

CECONOMY

Declaration of the Management Board and the Supervisory Board of CECONOMY AG

from September 2022 on the recommendations of the "Government Commission on the German Corporate Governance Code" pursuant to section 161 of the German Stock Corporation Act (AktG)

The last declaration of conformity was made in September 2021. The declaration of conformity was made on the recommendations of the German Corporate Governance Code in the version of 16 December 2019, published in the Federal Gazette (*Bundesanzeiger*) on 20 March 2020 ("GCGC (old version)"). The "Government Commission on the German Corporate Governance Code" submitted a new version of the Code on 28 April 2022, which was published in the Federal Gazette (*Bundesanzeiger*) on 27 June 2022 and thus came into force ("GCGC (new version)").

1. In the period from the issuance of the last declaration of conformity to the issuance of this declaration of conformity, the Management Board and the Supervisory Board of CECONOMY AG have complied with the recommendations of the GCGC (old version) with the exception of the following deviations:

- Section C.5 GCGC (old version): Maximum number of supervisory board mandates

According to Clause C.5 GCGC (old version), a person who is a member of the management board of a listed company shall not hold more than two supervisory board mandates in non-group listed companies or comparable functions and shall not chair the supervisory board of a non-group listed company.

The Supervisory Board member Mr. Christoph Vilanek is Chairman of the management board of the listed company freenet AG and holds more than the specified supervisory board mandates.

The Supervisory Board and the Management Board of CECONOMY AG have dealt with the issue of overboarding and have come to the conclusion that this requirement of the GCGC (old version) should not be complied with in this case. As freenet AG holds just under 7% of CECONOMY AG, the supervisory board mandate of Mr. Christoph Vilanek reflects the ownership structure of CECONOMY AG. Due to his profound knowledge of the retail sector, his excellent industry knowledge, his qualifications and his experience in other supervisory boards, Mr. Christoph Vilanek

has been personally entrusted by the supervisory board of freenet AG to represent freenet AG as a shareholder of CECONOMY AG on the Supervisory Board of CECONOMY AG. Due to his qualifications, Mr. Christoph Vilanek is a valuable addition to the Supervisory Board of CECONOMY AG. More decisive, however, and this is the ratio of the Code's recommendation on a maximum number of supervisory board mandates, is whether Mr. Christoph Vilanek has sufficient time to fulfil his mandate at CECONOMY AG in addition to his management board mandate at freenet AG and his other mandates. So far, there have been no indications that Mr. Christoph Vilanek has not devoted an appropriate amount of time to his supervisory board activities at CECONOMY AG. The Supervisory Board therefore has no concerns whatsoever that Mr. Christoph Vilanek will not be able to devote the expected amount of time to his mandate at CECONOMY AG in the future. Mr. Christoph Vilanek himself has also confirmed that he is able to devote the time expected for his activities on the Supervisory Board of CECONOMY AG.

The Supervisory Board member Ms. Karin Dohm is a member of the management board of HORNBACH Management AG, which is the general partner of the listed company Hornbach Holding AG & Co. KGaA. Until 30 August 2022, Ms. Karin Dohm was a member of the supervisory board of another listed company in addition to her activities on the Supervisory Board of CECONOMY AG. Since 25 March 2022, she is also a Non Executive Director at the (unlisted) company Danfoss A/S, Nordborg, Denmark. With a view to a possible classification of the mandate at Danfoss A/S as a comparable function within the meaning of section C.5 GCGC (old version), Ms. Karin Dohm is also included as a precautionary measure in the explanation to the already declared deviation from section C.5 GCGC (old version) for the period of 5 months and 5 days (from 25 March 2022 to 30 August 2022). The Supervisory Board of CECONOMY AG has at no time identified any impairment of Ms. Dohm's activities for CECONOMY AG due to her other mandates.

2. In the period from 27 June 2022 until the issuance of this declaration of conformity, the Management Board and the Supervisory Board of CECONOMY AG have – with the exception of the following deviations – complied with the recommendations of the GCGC (new version) and will continue to comply with these in the future:

- Section A.3 GCGC (new version): Sustainability-related objectives in the internal control system

According to section A.3 GCGC (new version), the internal control system and the risk management system shall also cover sustainability-related objectives, unless already required by law. This shall include the processes and systems for recording and processing sustainability-related data.

This recommendation has been and is only partially complied with, as the project to expand the internal control system to include sustainability-related areas is currently still being implemented. The risks and opportunities regarding the fulfilment of sustainability-related goals, on the other hand, are already taken into account in the risk management system.

In an ongoing project, the Sustainability department is currently evaluating processes and systems with regard to the Supply Chain Due Diligence Act (*Lieferkettensorgfaltspflichtengesetz*) for the definition and implementation of appropriate controls. This will be successively followed up for the areas of environment and climate targets and transferred to the internal control system in the financial year 2022/23.

In the course of the financial year 2022/23, the recommendation is therefore expected to be fully complied with.

- Section C.5 GCGC (new version): Maximum number of supervisory board mandates

The wording of section C.5 GCGC (old version) is identical to that of the GCGC (new version), so that reference is made to the above explanations.

Management Board

Supervisory Board