic, Benjamin Noisser and Sanjib (Sanjay) Sharma, while Manfred Menningen (IG Metall trade union, Deputy Chairman), Barbara Jentgens (IG Metall trade union), Antje Finke, Renate Marx and Klaus Lippert have represented the workforce. In mid-January 2021, Yvonne Glomb was appointed

as a substitute by the court in accordance with section 104 of the German Stock Corporation Act (AktG). Yvonne Glomb and Rena Marx resigned from the Supervisory Board at the end of March 2021. They were replaced by Gökay Bostanci and Kirstin Meese, who were appointed as substitutes by the court in August 2021 in accordance with section 104 of the German Stock Corporation Act (AktG).

On 16 March 2021, the Managing Board announced that it had initiated status proceedings pursuant to section 97 of the German Stock Corporation Act (AktG), as it is of the opinion that, due to the staff numbers of the German entities of the GERRY WEBER Group, the Supervisory Board of the company is no longer to be composed in accordance with the provisions of the German Codetermination Act (parity co-determination), but in accordance with the German One-Third Participation Act (DrittelbG). Within the one-month period stipulated in section 97 para. 2 of the German Stock Corporation Act (AktG), no appeal was made to the competent court pursuant to section 98 para. 1 of the German Stock Corporation Act (AktG) for a court decision on the composition of the Supervisory Board. Pursuant to section 97 para. 2 sentences 2 and 3 of the German Stock Corporation Act (AktG), the provisions of the statutes regarding the composition of the Supervisory Board, the number of Supervisory Board members and the election, dismissal and delegation of Supervisory Board members thus ceased to apply at the end of the Annual General Meeting on 19 August 2021. The amendments to the statutes adopted at the Annual General Meeting on 19 August 2021 provided in particular for the reduction of the number of members of the Supervisory Board from twelve to six and the application of the One-Third Participation Act. In accordance with section 97 para. 2 sentence 3 of the German Stock Corporation Act (AktG), the offices of all previous members of the Supervisory Board expired at the end of the Annual General Meeting on 19 August 2021 due to the status proceedings.

The Annual General Meeting on 19 August 2021 appointed Alexander Gedat and Sanjib (Sanjay) Sharma as shareholder representatives to the Supervisory Board with effect from the end of the Annual General Meeting. In addition, the Annual General Meeting appointed Christina Käbhöfer and Norbert Steinke as additional shareholder representatives to the Supervisory Board subject to the condition precedent that the amendments to the statutes resolved at the Annual General Meeting are finally entered in the Commercial Register, which happened on 8 September 2021.

On 2 September 2021, the court appointed Klaus Lippert as substitute employee representative until the completion of the election of the employee representatives to the Supervisory Board. In the context of the election of employee representatives to the Supervisory Board on 24 November 2021, Antje Finke, whose term of office began upon acceptance of the election on 26 November 2021, and Klaus Lippert, whose term of office began upon acceptance of the election on 29 November 2021, were

appointed as employee representatives to the Supervisory Board. Uwe Wermelskirchen was elected as substitute member for Antje Finke and Stefanie Ortmann was elected as substitute member for Klaus Lippert.

In accordance with the recommendation of the German Corporate Governance Code, the Supervisory Board has drawn up a profile of skills and expertise for the full Supervisory Board. The composition of the Supervisory Board of GERRY WEBER International AG complied with the defined targets and, hence, with the profile of skills and expertise in the reporting period. Pursuant to section 96 para. 2 AktG, the equally represented Supervisory Board shall be composed of at least 30% women and at least 30% men. Throughout the reporting period, the Supervisory Board consisted of at least four women and at least four men during the phase of equal representation. The Supervisory Board, which has been fully composed according to the One-Third Participation Act since November 2021, also complies with the profile of skills and expertise.

The terms of membership of the Supervisory Board are as follows:

Name	Year in which membership started
Alexander Gedat (from 19 August 2021)	2021
Sanjib (Sanjay) Sharma	2019
Dr. Tobias Moser (until 19 August 2021)	2019
Milan Lazovic (until 19 August 2021)	2019
Dagmar Heuer (until 19 August 2021)	2019
Benjamin Noisser (until 19 August 2021)	2020
Christina Käbhöfer (until 19 August 2021 and from 8 September 2021)	2020
Norbert Steinke (from 8 September 2021)	2021
Klaus Lippert (until 19 August 2021 and from 2 September 2021)	2010
Antje Finke (until 19 August 2021 and from 26 November 2021)	2020
Renate Marx (until 31 March 2021)	2018
Yvonne Glomb (from 13 January 2021 to 31 March 2021)	2021
Manfred Menningen (until 19 August 2021)	2015
Barbara Jentgens (until 19 August 2021)	2019
Kristin Meese (from 9 August 2021 to 19 August 2021)	2021
Gökay Bostanci (from 9 August 2021 to 19 August 2021)	2021

The composition of the committees of the Supervisory Board is shown below:

Committee	Members
Audit Committee	Until August 2021: Sanjib (Sanjay) Sharma (Chair), Dr. Tobias Moser, Manfred Menningen, Klaus Lippert From September 2021: Sanjib (Sanjay) Sharma (Chair), Norbert Steinke (Vice Chair), Alexander Gedat, Klaus Lippert
Human Resources Committee	Until August 2021: Dr. Tobias Moser (Chair), Benjamin Noisser, Manfred Menningen, Klaus Lippert From September 2021: Alexander Gedat (Chair), Christina Käbhöfer (Deputy Chair), Norbert Steinke, Klaus Lippert
Nomination Committee (until August 2021)	Dr. Tobias Moser (Chairman), Dagmar Heuer, Milan Lazovic
Mediation Committee (until August 2021)	Dr. Tobias Moser (Chair), Milan Lazovic, Manfred Menningen, Antje Finke

### Targets and profile of skills and expertise for the composition of the Supervisory Board

The Supervisory Board is generally tasked with advising and supervising the Managing Board independently and in a qualified manner. The Supervisory Board members should be appointed accordingly. The Supervisory Board of GERRY WEBER International AG should be composed of persons who have the knowledge, skills, experience and personal characteristics that are needed to supervise the company. Moreover, each Supervisory Board member must be willing to dedicate sufficient time to performing their tasks. Members of the Managing Board of a listed corporation shall not accept more than a total of three Supervisory Board mandates in non-group listed corporations or on supervisory bodies of non-group entities that make similar requirements. With regard to the Supervisory Board as a whole, attention should be paid, in particular, to ensuring that the body has the required professional diversity, internationality, diversity and independence. The targets described below have been defined as a profile of skills and expertise for the Supervisory Board, taking into account the size of the Supervisory Board, the company's specific requirements as well as diversity.

In view of the timing of the status proceedings, in particular with regard to the successive substitute appointments by the court and the election of the employee representatives at the end of the fiscal year 2021, the profile of skills and expertise was adjusted taking into account the new legal and statutory requirements for the composition of the Supervisory Board at the Supervisory Board meeting

on 31 March 2022. The following statements initially refer to the profile of skills and expertise of the equally represented Supervisory Board until 18 August 2021 and subsequently to the current profile of skills and expertise.

### Profile of skills and expertise 2021

#### Professional diversity

- Members of the Supervisory Board shall have experience in the fields of corporate management, strategy and human resources. They should also be competent with regard to corporate governance and compliance-related issues.
- The Supervisory Board shall also have knowledge of the company, its competitors and the markets in which the company operates. Specific industry knowledge of the customer side is also required.
- At least one independent member must have the necessary financial competence as well as knowledge of accounting, internal control procedures or auditing. This independent member of the Supervisory Board shall not be a former member of the Managing Board whose term of office ended less than two years ago.
- At least one shareholder representative shall have several years of international experience from a professional activity or be a foreign national.
- Moreover, one shareholder representative shall have the required know-how and experience in dealing with capital market participants.

#### Diversity

- Besides professional diversity, the Supervisory Board aims for an appropriate degree of female representation. With a view to the legal provisions that became effective on 1 January 2016, the company considers it appropriate if at least one third of the positions of the shareholder representatives and staff representatives are filled with women. With four of twelve and two of six representative positions filled by women, the Supervisory Board met these requirements in the reporting period.

### Independence

- Taking into account the shareholder structure of GERRY WEBER International AG, at least three of six shareholder representatives on the Supervisory Board shall be independent.

A Supervisory Board member is considered independent if he/she has no personal or business relations with the company, its executive bodies, a controlling shareholder or a related party which may cause a substantial and not merely temporary conflict of interests. Employee representatives are not considered dependent merely because they are employees of the company or benefit from old-age pension commitments of one of the Group companies.

- No more than two former members of the Managing Board shall sit on the Supervisory Board. Managing Board members may not become members of the Supervisory Board of the company within two years after the end of their appointment unless they are appointed upon a motion presented by shareholders holding more than 25% of the voting rights in the company. In this case, appointment to the chairmanship of the Supervisory Board shall be an exception to be justified to the Annual General Meeting.
- Supervisory Board members shall not sit on an executive body or perform advisory tasks at a material competitor of the company or a Group company.

### Current profile of skills and expertise

The Supervisory Board is generally tasked with advising and supervising the Managing Board independently and in a qualified manner. The Supervisory Board members should be appointed accordingly. The Supervisory Board of GERRY WEBER International AG should be composed of persons who have the knowledge, skills, experience and personal characteristics that are needed to supervise the company.

Moreover, each Supervisory Board member must be willing to dedicate sufficient time to performing their tasks.

Members of the Managing Board of a listed corporation shall not accept more than a total of two Supervisory Board mandates in non-group listed corporations or on supervisory bodies of non-group entities that make similar requirements. With regard to the Supervisory Board as a whole, attention should be paid, in particular, to ensuring that the body has the required professional diversity, internationality, diversity and independence. The targets described

below have been defined as a profile of skills and expertise for the Supervisory Board, taking into account the size of the Supervisory Board, the company's specific requirements as well as diversity.

### Professional diversity

- Members of the Supervisory Board shall have experience in the fields of corporate management, strategy and human resources. They should also be competent with regard to corporate governance and compliance-related issues.
- The Supervisory Board shall also have knowledge of the company, its competitors and the markets in which the company operates. Specific industry knowledge of the customer side is also required.
- At least one independent member must have the necessary financial expertise and knowledge in the field of accounting and at least one other independent member must have the necessary financial expertise and knowledge in the field of auditing. These independent Supervisory Board members should not be former members of the Managing Board whose term of office ended less than two years ago.
- At least one shareholder representative shall have several years of international experience from a professional activity or be a foreign national.
- Moreover, one shareholder representative shall have the required know-how and experience in dealing with capital market participants.

### Diversity

- Besides professional diversity, the Supervisory Board aims for an appropriate degree of female representation. The supervisory Board considers a share of women of one third (i.e. at least two of six members) on the Supervisory Board to be appropriate.

### Independence

- Taking into account the shareholder structure of GERRY WEBER International AG, at least two of four shareholder representatives on the Supervisory Board shall be independent.

A Supervisory Board member is considered independent if he/she has no personal or business relations with the company, its executive bodies, a controlling shareholder or a related party which may cause a substantial and not merely temporary conflict of interests. Employee representatives are not considered dependent merely because they are employees of the company or benefit from old-age pension commitments of one of the Group companies.

- No more than two former members of the Managing Board shall sit on the Supervisory Board. Managing Board members may not become members of the Supervisory Board of the company within two years after the end of their appointment unless they are appointed upon a motion presented by shareholders holding more than 25% of the voting rights in the company. In this case, appointment to the chairmanship of the Supervisory Board shall be an exception to be justified to the Annual General Meeting.
- Supervisory Board members shall not sit on an executive body or perform advisory tasks at a material competitor of the company or a Group company.

No age limit has been defined for the members of the Supervisory Board and no regular limit of length of membership has been stipulated for the Supervisory Board, as abilities, qualifications and experience are regarded as the relevant criteria for appointment to these bodies.

In the reporting period, two former Managing Board members of GERRY WEBER International AG served on the Supervisory Board, namely Alexander Gedat and Norbert Steinke. There was a period of more than two years between Norbert Steinke's membership of the Managing Board and his membership of the Supervisory Board. Alexander Gedat changed directly from the Managing Board to the Supervisory Board with effect from the end of the Annual General Meeting on 19 August 2021, but his election was carried out in accordance with section 100 para. 2 sentence 1 no. 4 of the German Stock Corporation Act (AktG) on the proposal of shareholders holding more than 25% of the voting rights in the company. During the period of equal representation, the shareholder representatives on the Supervisory Board included an appropriate number of independent members, namely Sanjib (Sanjay) Sharma, Dagmar Heuer, Dr. Tobias Moser and Christina Käbhofer. The fact that Christina Käbhofer provided consulting services before joining the Supervisory Board does not affect her independence, as the consulting mandate was of short duration. From the time of composition in accordance with the One-Third Participation Act, the shareholder representatives on the Supervisory Board also included an appropriate number of independent members, namely Sanjib (Sanjay) Sharma, Alexander Gedat, Norbert Steinke and Christina Käbhofer. The Supervisory Board is of the opinion that Alexander Gedat qualifies as an independent member despite his direct transfer from the Managing Board to the Supervisory Board, as Alexander Gedat was appointed to the Managing Board only on an interim basis due to the special situation of the company and, moreover, there are no indications that would cast doubt on Alexander Gedat's independence.

No age limit has been defined for the members of the Managing Board and the Supervisory Board and no regular limit of length of membership has been stipulated for the Supervisory Board, as abilities, qualifications and experience are regarded as the relevant criteria for appointment to these bodies. Consequently, there is no formal diversity policy for the Managing Board. The same applies to the Supervisory Board, beyond the targets for its composition and the profile of skills and expertise described above.

### Self-evaluation

Against the background of the changes in the composition of the Supervisory Board and its new constitution, no self-evaluation was conducted by the Supervisory Board in the fiscal year 2021.

## Equal Participation of Women and Men in Leadership Positions

When it comes to appointing Managing Board members, nominating Supervisory Board members and filling executive positions, the Supervisory Board supports the company's efforts to achieve an appropriate degree of female representation.

In the reporting period, the Managing Board of GERRY WEBER International AG was composed of Alexander Gedat, Angelika Schindler-Obenhaus and Florian Frank. With the appointment of Angelika Schindler-Obenhaus, the share of zero female Managing Board members set by the Supervisory Board was exceeded.

In accordance with statutory requirements, the Managing Board defined a share of women for the first and second management tier below the Managing Board already in September 2015. The target was to have a share of women of 30% at the first management tier and a share of women of 50% at the second management tier as of 30 June 2017. This target has since been achieved almost all the time. At the time of the target review on 31 December 2021, the targets set were reached to a high degree, as the share of women at the first and second management tier was 37.5% and 61.9%, respectively. The Managing Board has maintained the 30% and 50% targets for the first and second management tier, respectively.

During the reporting period, the statutory gender quota of 30% on the Supervisory Board was complied with during the phase of equal representation. Against the background of the timing of the status proceedings, in particular with regard to the successive substitute appointments by the court and the election of the employee representatives at the end of the fiscal year 2021, targets for the Supervisory Board now composed in accordance with the One-Third Participation Act were defined at the Supervisory Board meeting on 31 March 2022.

### Annual General Meeting and shareholders' rights

As a general rule, the shareholders of GERRY WEBER International AG exercise their voting and control rights at the ordinary Annual General Meeting. Each share in GERRY WEBER International AG carries one vote. There is no upper limit for voting rights or extraordinary voting rights. Each shareholder who registers in time and proves that he/she is entitled to attend the Annual General Meeting and exercise his/her voting rights is entitled to attend the Annual General Meeting.

### Accounting and audit

By resolution of the Annual General Meeting on 19 September 2021, KPMG AG Wirtschaftsprüfungsgesellschaft was appointed auditor of the financial statements of GERRY WEBER International AG and the Group for the fiscal year 2021.

The Supervisory Board satisfied itself of the independence of the appointed auditor and the persons acting on its behalf. The Audit Committee monitors the audit, especially the selection and the independence of the auditor, the quality of the audit and the services provided by the auditor. The appointed auditor participates in the Supervisory Board's discussions of the separate financial statements and the consolidated financial statements and reports on the key results of the audit. The auditor furthermore reports to the Supervisory Board any facts identified during the audit which are inconsistent with the declaration of conformity issued by the Managing Board and the Supervisory Board.

### Compliance

The Compliance Management System (CMS) of GERRY WEBER International AG is designed to ensure compliance with statutory provisions and with internal requirements. Specific organisational measures and processes have been developed to prevent, identify and sanction individual misbehaviour.

The Compliance Management System consists of the following elements:

#### 1. Compliance Organisation

Responsibility for compliance lies with the Managing Board. As of the effective date of this report, the Chief Compliance Officer reports directly to the Chief Financial Officer. He ensures that the compliance Programme is implemented throughout the Group and that employees are adequately trained. A dedicated Compliance Committee pursues the ongoing optimisation of the Compliance Management System. The Supervisory Board is regularly informed of relevant facts at its meetings.

## 2. Compliance Programme (rules and regulations)

The rules and regulations essentially comprise the Compliance Code of Conduct and the Compliance Guidelines.

The Code reflects GERRY WEBER's values and describes behavioural rules. Besides addressing topics such as corruption prevention and antitrust law, it implements labour and social standards and calls for compliance with human rights.

The Compliance Guidelines further elaborate on the relevant topics, including competition and antitrust law, capital market law, communication, passing on of information as well as sustainability with a focus on social compliance.

All employees are obliged to comply with these principles.

## 3. Whistleblowing

Since 2011, employees, customers and business partners have been able to turn to the external ombudsman in confidence and, if necessary, anonymously, if there are indications of a violation of laws or internal guidelines. The whistleblowing management system thus established fulfils the requirements of EU Directive 2019/1937 on the protection of whistleblowers, the draft bill for the German Whistleblower Protection Act (HinSchG), ISO 37002, and already implements the requirements of the German Supply Chain Due Diligence Act.

Overall, GERRY WEBER International AG thus complies with the recommendations and suggestions of A.2 of the GCGC.

## Opportunity and risk management

Good corporate governance also includes managing risks in a responsible manner. The GERRY WEBER Group has a Group-wide internal control and risk management system which identifies and evaluates risk situations and defines and implements measures to avoid risks and minimise their negative consequences. Information on the risk management system and a presentation of the individual risks can be found in the risk report in this Annual Report.

The company has no internal audit system, but mandated an external audit officer.

## Potential conflicts of interest and directors' dealings

Pursuant to Art. 19 of the EU Market Abuse Regulation (MAR), members of the Managing Board and the Supervisory Board as well as closely related persons must report transactions involving shares or debt instruments of GERRY WEBER International AG or related financial instruments to the company as well as to the Federal Financial Supervisory Authority if the total amount of the transactions reaches or exceeds EUR 20,000 in a calendar year. GERRY WEBER International AG publishes such information immediately and makes such information available on the company's website [ir.gerryweber.com](http://ir.gerryweber.com) under "Investors" – "Financial News". The Managing Board and the Supervisory Board are committed to serving the interests of the company. They are not allowed to exploit their position to pursue personal interests or for the benefit of related parties. Any conflicts of interest resulting from sideline activities must immediately be disclosed to the Supervisory Board. The latter then decides about any further steps to be taken. In the past fiscal year, no conflicts of interest of members of the Managing Board or the Supervisory Board occurred.

## Transparent and timely communication

The Managing Board and the Supervisory Board attach great importance to transparent corporate governance. Our shareholders and financial analysts, the shareholder associations and the media as well as the interested public are provided with regular and up-to-date information on the current situation as well as on material corporate or personnel-related changes in the company. Our main communication channel is the Internet as it allows to distribute comprehensive information in a non-discriminatory and timely manner.

The instruments used to report on the business situation and the company's results as well as on current events of the GERRY WEBER Group include the Annual Report for the fiscal year 2021, the interim reports as well as press releases and ad-hoc announcements.

## Compensation report and compensation system

The compensation system for the members of the Managing Board pursuant to section 87a para. 1 and para. 2 sentence 1 of the German Stock Corporation Act (AktG), which was approved by the Annual General Meeting on 19 August 2021, as well as the system for the compensation of the members of the Supervisory Board, which was approved by the same Annual General Meeting pursuant to section 113 para. 3 AktG are made publicly available on our website [ir.gerryweber.com](http://ir.gerryweber.com) under "Investors" – "Corporate Governance". The compensation report and the auditor's report are made publicly available in accordance with section 162 AktG at the same internet address.