

# 1.3 CORPORATE GOVERNANCE REPORT

Both the Management Board and Supervisory Board are committed to upholding the principles of good corporate governance, in accordance with the recommendations of the Federal German Government Commission on the German Corporate Governance Code, of 28 April 2022, which GFG has voluntarily decided to comply with.

In August 2023, the Supervisory Board and Management Board issued a declaration of compliance for GFG. The few deviations from the German Corporate Governance Code are described in the declaration. This is published within the Investor Relations - Corporate Governance section on our [website](#).

## 1.3.1 DECLARATION OF COMPLIANCE

In this statement, GFG reports in accordance with Article 68 of the Law of 19 December 2002 on the business and companies' register as well as the companies' accounting and annual accounts (the "2002 Law").

The Company is a Luxembourg société anonyme (S.A.), which is listed solely on the Frankfurt Stock Exchange in Germany. The Company is not subject to the "Ten Principles of Corporate Governance" applicable to companies listed in Luxembourg. In addition, as a company incorporated and existing under the laws of Luxembourg, the Company is not required to comply with the respective German Corporate Governance Code applicable to German stock corporations. However, as the Company's shares are listed on the Frankfurt Stock Exchange, the Management Board and Supervisory Board have decided to follow, on a voluntary basis and to the extent consistent with applicable Luxembourg corporate law and Global Fashion Group's corporate structure, the recommendations of the German Corporate Governance Code regarding the principles of good corporate governance.

### Compliance with the German Corporate Governance Code

The Management Board and the Supervisory Board diligently addressed compliance with the guidance of the German Corporate Governance Code dated 28 April 2022 in Financial Year 2023 and decided to issue a statement to a certain extent comparable to that required for stock corporations organised in Germany pursuant to Section 161 of the German Stock Corporation Act (Aktengesetz) and commented on the limited number of exceptions. The joint declaration of conformity was published on the Company's [website](#) in August 2023, as follows:

### Declaration of Compliance with the German Corporate Governance Code

Global Fashion Group S.A. ("GFG" or the "Company") is a Luxembourg société anonyme (S.A.), which is listed solely on the Frankfurt Stock Exchange in Germany. GFG is not subject to the "Ten Principles of Corporate Governance" applicable to companies listed in Luxembourg. Furthermore, as a company incorporated and existing under the laws of Luxembourg, GFG is not required to report on compliance with the German Corporate Governance Code (the "Code") applicable to listed German stock corporations.

Nevertheless, as GFG regards the Code to be an important foundation for responsible corporate governance, the Management Board and Supervisory Board of GFG have decided to follow, on a voluntary basis and to the extent consistent with applicable Luxembourg corporate law and GFG's corporate structure, the recommendations of the Code regarding the principles of good corporate governance.

The Management Board and Supervisory Board of the Company declare that GFG has decided to comply with the recommendations of the Code in its version dated 28 April 2022, published by the Federal Ministry of Justice in the official section of the Federal Gazette on 27 June 2022, with the following deviations since their announcement and will continue to comply with them to the same extent in the future:

- Recommendation B.3 of the Code: The current members of the Management Board were appointed for a maximum period of five (5) years in line with the previous version of the Code which was in effect when they were appointed in May 2019. We have amended our rules of procedures to ensure that future first-time appointments shall be for a period of not more than three (3) years.
- Recommendation C.5 of the Code: One of the members of the Management Board is also the Chairman of the Supervisory Board of a non-Group listed company. The appointment to both the Management Board of GFG and the non-Group listed company Supervisory Board Chairmanship were made before the Code that introduced this recommendation came into effect. The appointment as both a member of the Management Board and Chairman of a non-Group listed company's Supervisory Board has not given rise to any conflicts or work management issues to date. The Supervisory Board of GFG considers the case-by-case assessment of the compatibility of both roles to be more appropriate.
- Recommendation F.2 of the Code: In order to ensure high-quality financial reporting, the recommended publication periods may not in all cases be complied with. However, we are constantly seeking to improve our reporting system and intend to comply with the reporting periods of the Code in the near future.
- Recommendation G.1 bullet point 1 and 3 of the Code: While annual bonuses and the size of grants under the 2019 and 2021 LTIP are capped at certain percentages of base salary, there is no cap with regard to the Company's share price once restricted stock units ("RSUs") or Performance Stock Units ("PSUs") or stock options are vested and delivered. In the opinion of the Supervisory Board, such a cap would not be appropriate as it would interrupt the intended alignment of interests between the shareholders and the Management Board members. The Supervisory Board believes that the Management Board members should, in this regard, participate in any increase in the value of the Company to the same extent as any other shareholder would participate.

- The Supervisory Board has not set a maximum total remuneration for the variable compensation. Certain components of the Management Board variable compensation granted before the IPO and after the IPO, are linked to continuous employment with no financial and non-financial performance criteria attached to it. Recommendation G.3 of the Code: The Supervisory Board uses an appropriate peer group of other relevant entities to compare the remuneration of the Management Board, however such peer group has not been disclosed as representatives of the common market in which GFG operates evolve at a fast pace and as such, the peer group is periodically reviewed and updated by the Supervisory Board to avoid an automatic upward trend. Consequently, at present the Supervisory Board does not intend to disclose the peer group.
- Recommendation G.4 of the Code: The diversified footprint where GFG operates, combined with the large number of employees and its localised market approach to defining remuneration, makes it difficult for GFG to establish an average remuneration for GFG for the purposes of comparing the remuneration of the Management Board. GFG targets to provide remuneration packages that are both competitive externally and proportionate internally.
- Recommendation G.7. of the Code: Certain components of the Management Board variable compensation granted before the IPO and after the IPO, as a one-off grant, are linked to continuous employment with no financial and non-financial performance criteria attached to it.
- Recommendation G.8 of the Code: GFG Remuneration Policy 2023 contains a special derogation procedure by which the Supervisory Board can in exceptional circumstances, as defined in the policy, subsequently change the performance targets of the Management Board. Such derogation requires a resolution of the Supervisory Board. The Supervisory Board has not used this special derogation procedure in deviation to recommendation G.8 to date.
- Recommendation G.11 of the Code: The Supervisory Board can retain a payment under the short term incentive plan but there is no ability to reclaim any amounts paid since applicable laws regulating the employment agreements of the Management Board members prevent reclaiming earnings already paid.
- Recommendation G.12 of the Code: The 2019 LTIP and 2021 LTIP give the Supervisory Board the discretion to accelerate vesting and/or the holding period of a portion of granted RSUs and PSUs in case of early termination without cause or a change of control, redundancy, retirement, death, illness and other similar circumstances. The Supervisory Board believes this to be an adequate element of the Management Board members' variable compensation. The Supervisory Board believes this to be an adequate element of the Management Board members' variable compensation
- Recommendation G.13 of the Code: The employment contracts of the Management Board provide for (i) payment in lieu of notice (at the discretion of the Supervisory Board); (ii) payment of pro rata short term incentive bonus; and (iii) vesting of granted RSU and PSUs (as applicable) that are scheduled to vest within the 12 months following the early termination by the Company in case of a good leaver event. The combined aforementioned payments are subject to the severance cap recommended by the Code, except in case of a change of control where the payment could in certain situations exceed the recommended cap mainly driven by the value of the Company's share price at the time of the early termination.
- Recommendation G.14 of the Code: The employment agreements of the Management Board Members provide for a partial acceleration of 75% of unvested equity in the event of a change of control, regardless of whether such change of control would lead to an early termination of their employment agreement.

Luxembourg, August 2023

Global Fashion Group S.A.

The Management Board,  
Christoph Barchewitz and Gunjan Soni

On behalf of the Supervisory Board,  
Cynthia Gordon

## 1.3.2 BOARD COMPOSITION AND GOVERNANCE STRUCTURE

The governance structure of the Company consists of the Management Board and the Supervisory Board.

The Management Board is responsible for managing the Company, and the Supervisory Board is responsible for carrying out the permanent supervision and control of the Management Board without being authorised to interfere with such management. The Management Board is vested with the broadest powers to act in the name of the Company and to take any actions necessary or desirable to fulfil the Company's corporate purpose with the exception of certain matters set out in the Articles of Association and the Management Board Rules of Procedure which require approval of the Supervisory Board or the Company's shareholders.

The Management Board and Supervisory Board cooperate closely for the benefit of the Company. The Chairperson of the Supervisory Board has regular contact with the Management Board and advises it on strategy, planning and business development and the Management Board informs the Chairperson of the Supervisory Board without delay of matters of fundamental importance for the Company.

The corporate governance rules of the Company that govern the Management Board and Supervisory Board are based on applicable Luxembourg laws, the Articles of Association and its internal regulations, in particular the Management Board Rules of Procedure, the Supervisory Board Rules of Procedure and the German Corporate Governance Code 2022.

The Company's Business Conduct and Ethics Policy applies to all employees, directors and officers worldwide and contains ethical and legal standards that employees, directors and officers must adhere to. Under the Business Conduct and Ethics Policy, employees, directors and officers are required to comply with all laws and policies including but not limited to, the Anti-Bribery and Anti-Corruption Policy, the Gifts&Hospitality Policy, the Sanctions Policy, the Conflict of Interest Policy and the Insider Trading Compliance Policy. The details are set out in internal policies and guidelines.

### Working Practices of the Management Board

The Management Board is responsible for managing the Company in accordance with applicable law, the Articles of Association and the Management Board's Rules of Procedure. It has a duty to act in the best interests of the Company and to enhance its long-term enterprise value. The Board develops the Company's strategy, discusses it and agrees it with the Supervisory Board and ensures its implementation. It is also responsible for appropriate risk management and control. The Management Board shall inform the Supervisory Board in a timely and comprehensive manner of all matters relevant to the company and shall inform the Chairman of the Supervisory Board without undue delay of any important events or business matters that may have a significant impact on the situation of the company. The age limit for members of the Management Board is set at 69 years in the Rules of Procedure of the Management Board.

The Management Board performs its management function as a collective body. The Management Board takes joint responsibility for the overall management of the Company irrespective of the split of business areas. Its members work collaboratively and inform each other regularly about any significant measures and events within their areas of responsibility. The Management Board meets at least once per calendar quarter, and additional meetings are convened, if required.

Notwithstanding their overall responsibility for management, the individual members of the Management Board manage the areas assigned to them on their own responsibility within the framework of the Management Board's resolutions. The allocation of responsibilities among the members of the Management Board is defined in the Management Board Rules of Procedure and for Financial Year 2023 each member of the Management Board is responsible for the following areas:

#### CEO: Christoph Barchewitz

- LATAM (Dafiti)
- ANZ (THE ICONIC)
- International Brand Partnerships
- Legal & Governance, Risk & Compliance
- Communications
- People & Culture
- Accounting
- Financial Reporting & FP&A
- Treasury
- Tax
- Internal Audit
- Investor Relations

#### COO: Gunjan Soni

- SEA (Zalora)
- Product & Engineering
- Data
- Cyber Security
- Sustainability

### Composition of the Management Board

According to the Articles of Association, the Management Board shall be composed of at least two members. The Supervisory Board determines the number of Management Board members and appoints the members of the Management Board for a maximum term of office of 3 years. The Management Board consists of the Group CEO and the Group COO. The Management Board does not currently have a Chairman as the Management Board members rotate the role of Chairman.

The Supervisory Board acknowledges and appreciates the importance of diversity. A diverse composition of management and supervisory bodies can promote new perspectives in decision-making processes and discussions and help to further improve performance. In August 2022, the Supervisory Board formalised the previously disclosed diversity targets by the adoption of a Diversity Policy which confirms the Group's approach to diversity within the composition of the Management Board and the Supervisory Board. The Diversity Policy is published on our [website](#).

The Supervisory Board's target for at least one female representative to be appointed to the Management Board by 1 January 2025 has been achieved earlier by the appointment of Gunjan Soni as Group COO as of 1 March 2023.

The Supervisory Board and Management Board considers that the executive management team and employee base globally is highly diverse. The Management Board also defined a diversity target of maintaining a 50/50 gender balance on the GFG Executive team until 1 January 2025. During the Financial Year 2023, the Supervisory Board worked on a succession plan for the members of the Management Board. The Supervisory Board and Management Board will work together on keeping the succession plan up to date.

### Working Practices of the Supervisory Board

The Supervisory Board advises and supervises the Management Board in its management of the Company. It is responsible for the permanent supervision and control of the Management Board. It works closely with the Management Board for the benefit of the Company and is involved in all decisions of fundamental importance to the Company.

The rights and duties of the Supervisory Board are governed by legal requirements, the Articles of Association, the Supervisory Board Rules of Procedure and the Management Board Rules of Procedure. The Supervisory Board appoints and removes the members of the Management Board and is responsible for ensuring that long-term succession planning is undertaken.

The work of the Supervisory Board takes place in meetings as well as separate committee meetings whose Chairs provide the entire Supervisory Board with regular updates on the committee's activities. Pursuant to the Supervisory Board Rules of Procedure, the Supervisory Board shall hold at least one meeting in each calendar quarter and additional meetings should be convened as necessary.

### Composition of the Supervisory Board

The Supervisory Board must consist of at least three members in accordance with the Articles of Association. The members of the Supervisory Board are appointed and removed at the General Meeting of Shareholders which determine the term and compensation. Members of the Supervisory Board can only be appointed for a term that does not exceed five years but can be reappointed for successive terms.

The Supervisory Board Rules of Procedure sets targets for its composition and sets a profile of skills that are required for members of the Supervisory Board. According to this profile, members of the Supervisory Board shall have the required knowledge, abilities and expert experience to fulfil his / her duties properly and they must be familiar with the sector in which the Company operates. The Supervisory Board's skills and expertise also comprises expertise regarding sustainability issues relevant to the Company. At least one member must have knowledge in the field of auditing and at least one other member must have expertise in the field of auditing. The competence profile of the Supervisory Board has been published in the Corporate Governance section of the Company's [website](#).

Each member shall ensure that they have enough time to perform their mandate. At least three members of the Supervisory Board must have reasonable international experience and diversity shall be considered. In addition, the Supervisory Board has defined a diversity target of about 50% female representation on the Supervisory Board until 1 January 2025 in the updated Diversity Policy adopted by the Supervisory Board on 17 August 2022.

At least three members must not have a board position, consulting or representation duties with main suppliers, lenders or other business partners of the Company, and Supervisory Board members shall not exercise directorships or similar positions or advisory tasks for material competitors of the Company. In addition, no fewer than two members shall be independent, and no more than two former members of the Management Board shall be members of the Supervisory Board. The age limit for members of the Supervisory Board is set as 69 years.

At the 2022 general meeting of the shareholders held on 15 June 2022, shareholders reappointed the four members to the Supervisory Board for a period ending at the expiration of the General Meeting of Shareholders approving the 2024 financial results:

- Cynthia Gordon - Chairperson of the Supervisory Board, Chairperson of the Remuneration Committee and of the Nomination Committee and Member of the Audit Committee and Sustainability Committee;
- Georgi Ganev - Vice Chairperson of the Supervisory Board and Member of the Nomination Committee;
- Carol Shen - Member of the Supervisory Board, Chairperson the Sustainability Committee and Member of the Nomination Committee; and
- Laura Weil - Member of the Supervisory Board, Chairperson of the Audit Committee and Member of the Remuneration Committee.

At the 2023 General Meeting of Shareholders, held on 14 June 2023, shareholders ratified the appointment of John Baker as member of the Supervisory Board for a period ending at the expiration of the General Meeting of Shareholders approving the 2024 financial results. John Baker had been provisionally appointed by the Supervisory Board after the resignation of Victor Herrero as Supervisory Board member, effective 1 January 2023. John Baker's appointment was subject to ratification of his appointment by the General Meeting of Shareholders. John Baker is a member of the Supervisory Board, member of the Audit, Remuneration and Sustainability Committees.

The Chairperson of the Supervisory Board is an independent supervisory chair in line with the recommendations of the German Corporate Governance Code 2022.

During Financial Year 2023, the Supervisory Board has acted amongst others through the Audit Committee, Remuneration Committee, Nomination Committee and the Sustainability Committee. The table below summarises the composition of the Supervisory Board and its Committees from 1 January to 31 December 2023:

Board Member	Supervisory Board	Audit Committee	Remuneration Committee	Nomination Committee	Sustainability Committee
Cynthia Gordon	Chairperson	Member	Chairperson	Chairperson	Member
Georgi Ganev	Vice Chairperson			Member	
Laura Weil	Member	Chairperson	Member		
Carol Shen	Member			Member	Chairperson
John Baker	Member	Member	Member		Member

### Working Practices of the Audit Committee

The Chairperson of the Audit Committee has specific knowledge and experience in applying accounting principles and internal control procedures. Another member of the Audit Committee has expertise in the field of auditing. Neither the Chairperson of the Supervisory Board nor former members of the Company's Management Board whose term ended less than two years ago are eligible to be appointed as Chairperson of the Audit Committee. All members of the Audit Committee are financially literate and the Chairperson has in-depth knowledge of accounting and the financial reporting principles required. All of the members of the Audit Committee are independent in accordance with the German Corporate Governance Code 2022.

The Audit Committee oversees the accounting and financial reporting processes of the Company and the integrity of the financial statements and publicly reported results, the adequacy and effectiveness of the risk management and internal control frameworks and the choice, effectiveness, performance and independence of the internal and external auditors.

The Audit Committee also monitors the process of preparing financial information, reviews and discusses the audited financial statements with the Management Board members and the independent auditor, provides a recommendation to the Supervisory Board regarding whether audited financial statements should be included in the annual report. In addition, the Audit Committee reviews the half yearly and quarterly financial statements and prepares a recommendation for the appointment of the Independent Auditor to the Supervisory Board. The Audit Committee also reviews the performance of the Independent Auditor.

### Working Practices of the Remuneration Committee

The Remuneration Committee assists the Supervisory Board with oversight of its responsibilities in connection with the design and administration of the remuneration system for the members of the Management Board. More specifically, the Remuneration Committee reviews and approves the Remuneration Policy and monitors its administration. In doing so, the Remuneration Committee sets the compensation of the Management Board members and the associated performance targets using peer benchmarking, corporate governance recommendations and industry best practices. All of the members of the Remuneration Committee are independent.

### Working Practices of the Nomination Committee

The Nomination Committee assists the Supervisory Board with oversight of its responsibilities in connection with succession planning of the Supervisory Board and selection of candidates appointed to the Supervisory Board. Furthermore, the Nomination Committee assists the Supervisory Board with oversight of its responsibilities in connection with the succession planning of the Management Board. All of the members of the Nomination Committee are independent.

### Working Practices of the Sustainability Committee

The Sustainability Committee assists the Supervisory Board with oversight of its responsibilities in connection with the Company's sustainability policies and practices. In particular, it makes recommendations to the Supervisory Board regarding the Company's policy and performance in relation to health & safety, diversity and inclusion and compliance with laws concerning environmental and social matters and reviews their implementation. In addition, the Sustainability Committee reviews and approves the Company's sustainability strategy, objectives, key results and policies and approves for submission to the Supervisory Board the Company's annual sustainability report submitted to it by the Management Board. All of the members of the Sustainability Committee are independent.

### 1.3.3 ANNUAL GENERAL MEETING AND SHAREHOLDERS

The shareholders of the Company exercise their rights, including their right to vote, at an Annual General Meeting ("AGM"). Each share in the Company grants one vote.

The AGM is required to be held within the first six months of the Financial Year, and the agenda along with the reports and documents required for the AGM are to be published on the Company's [website](#).

Certain matters set out in the Articles of Association require the approval of shareholders. Resolutions on matters that require shareholder approval are adopted at the AGM, including, increasing/reducing the Company's share capital or authorised capital, appointment and removal of members of the Supervisory Board and the independent auditors and resolutions on allocation of the remainder of any annual net profit.

To facilitate the personal exercise of their voting rights, GFG makes available a proxy who is bound by instructions and who may also be contacted during the AGM. The invitation to the AGM explains how instructions may be given ahead of the meeting.

### 1.3.4 TAKEOVER LAW

#### Composition of Subscribed Capital

As of December 31, 2023, the share capital of the Company amounts to €2,237,929.12, and is divided into 223,792,912 common shares with a nominal value of €0.01 each. The common shares are fully paid-up. The Company holds common shares in dematerialised form and all future common shares to be issued by the Company will be issued in dematerialised form.

#### Restrictions on Voting Rights or the Transfer of Shares

The Company's common shares in dematerialised form are freely transferable through book entry transfers in accordance with the legal requirements for dematerialised shares.

Each common share carries identical rights and obligations, save for the common shares held by the Company in treasury, from which the Company derives no rights. As of December 31, 2023, the Company held 278,773 common shares in treasury.

#### Equity Interests in the Company That Exceed 5% of Voting Rights<sup>1</sup>

On the basis of the voting rights notifications received by the Company in accordance with Article 11, Section 6 of the Luxembourg Transparency Law and Section 40, Paragraph 1 of the German Securities Trading Act (WpHG), as at 31 December 2023 we have been notified that the following direct or indirect shareholders in the capital of the Company have reached or exceeded 5% of the voting rights in the Company:

Name of Shareholder	Details	Holding Percentage	Most Recent Declaration
Zerena GmbH	Indirectly holds 15.17% of the voting rights of the Company, through Rocket Internet SE who directly hold 14.63% and a further 0.23% through the holdings of MKC Brilliant Services GmbH and Bambino 53. VV GmbH.	14.86%	3 February 2022
Kinnevik A.B.	Indirectly holds 36.99% of the voting rights in the Company through Invik S.A. who directly hold 36.99%.	36.99%	21 December 2020
Crestbridge Management Company S.A.	Indirectly holds 9.44% of the voting rights of the Company, through Rocket Internet Capital Partners SCS who directly holds 6.00% of the voting rights of the Company, and Rocket Internet Capital Partners (Euro) SCS who directly holds 3.45% of the voting rights of the Company.	9.44%	4 July 2019

<sup>1</sup> During 2022 and 2023, UBS Group AG notified GFG several times of changes in its indirect holding of shares and other financial instruments above and below the 5% voting rights notification threshold. For the avoidance of doubt, UBS Group AG's indirect holding of shares in the Company remained below 5% in each of the notifications received. The latest notification of voting rights was published on 11 January 2024, where UBS Group AG notified GFG of a 5.65% indirect holding of shares and other financial instruments that triggered such voting rights notification. All UBS notifications can be found within the Financial News/Voting Rights/2022 section on GFG Website (<https://ir.global-fashion-group.com/websites/globalfashion/English/1040/financial-news.html#tab-2022>).

The Company was not notified of any other direct or indirect capital investments that reach or exceed 5% of the voting rights of the Company during the Financial Year ended 31 December 2023. Further, the distribution of voting rights included above may have changed within the reportable thresholds.

## Legal requirements and provisions of the Articles of Association governing the Appointment and Dismissal of Members of the Management Board, and amendments to the Articles of Association

The Management Board must consist of at least two persons in accordance with Article 13.1 of the Articles of Association. In all other respects, the Supervisory Board determines the number of Management Board members. The Supervisory Board appoints the members of the Management Board on the basis of Luxembourg Company Law and Article 15 of the Articles of Association for a term of office lasting no longer than five years. The Supervisory Board Rules of Procedure states that all future appointments to the Management Board will be for a maximum term of three years to ensure compliance with the German Corporate Governance Code. Reappointments for successive years are permitted. The Supervisory Board is entitled to revoke the appointment of a Management Board member for cause (pursuant to Article 15.3 of the Articles of Association).

Changes to the Articles of Association must be agreed at a General Meeting of Shareholders. Unless a higher majority is required by binding legal requirements or the Articles of Association, resolutions proposed at the AGM are passed by a simple majority of votes cast in accordance with Article 11.2 of the Articles of Association. According to Article 11.5 of the Articles of Association, a vote passed by a majority of at least two thirds of the votes validly cast at a general meeting at which a quorum of more than half of the Company's capital is represented is required in order to amend the Articles of Association. Abstentions and nil votes shall not be taken into account.

The Company is authorised to amend the wording of the Articles of Association after carrying out capital increases from authorised capital or after the expiry of the corresponding authorisation, option, or conversion period.

## Authority of the Management Board to Issue and Buy Back Shares

### Authorised Capital

As at 31 December 2023, pursuant to Article 6.1 of the Articles of the Association, the Company's authorised capital, excluding the issued share capital, is €2,156,423.39 represented by 215,642,339 common shares with a nominal value of €0.01 each. Pursuant to Article 6.2 of the Articles of Association, during a period of five years from the date of any resolutions to create, renew or increase the authorised capital pursuant to Article 6.2, the Management Board, with the consent of the Supervisory Board, is authorised to issue shares, to grant options to subscribe for shares and to issue any other instruments giving access to shares within the limits of the authorised capital to such persons and on such terms and subject to the limitations set out in the Special Report of the Management Board of the Company with respect to the authorised share capital dated 1 May 2023 (the "Special Board Report"). The issue of such instruments will reduce the available authorised capital accordingly.

The Special Board Report also sets out circumstances in which the powers under the authorised capital could be used if convening a general shareholders' meeting would be undesirable or not appropriate. For example, such circumstances could arise when there is a financing need or if the convening of a shareholders' meeting would lead to an untimely announcement of a transaction, which could be disadvantageous to the Company.

As at 1 January 2023, the issued share capital of the Company amounted to €2,202,929.12, and was divided into 220,292,912 common shares with a nominal value of €0.01 each. All of the Company's common shares are held in dematerialised form and are admitted to trading on the Frankfurt Stock Exchange.

On 21 March 2023, the Company issued 3,500,000 common shares to an employee benefit trust to satisfy the settlement of share incentives which have been granted to current and former employees of the Company and its subsidiaries.

As at 31 December 2023, the issued share capital of the Company amounts to €2,237,929.12, and is divided into 223,792,912 common shares with a nominal value of €0.01 each. All of the Company's common shares are held in dematerialised form and are admitted to trading on the Frankfurt Stock Exchange.

Pursuant to Article 6.3 of the Articles of Association, the Company's authorised capital may be increased or reduced by a resolution of a General Meeting of Shareholders adopted in the manner required for an amendment to the Articles of Association. The authorisations in Articles 6.2 and 6.3 of the Articles of Association may be renewed through a resolution of a General Meeting of Shareholders adopted in the manner required for an amendment of the Articles of Association and subject to the provisions of the Luxembourg Company Law, each time for a period not exceeding five years.

On 25 August 2023, the Company repurchased €74,600,000 of the Convertible bonds due 2028 issued by the Company (the "Convertible bonds"). The purchase price per €100,000 nominal amount was €73,000. In addition, the Company paid interest accrued on the Bonds from and including the immediately preceding interest payment date to but excluding the settlement date of the repurchase, which amounted to €553.67 per Bond. In addition, on 31 August 2023, the Company repurchased an additional €27,000,000 of the Convertible bonds. The purchase price per €100,000 nominal amount was €73,000. In addition, the Company paid interest accrued on the Bonds from and including the immediately preceding interest payment date to but excluding the settlement date of the repurchase, which amounted to €574.05 per Bond. Following the settlement of both repurchases, an aggregate principal amount of the Bonds of €178,300,000 in aggregate principal amount of Convertible bonds is outstanding.

A portion of up to 29,761,905 common shares under the authorised share capital remains reserved for the conditional issuance of shares under the Convertible bonds and may not be used for any other purposes.

## Treasury Shares

According to Article 7.1 of the Articles of Association, the Company may, to the extent and under the terms permitted by law, repurchase its own shares and hold them in treasury. As at 31 December 2023, the Company held 278,773 common shares in treasury. In line with Luxembourg Company Law, the voting rights attached to the common shares held in treasury by the Company are suspended. The Company's Annual General Meeting 2021 authorised the Management Board to repurchase up to 20% of the total number of common shares of the Company until 25 May 2026. No use was made of this authorisation for Financial Year 2023.

Without prejudice to the principle of equal treatment of shareholders in the same situation and the provisions of the Luxembourg Market Abuse Law, pursuant to Article 430-15 of the Luxembourg Company Law, the Company may acquire its own shares either itself or through a person acting in its own name but on the Company's behalf subject to the following statutory conditions:

- The authorisation to acquire shares is to be given by a general meeting of the shareholders', which determines the terms and conditions of the proposed acquisition and in particular the maximum number of shares to be acquired, the duration of the period for which the authorisation is given, which may not exceed five years, and in the case of acquisition for value, the maximum and minimum consideration;
- The acquisitions must not have the effect of reducing the net assets of the Company below the aggregate of the subscribed capital and the reserves, which may not be distributed under the law or the Articles of Association; and
- Only fully paid-up shares may be included in the transaction.

At the time each authorised acquisition is carried out, the Management Board must ensure that the statutory conditions set out above are complied with.

Where the acquisition of the Company's own shares is necessary in order to prevent serious and imminent harm to the Company, no authorisation will be required from a general meeting of the shareholders'. In such a case, the next general meeting of the shareholders' must be informed by the Management Board of the reasons for and the purpose of the acquisitions made, the number and nominal values, or in the absence thereof, the accounting par value of the shares acquired, the proportion of the subscribed capital which they represent and the consideration paid for them.

No authorisation will likewise be required from a general meeting of the shareholders' in the case of shares acquired either by the Company itself or by a person acting in his/her own name but on behalf of the Company for the distribution thereof to employees. The distribution of any such shares must take place within twelve months from the date of their acquisition.

Pursuant to Article 430-16 of the Luxembourg Company Law, the acquisition of shares is also permitted in the following circumstances if such an acquisition would not have the effect of reducing the net assets of the Company below the aggregate of the subscribed capital and the Company's non-distributable reserves:

- Shares acquired pursuant to a decision to reduce the capital or in connection with the issue of redeemable shares; Shares acquired as a result of a universal transfer of assets; Fully paid-up shares acquired free of charge or acquired by banks and other financial institutions pursuant to a purchase commission contract;
- Shares acquired by reason of a legal obligation or a court order for the protection of minority shareholders, in particular, in the event of a merger, the division of the Company, a change in the Company's object or form, the transfer abroad of its registered office or the introduction of restrictions on the transfer of shares;
- Shares acquired from a shareholder in the event of failure to pay them up; and
- Fully paid-up shares acquired pursuant to an allotment by court order for the payment of a debt owed to the Company by the owner of the shares.

Generally, such acquired shares must be disposed of within a maximum period of three years after their acquisition or they must be cancelled. There are some statutory exceptions to this.

## Material agreements entered into by the company providing for a change of control upon a takeover bid

The convertible bond is subject to the condition of a change of control. In the event of a change of control, each bondholder is entitled to convert their bonds at a preferential conversion price on the control acquisition date.

## Compensation arrangements agreed by the company with the Members of the Management Board or employees in the event of a takeover bid

In the event of a change of control, certain unvested awards granted to the Management Board under the 2019 LTIP and 2021 LTIP will vest at the time of the change of control.

# 1.3.5 REMUNERATION REPORT AND OTHER DISCLOSURES

This report provides information about the structure of the remuneration framework and how it is operated at GFG. There is a remuneration report for the Management Board and the Supervisory Board.

## Our Approach to Reporting

The approach to how we structure and report remuneration at GFG reflects the following considerations:

- As a Company incorporated and existing under the laws of Luxembourg, the remuneration report has primarily been prepared in accordance with Luxembourg’s Law of 24 May 2011 (as amended from time to time).
- Recognising that it is an important foundation for responsible corporate governance, the Company also voluntarily follows, to the extent that it is consistent with Luxembourg corporate law and GFG’s corporate structure, the recommendations of the German Corporate Governance Code 2019, amended in 2022 (the “Code”) with certain exemptions, as set out in our Declaration of Compliance, 17<sup>th</sup> August 2023.

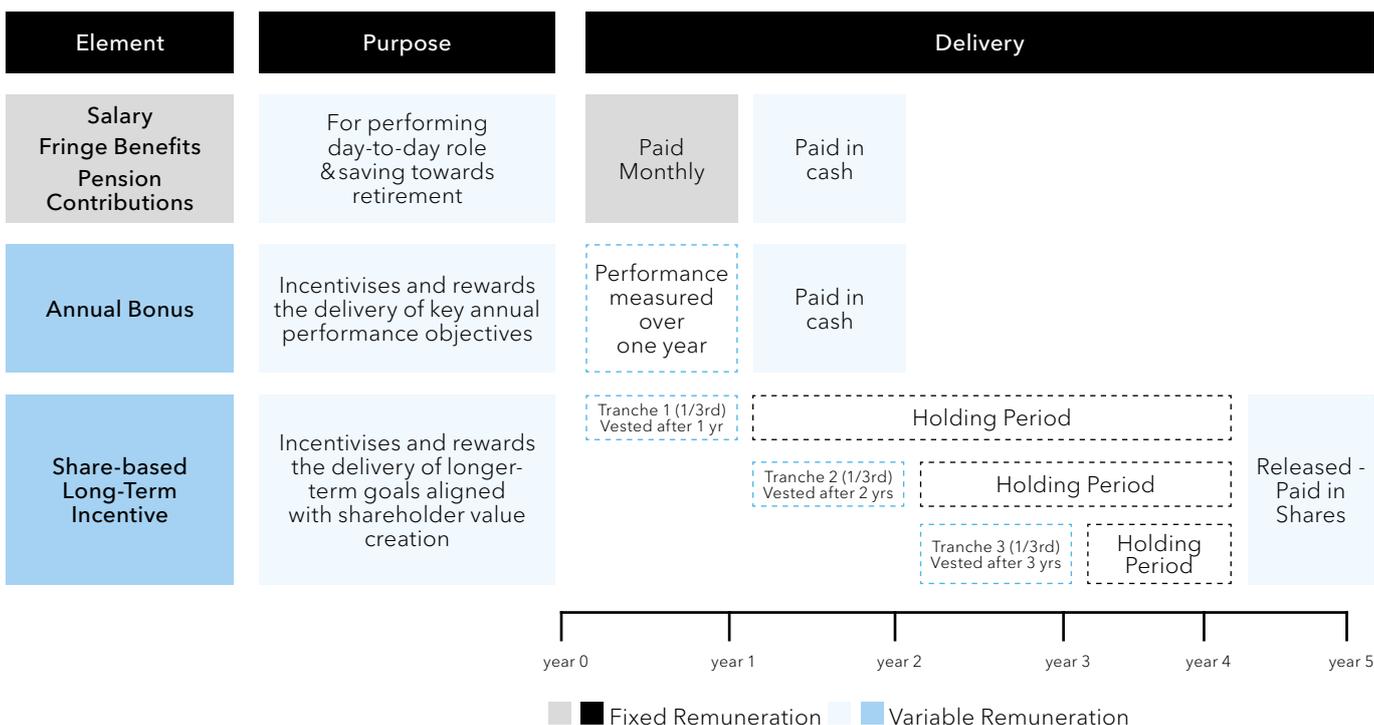
## Management Board Remuneration Report

### Management Board Remuneration Framework

GFG shareholders approved the revised Remuneration Policy at our 2023 Annual General Meeting (“AGM”), which includes the remuneration framework applicable to members of the Management Board. The remuneration framework at GFG is designed to incentivise and reward for performance that will lead to long-term and sustainable growth in shareholder value. To this end, the remuneration framework has been built around the following key principles:

- **Balanced package** - appropriate balance between fixed and variable and short- and long-term elements of pay
- **Long-term alignment** - variable components align with and incentivise the delivery of long-term sustainable performance
- **Strategic alignment** - framework aligned with GFG’s key strategic objectives and overall economic performance
- **Competitiveness** - allows GFG to compete for talent in the key markets and industry in which it operates

With these principles in mind, the Management Board remuneration framework is shown in more detail below.



The framework is intended to place appropriate balance between fixed and variable remuneration, and particular emphasis on the long-term element when setting annual compensation packages. We invite you to read the details of the actual remuneration mix for FY2023 on page 5. A long-term focus helps ensure that Management Board members should only receive significant reward for delivering strong and sustainable performance. GFG has voluntarily elected to comply with the German Code of Corporate Governance,

including the 4 year holding period recommended for Share-based Long-Term Incentives of the Management Board thereunder. It also clearly aligns the interests of the Management Board with those of GFG’s shareholders.

Further information on each element of remuneration is provided in the table below, while our Remuneration Policy Report (as approved by shareholders at our 2023 AGM) provides further technical details.

## Management Board Remuneration for 2023

This section details the actual remuneration and benefits granted to the Management Board during the Financial Year 2023. All remuneration awarded to the Management Board during 2023 was in line with the Company's Remuneration Policy.

Until 1 March 2023, the Management Board was composed of three members, Christoph Barchewitz (Co-CEO), Patrick Schmidt (Co-CEO) and Matthew Price (CFO). Effective 1 March 2023, the Supervisory Board appointed Christoph Barchewitz as sole CEO of GFG Group and he remained a member of the Management Board. Additionally, Gunjan Soni was appointed Group COO and Member of the Management Board and Patrick Schmidt stepped down from his role as Co-CEO and Member of the Management Board. As of 14 August 2023, Matthew Price

stepped down from his role as Group CFO and Member of the Management Board, with his last day of employment being 31 August 2023.

Therefore tables below set out (i) each individual's total remuneration in relation to 2023 and other relevant information, and (ii) their resulting balance of fixed and variable pay. The remainder of the section provides further information on the figures show. For the Management Board members that have either joined or stepped down from the Management Board, all data below is prorated for tenure accordingly. In the case of Mr Matthew Price the compensation is pro rata from 1 January 2023 to 14 August 2023 and for Ms Gunjan Soni pro rata from 1 March 2023 to 31 December 2023.

### i) Management Board - Individual Total Remuneration

#### Christoph Barchewitz (Chief Executive Officer)<sup>1</sup> year of Appointment to the Management Board: 2019

In € <sup>2</sup>	Benefits Granted			Benefits Received	
	2023 (Min.)	2023 (Max.)	2022	2023	2022
Fixed Remuneration	751,641	751,641	663,779	751,641	663,779
Fringe Benefits	36,488	36,488	34,586	36,488	34,586
<b>Total (fixed components)</b>	<b>788,130</b>	<b>788,130</b>	<b>698,365</b>	<b>788,130</b>	<b>698,365</b>
Short-Term Incentive	-	845,597	597,401	281,866 <sup>3</sup>	398,267
Long-Term Incentive <sup>4</sup>	- <sup>5</sup>	1,070,400 <sup>5</sup>	579,999	-	-
<b>Total (variable components)</b>	<b>-</b>	<b>1,915,997</b>	<b>1,177,400</b>	<b>281,866</b>	<b>398,267</b>
Pension Supplement	75,164	75,164	66,378	75,164	66,378
<b>Total Remuneration</b>	<b>863,294</b>	<b>2,779,290</b>	<b>1,942,143</b>	<b>1,145,159</b>	<b>1,163,010</b>

<sup>1</sup> Mr. Barchewitz was appointed as Co-CEO on 01 February 2018 and CEO on 01 March 2023

<sup>2</sup> As the remuneration for Mr. Barchewitz is denominated in British pounds, exchange rates of 1£ / 1.16€ and 1£ / 1.13€ have been used for 2023 and 2022 respectively

<sup>3</sup> Reflects an overall performance outcome of 50% of target

<sup>4</sup> The value of Long-Term Incentives are based on the fair value determined at the grant date

<sup>5</sup> The first tranche of the 2023 grant under the LTI Plan which was made during the reporting period (grant date of 27 March 2023) will vest on 30 April 2024 and remains subject to the holding period until 30 April 2027. The remaining tranches will vest on 30 April 2025 and 30 April 2026 and remain subject to the same holding period

#### Gunjan Soni (Chief Operating Officer)<sup>1</sup> year of Appointment to the Management Board: 2023

In € <sup>2</sup>	Benefits Granted			Benefits Received	
	2023 (Min.)	2023 (Max.)	2022	2023	2022
Fixed Remuneration	419,750	419,750	-	419,750	-
Fringe Benefits	22,970	22,970	-	22,970	-
<b>Total (fixed components)</b>	<b>442,720</b>	<b>442,720</b>	<b>-</b>	<b>442,720</b>	<b>-</b>
Short-Term Incentive	-	377,775	-	125,925	-
Long-Term Incentive <sup>3</sup>	-	355,014	-	58,888 <sup>4</sup>	-
<b>Total (variable components)</b>	<b>-</b>	<b>732,789</b>	<b>-</b>	<b>184,813</b>	<b>-</b>
Pension Supplement	41,975	41,975	-	41,975	-
<b>Total Remuneration</b>	<b>484,695</b>	<b>1,217,484</b>	<b>-</b>	<b>669,508</b>	<b>-</b>

<sup>1</sup> Ms. Soni was appointed as COO on the 01 March 2023

<sup>2</sup> As the remuneration for Ms. Soni is denominated in Singapore Dollars, exchange rates of 1S\$/0.69€ has been used for 2023

<sup>3</sup> The value of Long-Term Incentives are based on the fair value determined at the grant date

<sup>4</sup> The tranches that vested in 2022 came out of holding and were delivered

## Patrick Schmidt (Co-Chief Executive Officer)<sup>1</sup> year of Appointment to the Management Board: 2019

In € <sup>2</sup>	Benefits Granted			Benefits Received	
	2023 (Min.)	2023 (Max.)	2022	2023	2022
Fixed Remuneration	507,917	507,917	609,500	507,917	609,500
Fringe Benefits	7,779	7,779	25,738	7,779	25,783
<b>Total (fixed components)</b>	<b>515,696</b>	<b>515,696</b>	<b>635,238</b>	<b>515,696</b>	<b>635,238</b>
Short-Term Incentive	-	457,125	548,550	-	365,700
Long-Term Incentive <sup>3</sup>	-	-	579,999	256,289 <sup>4</sup>	-
<b>Total (variable components)</b>	<b>-</b>	<b>457,125</b>	<b>1,128,549</b>	<b>256,289</b>	<b>365,700</b>
Pension Supplement	10,158	10,158	30,475	10,158	30,475
<b>Total Remuneration</b>	<b>525,854</b>	<b>982,979</b>	<b>1,794,262</b>	<b>782,143</b>	<b>1,031,413</b>

<sup>1</sup> Mr. Schmidt departed the business on 30 April 2023

<sup>2</sup> As the remuneration for Mr. Schmidt is denominated in Danish Krone, an exchange rate of 1DKK/0.13€ has been used for 2023

<sup>3</sup> The value of Long-Term Incentives are based on the fair value determined at the grant date

<sup>4</sup> For the tranches that vested in 2023, shares were delivered at Fair Market Value at the vesting date to cover the tax liability that crystallised upon vesting, further details of which have been provided in the Annual Report 2021. The proceeds remain under holding. Subsequently, the 2019 award came out of holding on 30 September 2023 and was delivered

## Matthew Price (Chief Financial Officer)<sup>1</sup> year of Appointment to the Management Board: 2019

In € <sup>2</sup>	Benefits Granted			Benefits Received	
	2023 (Min.)	2023 (Max.)	2022	2023	2022
Fixed Remuneration	361,807	361,807	527,198	361,807	527,198
Fringe Benefits	-	-	1,524	-	1,524
<b>Total (fixed components)</b>	<b>361,807</b>	<b>361,807</b>	<b>528,722</b>	<b>361,807</b>	<b>528,722</b>
Short-Term Incentive	-	325,627	474,478	108,542 <sup>3</sup>	316,319
Long-Term Incentive <sup>4</sup> (Total)	-	-	579,000	85,266	-
<b>Total (variable components)</b>	<b>-</b>	<b>325,627</b>	<b>1,053,478</b>	<b>193,808</b>	<b>316,319</b>
Pension Supplement	36,181	36,181	52,720	36,181	52,720
<b>Total Remuneration</b>	<b>397,988</b>	<b>723,615</b>	<b>1,634,920</b>	<b>591,796<sup>5</sup></b>	<b>897,761</b>

<sup>1</sup> Mr. Price departed the business on 31 August 2023

<sup>2</sup> As the remuneration for Mr. Price is denominated in British pounds, exchange rates of 1£/1.16€ and 1£/1.13€ have been used for 2023 and 2022 respectively.

<sup>3</sup> Reflects an overall performance outcome of 50% of target

<sup>4</sup> The value of Long-Term Incentives are based on the fair value determined at the grant date

<sup>5</sup> The 2019 award came out of holding on 30 September 2023 and was delivered

## ii) Management Board Individual Remuneration Mix

	Benefits Granted		Benefits Received
	2023 Min.	2023 Max	2023
<b>Christoph Barchewitz</b>			
Fixed Remuneration	100%	31%	75%
Variable Remuneration	0%	69%	25%
<b>Gunjan Soni</b>			
Fixed Remuneration	100%	40%	72%
Variable Remuneration	0%	60%	28%
<b>Patrick Schmidt</b>			
Fixed Remuneration	100%	53%	67%
Variable Remuneration	0%	47%	33%
<b>Matthew Price</b>			
Fixed Remuneration	100%	55%	67%
Variable Remuneration	0%	45%	33%

## Salary

In Q1 2023, we updated our previous industry peer benchmarking exercise for the Management Board members done with our external independent advisory partners. The results indicated that the base salaries were competitive and relevant to this peer group for our Management Board. The committee considered the overall market benchmarking along with the sizable increase in scope and responsibility as sole CEO and determined an adjustment of 10% increase to base salary awarded for Mr. Christoph Barchewitz.

Separately, Mr. Patrick Schmidt received a partial payment equal to 6 months salary of his contractual 9 month notice period and was paid in lieu upon stepping down from his role as Co-CEO and Member of the Management Board.

## Fringe Benefits

Benefits which the Management Board members received during 2023 and which are captured in the figure shown on the prior page include health insurance, life&income protection insurance aligned to the contractual agreements.

## Pension Contributions

For 2023, Mr. Christoph Barchewitz, Ms. Gunjan Soni and Mr. Matthew Price were provided with a cash supplement in lieu of pension participation of 10% of base salary. Mr. Patrick Schmidt was provided with a cash supplement in lieu of pension participation of 5% of base salary. The supplement was paid with the monthly base salary and pro rata for the period worked in the case of Mr. Patrick Schmidt and Mr. Matthew Price.

## 2023 Annual Short Term Incentive

At the start of 2023, financial performance targets and non-financial targets were set for the Management Board under the Short-Term Incentive Program. The Short Term Incentive target payout was adjusted from 60% to 75% of base salary for on target achievement for Mr. Christoph Barchewitz as the sole CEO. For Ms. Gunjan Soni, the target payout opportunity was 60% of base salary for on target achievement, reflecting the amended Remuneration Policy approved at the 2023 annual general meeting.

The financial metrics for the 2023 Short Term Incentive, which represent 80% of the total opportunity, were NMV Growth (20%), Adjusted EBITDA (40%) and Cash flow (40%). The non-financial metrics which represent 20% of the total opportunity relate to our Sustainability objectives which we introduced as targets in 2022 in line with our commitment to become a leader in sustainability. These non-financial metrics are aligned with the annual milestones required to deliver our publicly communicated Sustainability Commitments. For 2023, the sustainability related non-financial metrics both achieved the 2023 milestone targets and focused on the following two strategic goals:

- % NMV from products made using majority sustainable materials and/or eco-friendly production
- % of third-party brands meeting GFG's human rights standards for brands

The Supervisory Board assessed the 2023 performance against the agreed Short Term Incentive targets and in doing so considered the financial performance of the Group for the full year, and the outcome of the non-financial targets. Based on overall financial and non-financial targets during 2023, the Supervisory Board has determined that the annual bonus achievement was at 50% of overall.

Financial Metrics	Weighting	Target	Achievement	Weighted Pay-out
A combination of key financial metrics, aligned with GFG's short-term business priorities				
NMV (YoY %)	16% of total	2.0%	(14.2)%	0%
Adjusted EBITDA (€m)	32% of total	(8.0)	(58.3)	0%
Cash flow (€m) <sup>1</sup>	32% of total	(65.0)	(67.6)	28.7%

Sustainability Objectives	Weighting	Target	Achievement	Weighted Pay-out
Sustainability objectives for Management Board member focused on GFG's strategic sustainability priorities				
Climate Action	10% of total	15.5%	% NMV from products made using majority sustainable materials &/or eco-friendly production 15.8%	10.4%
Fair & Ethical Sourcing	10% of total	10.3%	Third-party brands % of brands meeting GFG's human rights standards for brands 11.1%	10.9%
<b>Total 2023 Annual Bonus</b>				<b>50% Achievement</b>

<sup>1</sup> The cash flow performance target excludes exceptional items, one-off items and funding activities

### Long Term Incentive ("LTIP"): Awards Granted During 2023

During the Financial Year 2023, Management Board members, Mr. Christoph Barchewitz and Ms. Gunjan Soni received awards under the GFG Share Plan. Awards were granted in the form of PSUs, reflecting GFG's pay for performance ethos to both Members, additionally the Supervisory Board also determined a single first year RSU Award for Ms Gunjan Soni specifically to support her transition to the Management Board.

RSU/PSU awards are divided into three equal tranches, vesting after 1, 2 and 3 years respectively. The metrics and targets for each tranche are set annually at the start of each Financial Year. The extent to which the targets are achieved determines the vesting level for the associated tranche. All tranches are subject to a holding period of 4 years from grant.

2023 Grant Tranches	Achievement Based on Financial Year Metrics & Targets
Tranche 1 - vesting 2024	1 Jan - 31 Dec 2023
Tranche 2 - vesting 2025	1 Jan - 31 Dec 2024
Tranche 3 - vesting 2026	1 Jan - 31 Dec 2025

The performance conditions attached to Tranche 1 of the 2023 Grant – NMV Growth in Constant Currency and Adjusted EBITDA as a percentage of Revenue – remain aligned with GFG's key strategic areas of focus and incorporate realistic yet stretching organisational targets.

Management Board Member	# RSU Granted (2023 Grant)	# PSU Granted (2023 Grant)	
		'On Target'	'At Maximum'
Christoph Barchewitz	-	420,000	600,000
Gunjan Soni	99,999	208,599	297,999

The Supervisory Board awarded in Financial Year 2023 a further performance grant of 600,000 units to Mr. Christoph Barchewitz with the specific aim of rewarding an acceleration of the company's financial performance in the next 3 years (i.e. 2023 - 2026). The award is structured with specific stretch performance criteria of achievement of Adjusted EBITDA breakeven and positive Normalised Free Cash Flow by end of 2026.

Awards are subject to malus and clawback provisions for four years from grant, with trigger conditions which include material misstatement, an error in assessing the performance condition, serious misconduct or material error on behalf of the participant, as well as other circumstances as considered appropriate by the Supervisory Board.

### Long Term Incentive: Outstanding Awards

The LTIP Overview table provides further information for each Management Board member as to the number of units outstanding under the GFG Share Plan and the 2016 LTIP legacy plan. The Awards made during 2023 (as described above) can be seen under the line "Granted during the reporting period."

The Remuneration Committee and Supervisory Board extended from four to five years the holding period applicable to 460,321 shares granted to Christoph Barchewitz in September 2019 that were subject to a four year holding period and were scheduled to be released on 30 September 2023. Therefore, the release of 460,321 shares is scheduled for 30 September 2024.

The Company did not apply malus or clawback with respect to any awards held by Management Board members during the Financial Year 2023.

LTIP Overview (unless otherwise stated this table refers to the GFG Share Plan)

	Christoph Barchewitz <sup>1</sup>			Gunjan Soni <sup>2</sup>		
	RSUs	PSUs	Stock Options	RSUs	PSUs	Stock Options
<b>Outstanding at the beginning of the reporting period</b>	<b>410,799</b>	<b>806,671</b>	<b>608,175</b>	<b>144,999</b>	<b>238,610</b>	<b>107,080</b>
Granted during the reporting period	-	1,200,000 <sup>3</sup>	-	99,999	297,999 <sup>3</sup>	-
Vested during the reporting period	33,333	180,596 <sup>4</sup>	-	48,333	30,816 <sup>5</sup>	-
Delivered during the reporting period	-	-	-	33,333	45,987	-
Forfeited/expired during the reporting period	-	61,993 <sup>6</sup>	-	-	61,169 <sup>6</sup>	-
Exercised during the reporting period (2016 LTIP)	-	-	-	-	-	-
<b>Outstanding at the end of the reporting period<sup>10</sup></b>	<b>410,799</b>	<b>1,944,678</b>	<b>-</b>	<b>211,665</b>	<b>429,453</b>	<b>-</b>
<b>Exercisable at the end of the reporting period</b>	<b>-</b>	<b>-</b>	<b>608,175<sup>7</sup></b>	<b>-</b>	<b>-</b>	<b>107,080<sup>9</sup></b>
	Patrick Schmidt <sup>1</sup>			Matthew Price <sup>1</sup>		
	RSUs	PSUs	Stock Options	RSUs	PSUs	Stock Options
<b>Outstanding at the beginning of the reporting period</b>	<b>307,199</b>	<b>657,266</b>	<b>671,517</b>	<b>288,159</b>	<b>439,929</b>	<b>-</b>
Granted during the reporting period	-	-	-	-	-	-
Vested during the reporting period	33,333	180,596 <sup>4</sup>	-	33,333	100,580 <sup>4</sup>	-
Delivered during the reporting period	240,533	266,087	-	188,160	67,893	-
Forfeited/expired during the reporting period	66,666	312,493 <sup>6</sup>	-	66,666	200,461 <sup>6</sup>	-
Exercised during the reporting period (2016 LTIP)	-	-	-	-	-	-
<b>Outstanding at the end of the reporting period<sup>10</sup></b>	<b>-</b>	<b>78,686</b>	<b>-</b>	<b>33,333</b>	<b>171,575</b>	<b>-</b>
<b>Exercisable at the end of the reporting period</b>	<b>-</b>	<b>-</b>	<b>671,517<sup>8</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> Appointment to the Management Board in June 2019

<sup>2</sup> Appointment to the Management Board in March 2023

<sup>3</sup> The grant is subject to multi-year performance criteria with a 3 year vesting schedule

<sup>4</sup> Based on PSU performance conditions achievement during the performance period (i.e. 74.44% of maximum opportunity)

<sup>5</sup> Based on PSU performance conditions achievement during the performance period (i.e. 33.5% of maximum opportunity)

<sup>6</sup> Represents the non-vested portion of the PSUs resulting from the performance conditions achieved vs. maximum potential

<sup>7</sup> Options with strike prices ranging from €5.37 to €7.99. No more options will be granted under this programme

<sup>8</sup> Options with strike prices ranging from €0.01 to €7.99. No more options will be granted under this programme

<sup>9</sup> Options (cash awards) with strike prices ranging from €5.99 to €15.97. No more options will be granted under this programme

<sup>10</sup> Including all units under holding

### Change in Pay of Management Board Members

The diverse geographical footprint where GFG operates, combined with over 4,400 employees globally, our approach to defining appropriate remuneration is localised to the countries and employment law landscape. This makes it difficult for the Company to establish an average remuneration for GFG for past financial years for the purpose of comparing the remuneration

of the Management Board. GFG strives to provide remuneration packages that are both competitive externally and proportionate internally for the markets in which we operate. For comparison externally against peers in the sector in which we operate and that are comparable and representative of the markets, the remuneration of the Management Board is in line with our sector median total cash level.

## Supervisory Board Remuneration Report

The remuneration of the members of the Supervisory board is established by the Shareholders of the Company in accordance with its Articles of Association. The remuneration of the

Supervisory Board members was approved at the Annual General Meeting of Shareholders held on 14 June 2023. The table below shows the current Supervisory Board Fee structure:

	Supervisory Board	Audit Committee	Sustainability Committee	Remuneration Committee	Nomination Committee
Chairman	€40,000 (cumulative with Member fee)	€40,000	€20,000	€25,000	€10,000
Deputy Chairman	€10,000 (cumulative with Member fee)	n/a	n/a	n/a	n/a
Member	€30,000	€10,000	€10,000	€10,000	€5,000

The remuneration is payable in monthly instalments through the reporting period. The table below sets out the total remuneration paid to each Supervisory Board member individually for the Financial Year 2023. The Remuneration of the Supervisory Board

has remained constant in the last years with a slight amendment in Financial Year 2022 when the Remuneration and Nomination Committee we put in place.

Board Member	Supervisory Board Positions	Fees (€) FY2023	Total Fees (€) FY2023
Cynthia Gordon	Supervisory Board Member	30,000	125,000
	Supervisory Board Chair	40,000	
	Audit Committee Member	10,000	
	Remuneration Committee Chair	25,000	
	Sustainability Committee Member	10,000	
	Nomination Committee Chair	10,000	
Georgi Ganev	Supervisory Board Member	30,000	45,000 (Waived) <sup>1</sup>
	Supervisory Board Deputy Chair	10,000	
	Nomination Committee Member	5,000	
Laura Weil	Supervisory Board Member	30,000	80,000
	Audit Committee Chair	40,000	
	Remuneration Committee Member	10,000	
Carol Shen	Supervisory Board Member	30,000	50,000
	Remuneration Committee Member	20,000	
John Baker	Supervisory Board Member	30,000	60,000
	Audit Committee Member	10,000	
	Remuneration Committee Member	10,000	
	Sustainability Committee Chair	10,000	

<sup>1</sup> Georgi Ganev waived his entitlement to remuneration for the reporting period. However, this waiver can be removed for future reporting periods.

Additionally, GFG reimburses the Supervisory Board members their expenses related to the Supervisory Board mandate. GFG also provides directors and officers insurance coverage for the Supervisory Board members without any deductible payable by the Supervisory Board member.

## 1.3.6 FINANCIAL REPORTING

At the AGM on 14 June 2023, Ernst & Young ("EY") were re-elected as the independent auditor of the standalone and consolidated financial statements. In preparation, Ernst & Young presented a statement of compliance with the relevant ethical requirements on independence and disclosed that there are no business, financial, personal or other relationships between the auditor, its governing bodies and audit managers, on the one hand, and the Company and its directors, on the other, which could give cause to doubt the auditor's independence.