WESTWING

Live *Beautiful*.

ANNUAL REPORT
2024

Westwing
at a *glance*

EUR
444 m
of revenue in 2024

EUR
24.0 m
Adjusted EBITDA for 2024

Founded in
2011

80%
of orders come
from our repeat customers

Westwing operates
in a EUR
130 bn
market with distinct geographies

Presence in
12
countries across Europe

Listed since
2018
on the Frankfurt Stock Exchange

Excite people to create homes that unlock the *full beauty of life*

As Europe's number one in Beautiful Living e-commerce, Westwing's mission since its launch in 2011 has been to inspire customers every day. Westwing carefully curated selection of Home & Living design products and premium content makes it easy to discover and order favourite items.

Westwing is a one-stop destination with thoughtfully chosen products spanning all Home & Living categories and exceptional services – a concept that sets it apart from traditional search-based e-commerce models. Westwing's 8.6 million Instagram followers make Westwing the world's largest Home & Living brand account, reflecting the relevance of its product assortment and content for its customers.

Westwing's fresh daily inspiration and distinctive brand experience give customers countless reasons to return to its online shop every day. Westwing combines its own Westwing Collection with a curated selection of third-party design brands as well as services such as its Westwing Design Service or the Westwing Delivery Service.

The two retail stores – Westwing's own store in Hamburg and a store-in-store at Breuninger in Stuttgart – offer the chance to experience Westwing on site and discover its products and brand directly in an inspiring ambience.

Business model

Westwing is the Beautiful Living Company.

Westwing is the one-stop destination for premium Home & Living and offers content that inspires every day.

Each part of Westwing's business model has a different function:

Shop

Westwing is the one-stop destination for Design Lovers, featuring its beautiful Westwing Collection alongside third-party design brands in an online shop tailor made for design lovers. The wide range of styles and categories brings every aspect of beautiful living to life. Westwing's best-in-class content, stunning imagery and shoppable looks inspires its customers daily.

Westwing Collection

The Westwing Collection – Westwing's exclusive brand – is known for its exceptional quality and design. It reflects Westwing's commitment to elevated design standards, blending aesthetics with functionality while staying at the forefront of the latest trends. Beyond timeless style, Westwing embraces sustainability and a dedication to quality, creating products that make a lasting impact on its customers' lives.

Retail Campaigns

Westwing offers daily inspiration with themed shopping on its website and app, announced each morning in an engaging newsletter and additional digital channels. Westwing's trendy curated home and lifestyle products create a premium, exclusive experience. Westwing captivates its customers, standing out with fresh ideas and aspirational aesthetics. And Westwing builds loyalty and welcome new customers by adapting to trends and offering great prices.

Stores

The real-life Westwing experience that seamlessly blends the digital and physical worlds. The physical stores offer expert advice, unique interactions and a specially chosen assortment drawn from the Westwing Collection and selected third-party design brands. The Westwing Collection is showcased through immersive experiences, professional guidance and exclusive events featuring guest hosts. The vibrant curation features the latest trends and hand-picked brands that complement the Westwing concept.

Westwing Business

Westwing is expanding its B2B business in Germany and Austria, offering comprehensive, end-to-end solutions for project planning, delivery, assembly as well as personalised support.

As demand for comfortable and creative environments in commercially used properties such as hospitality and office spaces grows, Westwing is well positioned to deliver tailored, flexible and digitally convenient solutions.

Westwing Design Service

The Westwing Design Service connects customers with expert designers who craft personalised concepts and curated selections to bring out the full beauty of customers' homes. Acting as trusted advisors and the ultimate "interior shopping friends", Westwing's designers take a holistic and thoughtful approach to furnishing customers' spaces. Available in five countries, the service offers three tailored levels to meet customers' individual needs.

Content that *inspires*

Westwing is the one-stop destination for premium Home & Living, with a curated range of products. Westwing presents its products alongside beautiful visual content such as shoppable interior themes and home styling tips. Westwing also works with influential celebrities and style icons who inspire its customers with their home stories. In 2024, these included İlkay Gündoğan (the soccer player), Camille Razat (the actress and model), Mandy Capristo (the singer-songwriter) and Erin Wasson (the model). The content comes from an experienced team of creative talents such as art directors, interior designers, videographers and photographers. Many were previously magazine editors-in-chief and editors (from the Home & Living and fashion sectors), fashion stylists, film makers, fashion photographers and graphic designers.

Westwing Collection

Our own Westwing Collection, launched in 2018, has quickly become a great success among our customers. Our team brings extensive design expertise to continuously create products that inspire – from furniture and textiles to decorative accessories – all at attractive prices.

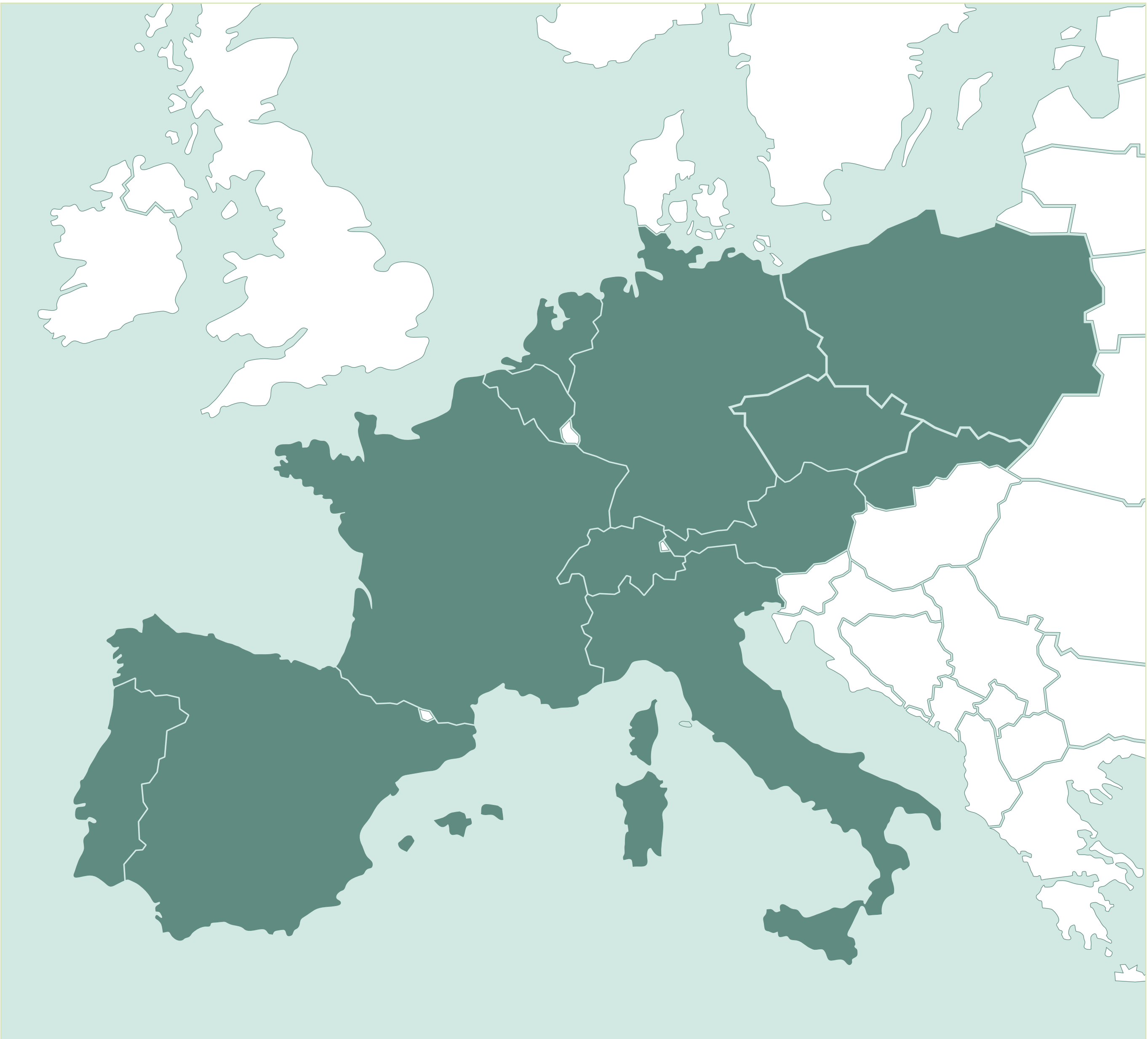
Each piece in the collection is carefully designed and selected to ensure lasting quality and excellent value for money, making many of our items bestsellers. The Westwing Collection embodies the essence of our brand by harmoniously combining aesthetics and functionality while always embracing the latest trends.

With a clear focus on sustainability and an unwavering commitment to quality, we create products that enrich our customers' lives in the long term.

Westwing's *Market*

Customers across Europe love Westwing. Westwing has a presence in 12 European countries and generated EUR 444 m in revenue in 2024. The growth opportunity for Westwing is massive, as the Home & Living market in the countries it operates in is worth around EUR 130 bn. Additionally, the online penetration of this market is relatively low compared to other consumer sectors such as fashion and consumer electronics, providing further opportunities as digital adoption increases. Moreover, Westwing's international expansion into new markets represents a key avenue for future growth.

Germany	Belgium
Austria	Netherlands
Switzerland	Czech Republic
Poland	Slovakia
France	Italy
Spain	Portugal



Key figures

	2024	2023	Change
Results of operations			
Revenue (in EURm)	444.3	428.6	3.7%
Adjusted EBITDA (in EURm)	24.0	17.8	6.2
Adjusted EBITDA margin (in % of revenue)	5.4%	4.1%	1.2pp
Financial position			
Free cash flow (in EURm)	9.1	29.5	– 20.4
Cash and cash equivalents (in EURm)	68.8	81.5	– 12.7
Performance indicators			
Westwing Collection share (in % of GMV)	55%	47%	8pp
GMV (in EURm)	497	481	3%
Number of orders (in thousands)	2,548	2,851	– 11%
Average basket size (in EUR)	195	169	16%
Active customers (in thousands)	1,237	1,275	– 3%
Average orders per active customer in the preceding twelve months	2.1	2.2	– 8%
Average GMV per active customer in the preceding twelve months (in EUR)	402	377	6%
Mobile visit share	81%	80%	1pp
Other			
Full-time equivalent employees (as at reporting date)	1,291	1,614	– 323

Table of contents

01

COMPANY

02

COMBINED MANAGEMENT REPORT

03

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

04

FURTHER INFORMATION

01
COMPANY

MANAGEMENT BOARD AND FOUNDER

SEBASTIAN WESTRICH, DR ANDREAS HOERNING & DELIA LACHANCE
(from left to right)

LETTER TO SHAREHOLDERS

Dear shareholders,

We are pleased to present Westwing's Annual Report for 2024 – a year marked by strategic transformation, operational resilience, and an unwavering commitment to delivering value to our customers and stakeholders.

Business Performance and Financial Highlights

Despite challenging market conditions, Westwing delivered robust financial performance, achieving revenue and profitability targets at the upper end of our guidance. We recorded year-over-year revenue growth of 3.7%, outperforming the market, particularly in the DACH region. Our efforts led to significantly improved gross and contribution margins, underscoring the effectiveness of our strategic initiatives.

Operational efficiency went up as we successfully introduced a mostly global and more premium product assortment across all markets and optimised organisational structures. Our adjusted EBITDA of EUR 24.0m, reflecting a year-over-year improvement of 1.2p.p., highlights the first tangible financial impact of these strategic actions.

Unlocking the Full Value Potential

Central to our 2024 achievements is the successful execution of our 3-step transformation plan, designed to propel Westwing towards sustainable growth and profitability:

1. **Turnaround and Strategy Update (2022–2023):** We changed our commercial model to OneWestwing by merging Westwing and WestwingNow to one site and app and by putting our Shop and the Westwing Collection to the forefront. We also reduced costs to stop the high cash burn.

2. **Building a Scalable Platform (2024–2025):** In 2024, we worked on making our platform scalable. We completed the restructuring of operations in Italy, Spain and CEE, globalised our product assortment and streamlined our logistics, and transitioned to a predominantly Software-as-a-Service (SaaS) based technology platform. These initiatives reduced complexity, improved cost structures, and positioned us well for the third step of the transformation plan.

   Simultaneously, we strengthened our premium brand positioning through the onboarding of some of the best design brands, iconic brand awareness campaigns, high-profile celebrity collaborations, and the opening of our second physical retail space in Stuttgart. While the aforementioned changes to our product assortment resulted in phasing out less premium and lower margin products — affecting our topline in 2024 and into 2025 — these adjustments are critical for long-term value creation.

3. **Scaling with Operating Leverage (2025 and Beyond):** Looking ahead, we will continue to focus on strengthening our core and increasing efficiency in what we do, but also capitalise on additional market opportunities. As the leading Home & Living brand on social media, we see massive growth potential. In Q1 2025, we expanded into Luxembourg and Denmark, with plans for further market entries.

   Our premium brand positioning and an increased share of the Westwing Collection, which reached an all-time high of 55% of GMV in 2024, will be pivotal in this next phase.

Share Buyback Programme: Demonstrating Confidence

In 2024, we executed two share buyback programmes, underscoring our confidence in Westwing's long-term value creation potential. These buybacks reflect not only our strong cash position but also our commitment to delivering shareholder value. The strategic repurchase of shares aligns with our capital allocation priorities, reinforcing shareholder trust and optimising our capital structure.

Outlook: Embracing Opportunities Ahead

As we move into the third phase of our transformation plan, we remain committed to driving growth, enhancing profitability, and delivering sustained value to our stakeholders. The solid foundation we've built through disciplined execution and strategic foresight positions us well to navigate future challenges and seize emerging opportunities.

We extend our heartfelt gratitude to our dedicated team, partners, and you — our valued shareholders — for your unwavering support. Together, we are shaping Westwing's future as Europe's leading one-stop destination in premium Home & Living and a true design brand, united in our mission to excite people to create homes that unlock the full beauty of life.

Sincerely,

Dr Andreas Hoerning, Delia Lachance, Sebastian Westrich

SHARE AND INVESTOR RELATIONS

Development of the Westwing Share

The Westwing share is listed on the Frankfurt Stock Exchange (Prime Standard). The share price development of Westwing in 2024 reflected an overall low consumer sentiment in general. The high market uncertainty resulted in a volatile share price development throughout the year. Despite the challenging macro environment, Westwing achieved adjusted EBITDA profitability and growth throughout the year. In November 2024, the Company announced a public share buyback offer for a volume up to 1.2 million shares that amounted to EUR 10m. This decision reflects the management's belief in the potential of Westwing and its share price. The share buyback was well accepted by shareholders and enabled Westwing to buy back 1.2 million shares, corresponding to 5.74% of all Westwing Group SE shares.

As a result of the progress throughout 2024 in core strategic initiatives and the commitment to unlock Westwing's full value potential, investors and analysts gained back trust into Westwing's long-term perspective.

	Bearer shares without par value
Types of shares	
Share capital	EUR 20,903,968.00
Number of shares issued	20,903,968
Total number of shares outstanding as at 31 December 2024 (net of treasury shares)	18,822,507
ISIN	DE000A2N4H07
WKN	A2N4H0
Share performance 2024*	
High 2024 (30 April 2024, closing price)	EUR 8.68
Low 2024 (05 November 2024, closing price)	EUR 6.86
Closing Price on 31 December 2024	EUR 7.36
Trading liquidity 2024*	
Average daily trading volume 2024 (shares)	6,736
Average daily trading volume 2024	EUR 52,553

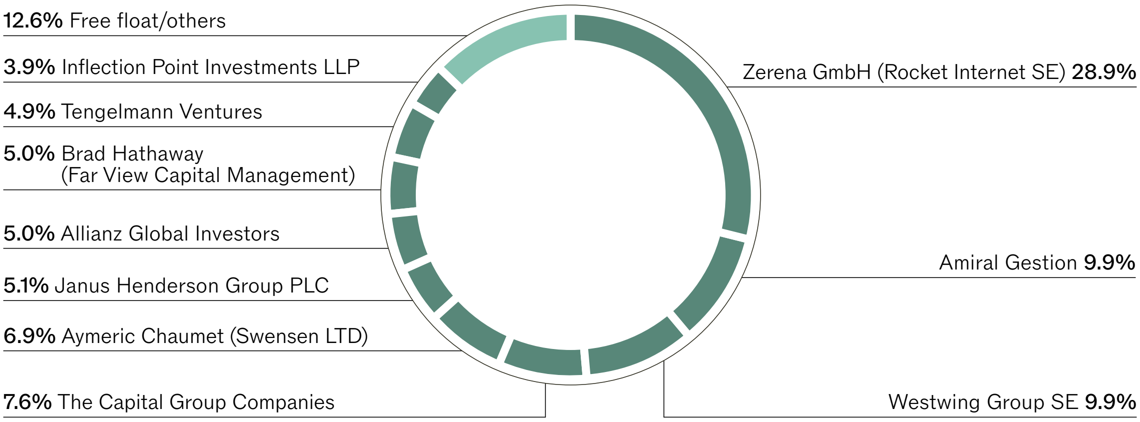
* Based on Xetra stock exchange Frankfurt. Average EUR daily trading volume 2024 based on closing price.

For further details in respect to share capital structure refer to the note 18 in the consolidated financial statements.

Investor relations

Westwing's aim is to communicate the strategic orientation and development of the Company in a reliable and transparent manner, thereby strengthening investor confidence in Westwing and achieving a fair valuation of the share. As in the past, the Company continues to work on increasing awareness of its share and the equity story among capital market participants. In doing so, great importance and effort is put in regular communication with shareholders. In 2024, this was achieved through detailed quarterly presentations as well as participation in several investor conferences with Management Board attendance.

Shareholder Structure as at 31 December 2024



The shareholder structure is based on the voting rights as last notified by the shareholders and as published by the shareholders in relation to the Company's current share capital as at 31 December 2024. Please note that the number of voting rights last notified could have changed within the respective thresholds without triggering an obligation to notify the Company.

Analyst Coverage

As at 31 December 2024, there are three research institutions covering Westwing:

- Baader Bank
- mwb research
- NuWays

THE SUPERVISORY BOARD

CHRISTOPH BARCHEWITZ
CHAIRMAN

DR ANTONELLA MEI-POCHTLER
DEPUTY CHAIRWOMAN

MICHAEL HOFFMANN
CHAIRMAN AUDIT COMMITTEE

SUSANNE SAMWER

AYMERIC CHAUMET

SUPERVISORY BOARD REPORT

Dear shareholders and readers,

2024 was yet another eventful year for Westwing.

The Company recorded growth in every quarter despite far-reaching structural changes and a declining Home & Living market, increasing its revenue. 2024 also saw an improvement in Adjusted EBITDA profitability, with Adjusted EBITDA being clearly positive in all four quarters. In addition, the year enabled Westwing to make progress with key strategic initiatives such as establishing a presence on its first new national market in ten years. This marks the start of a country roll-out that offers a promising future and that will play an important role in coming years.

In 2024 the Management Board – with the advice and oversight of the Supervisory Board – also implemented a technology shift to a largely software-as-a-service- (SaaS-)based platform, as well as completing the integration of its Shop and Club sales under a single domain in all countries and continuing to strengthen its premium brand positioning by implementing a primarily global, more upmarket product range. This was accompanied by related restructuring measures and the opening of a second physical sales space – Westwing's first store-in-store – in Stuttgart's flagship Breuninger store. Moreover, Westwing started its "Iconic Pieces" brand awareness campaign in Germany in the financial year.

In keeping with the principles of good corporate governance, the Supervisory Board worked together in confidence with the Management Board on all relevant issues in the reporting period, advising it on the management of the Company and exercising its own oversight function. In the process, it performed the tasks assigned to it by the law, the Articles of Association and the Rules of Procedure in full and in a consistently responsible manner.

Cooperation Between the Supervisory Board and the Management Board

The Supervisory Board and Management Board work together closely both during and outside Supervisory Board meetings, in the Company's interests. The Supervisory Board advised and supervised the Management Board in line with the legal requirements during the reporting period.

The Supervisory Board Chairman and the CEO were in regular dialogue during the reporting period. Topics for discussion included the Company's current situation and future development; the progress made with major ongoing projects; strategy; business policy; corporate planning; risks, opportunities and their management; human resources issues (including management team development); sustainability; and governance issues. The CEO and the Supervisory Board Chairman were also in close contact outside the regular meetings during the reporting period. The Supervisory Board Chairman informed the other Supervisory Board members of important issues that were discussed on these occasions. In addition, the Management Board submitted regular reports to the Supervisory Board on key financial performance indicators.

The Management Board involved the Supervisory Board at an early stage in all fundamental decisions, provided the Supervisory Board with oral and written reports, and supplied supplementary information where necessary. In those cases in which Supervisory Board approval was required by law, the Articles of Association or the Rules of Procedure, this was given following in-depth investigation, examination and discussion in the Supervisory Board and – where appropriate – in the committees established for this purpose by the Supervisory Board.

The Management Board reported regularly during the Supervisory Board meetings on current business developments, corporate planning (including financial, investment and human resources planning), profitability and strategy. The Supervisory Board also regularly held internal meetings and preliminary consultations without the Management Board. In addition, the Management Board reported to the Supervisory Board on key issues outside meetings.

As a result, the Supervisory Board was informed at all times of all material events within the Company.

Key Topics Addressed by the Supervisory Board

The Supervisory Board focused primarily on the following topics in financial year 2024:

- Measures aimed at cutting costs and leveraging synergies (including centralisation and simplification measures)

- Geographical expansion and growth opportunities in offline retail

- Budgeting and medium-term planning, and the Company's strategy, business development and focus

- The audits of the annual and consolidated financial statements and the Management Report for financial year 2023, plus intra-year financial information in financial year 2024

- Implementation of the technology shift to a scalable SaaS platform

- Sustainability issues and non-financial reporting (CSRD)

- The Annual General Meeting on financial year 2023 and the agenda for this

- Business updates on the Company's commercial and creative operations

- Governance issues such as compliance with the recommendations of the German Corporate Governance Code and (long-term) succession planning for the Management Board

- Resolution on and implementation of a public share buyback offer in 2024

No Conflicts of Interest

No conflicts of interest as defined by the German Corporate Governance Code occurred within the Supervisory Board in financial year 2024. In particular, no conflicts of interest were disclosed to the Supervisory Board Chairman by Supervisory Board members or reported by Management Board members or third parties.

Support for Supervisory Board Members

Supervisory Board members receive appropriate support when taking office. In particular, they are given an introduction to the work performed by Westwing Group SE's Supervisory Board when they assume their positions. An in-house lawyer who is a specialist in this field and/or the Supervisory Board Office explain the practical and legal fundamentals and also expound on specific questions and obligations in the areas of securities and capital market law. Any need on the part of the Supervisory Board for further education and training that arises in the course of their office is elicited at regular intervals and discussed together with the Supervisory Board Chairman or in the full Supervisory Board meetings.

Composition of the Supervisory Board and Its Committees

The Supervisory Board is not governed by the rules on employee codetermination and consisted of the following five members at the beginning of financial year 2024: Christoph Barchewitz (Chairman), Dr Antonella Mei-Pochtler (Deputy Chairwoman), Michael Hoffmann, Susanne Samwer and Mareike Wächter.

The Company's Annual General Meeting on 19 June 2024 elected Aymeric Chaumet as the successor to Mareike Wächter, who stepped down from the Supervisory Board with effect from the end of the General Meeting on the same day.

The Supervisory Board has three committees: an Audit Committee, a Remuneration Committee and a Nomination Committee.

The **Audit Committee** consists of three members of the Supervisory Board. It had the following members during the reporting period:

- Michael Hoffmann (Chairman of the Audit Committee)
- Susanne Samwer and
- Mareike Wächter (until 19 June 2024)/Aymeric Chaumet (from 19 June 2024 onwards).

As recommended by the German Corporate Governance Code, the main topics addressed by the **Audit Committee** are the examination of the Company's financial reporting including its sustainability reporting, the oversight of the financial reporting process, the effectiveness of the internal control system, the risk management system, the internal audit system, the audit of the financial statements and compliance (including information security and data protection, among other things).

The Chairman of the Audit Committee, Michael Hoffmann, is an independent financial expert as defined by section 100(5) of the German Stock Corporation Act (Aktiengesetz – AktG). A former CEO and business administration graduate management who spent more than a decade as head of the audit committee at another company that is listed on the TecDAX/MDAX, he has particular expertise in the area of accounting. Susanne Samwer, a member of the Audit Committee and a qualified US Certified Public Accountant (CPA inactive), is a financial expert within the meaning of section 100(5) of the AktG. She has particular knowledge of financial statement audits thanks to her years of experience working for audit firms and her professional background as a financial director.

The **Remuneration Committee** had the following members during the reporting period:

- Dr Antonella Mei-Pochtler (Chairwoman),
- Christoph Barchewitz and
- Michael Hoffmann.

The committee is responsible for all questions relating to Management Board and Supervisory Board remuneration that fall within the Supervisory Board's remit. In particular, the committee prepares resolution proposals on issues relating to Management Board remuneration for final decision by the Supervisory Board.

The **Nomination Committee** had the following members during the reporting period:

- Christoph Barchewitz (Chairman),
- Mareike Wächter (until 19 June 2024), Michael Hoffmann (as from 19 June 2024 onwards) and
- Dr Antonella Mei-Pochtler.

As recommended by the German Corporate Governance Code, the Nomination Committee is responsible for preparing proposals for candidates for election to the Supervisory Board.

Information on Westwing Group SE's Supervisory Board committees can also be found on the Company's corporate website.

The Supervisory Board members' résumés have been published on the Company's corporate website and are updated regularly (generally once a year).

Supervisory Board and Committee Meetings; Key Topics Discussed in the Committees

The Supervisory Board held a total of 13 meetings in financial year 2024. Of these, seven were regular meetings with the Management Board, five were regular meetings without the Management Board and one was an extraordinary meeting.

There have been five Supervisory Board meetings to date in 2025: one extraordinary meeting on 11 February 2025, followed by an internal meeting the same day, one regular meeting on 18 March 2025 (preparing for the (consolidated) financial statements and the non-financial reporting, among other things), an internal meeting held on the same day that addressed governance topics (including Management Board remuneration issues), plus the meeting held on 26 March 2025 to approve the financial statements for financial year 2024.

Otherwise, the Supervisory Board also passed resolutions by e-mail outside meetings in the past financial year, e.g. on corporate governance issues.

The **Audit Committee** held a total of five meetings in financial year 2024. Among other things, these addressed the financial results, internal audit issues, sustainability and sustainability reporting, risk management and compliance, new legal requirements, IT and cybersecurity, and issues relating to the audit work performed (including an assessment of the latter). In addition, the committee prepared the Supervisory Board meeting held to approve the financial statements and relevant proposals for Supervisory Board resolutions.

Two Audit Committee meetings have been held so far in 2025, on 18 March and 26 March 2025. Issues addressed included the results for financial year 2024 and the related examination of the (consolidated) financial statements in preparation for the Supervisory Board meeting held to approve the financial statements; non-financial reporting; governance; opportunity and risk management/analysis; compliance; and issues relating to internal audits.

The Audit Committee Chairman discussed audit-related topics with the auditors, including outside Supervisory Board and Audit Committee meetings, and liaised with the internal Legal and Finance department, external consultants and the Management Board. In addition, the Audit Committee met internally at regular intervals and held discussions with the auditors without the Management Board being present.

The Audit Committee Chairman also remained in close contact with the auditors outside the committee meetings. The Audit Committee Chairman reported on the work of the Audit Committee, and in particular on key outcomes and the issues discussed, at the Supervisory Board meetings following the relevant committee meetings.

The **Remuneration Committee** held a total of six meetings during the reporting period, on 8 February, 19 April, 11 June, 13 August, 7 October and 9 December 2024. Among other things, these meetings addressed the appropriateness of Management Board remuneration, the remuneration system, and the remuneration report pursuant to section 162 of the AktG and its audit. These meetings served to prepare internal Supervisory Board meetings, among other things. The Remuneration Committee also issued recommendations for resolutions to the full Supervisory Board.

There has been one meeting to date in 2025, on 17 March 2025, which dealt with the Remuneration Report and the variable incentives for the Management Board, among other things.

The Remuneration Committee Chairwoman was also in close contact with the other members of the Supervisory Board (and in particular with the Supervisory Board Chairman), and the heads of the Legal and People & Culture departments, outside the meetings. In addition, external lawyers and external, independent remuneration consultants were consulted where necessary. The Remuneration Committee Chairwoman reported on the work of the Remuneration Committee, and in particular on key outcomes and issues discussed, at the internal Supervisory Board meetings following the relevant committee meetings.

The **Nomination Committee** held one formal meeting in 2024, on 19 April 2024. This meeting mainly focused on the proposed candidate for the Supervisory Board election during the General Meeting on 19 June 2024, the composition of the Supervisory Board and the latter's skills matrix.

No meeting of the Nomination Committee has been held in 2025 to date.

Individualized Disclosures on Attendance at Meetings

The following table provides an individualized breakdown of Supervisory Board members' attendance at Supervisory Board meetings and at meetings of the Audit, Remuneration and Nomination Committees in 2024:

	Supervisory Board (4 in-person meetings, 9 video conference meetings)		**Audit Committee** (2 in-person meetings, 3 video conference meetings)		**Remuneration Committee** (6 video conference meetings)		**Nomination Committee** (1 video conference meeting)	
Number of meetings/ attendance in %	Number	%	Number	%	Number	%	Number	%
Christoph Barchewitz (Chairman of the Supervisory Board) Chairman of the Nomination Committee Member of the Remuneration Committee	13/13	100	–		6/6	100	1/1	100
Dr Antonella Mei-Pochtler (Deputy Chairwoman of the Supervisory Board) Chairwoman of the Remuneration Committee Member of the Nomination Committee	13/13	100	–		6/6	100	1/1	100
Michael Hoffmann Member of the Supervisory Board Chairman of the Audit Committee Member of the Nomination Committee since 19 June 2024	13/13	100	5/5	100	6/6	100	–	
Susanne Samwer Member of the Supervisory Board and of the Audit Committee	13/13	100	5/5	100	–		–	
Mareike Wächter until 19 June 2024: Member of the Supervisory Board, the Audit Committee and the Nomination Committee	5/5	100	3/3	100	–		1/1	100
Aymeric Chaumet from 19 June 2024 onwards: Member of the Supervisory Board and of the Audit Committee	8/8	100	2/2	100	–		–	
TOTAL		**100**		**100**		**100**		**100**

Number of meetings/attendance in %	Total number of meetings (Supervisory Board and Committee meetings) Number	%
Christoph Barchewitz (Chairman)	20/20	100
Dr Antonella Mei-Pochtler (Deputy Chairwoman)	20/20	100
Michael Hoffmann (Chairman of the Audit Committee)	24/24	100
Susanne Samwer Member of the Supervisory Board and of the Audit Committee	18/18	100
Mareike Wächter until 19 June 2024: Member of the Supervisory Board, the Audit Committee and the Nomination Committee	9/9	100
Aymeric Chaumet from 19 June 2024 onwards: Member of the Supervisory Board and of the Audit Committee	10/10	100
TOTAL		**100**

Audit of the Annual and Consolidated Financial Statements of Westwing Group SE/ the Westwing Group

The 2024 Annual General Meeting elected PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Munich office, as the Company's auditors and the Group auditors for financial year 2024.

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft audited the combined Management Report as at 31 December 2024, for Westwing Group SE and the Westwing Group and issued it with an unqualified audit opinion.

Westwing Group SE's annual financial statements and the combined Management Report for Westwing Group SE and the Westwing Group were prepared in accordance with the provisions of German commercial law and issued with an unqualified audit opinion.

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) as required to be applied in the European Union and with the provisions of German commercial law also required to be applied under section 315e(1) of the HGB. The consolidated financial statements also comply with the IFRSs in the version published by the International Accounting Standards Board (IASB). The auditors performed their audit in accordance with section 317 of the HGB and the EU Audit Regulation, in compliance with the German principles of proper auditing promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the International Standards on Auditing (ISA).

The annual and consolidated financial statements for Westwing Group SE and the Westwing Group, the separate Non-financial Report for Westwing Group SE for the 2024 reporting year and the corresponding reports by the auditors of the single-entity and consolidated financial statements were submitted to the Supervisory Board in advance of the Supervisory Board meeting on 26 March 2025 that was held to approve the financial statements. The above-mentioned documents were addressed and discussed at length in the Supervisory Board meeting in the auditors' presence, after previously having been considered by the Audit Committee. In addition, the preliminary versions of the financial statement documents were discussed on 18 March 2025 by the Audit Committee and by the Supervisory Board.

In particular, the Supervisory Board and the Audit Committee addressed the key audit matters detailed in the relevant audit opinions (including the audit procedure). The auditors reported on the scope, areas of emphasis and key findings of their audit, focusing in particular in the key audit matters and the audit procedure. No relevant weaknesses in the internal control and risk management system were reported.

The Supervisory Board concurred with the audit findings. It did not raise any objections following the final results of its own examination. In its meeting on 26 March 2025, the Supervisory Board approved the single-entity financial statements of Westwing Group SE, the consolidated financial statements and the Combined Management Report. As a result, Westwing Group SE's annual financial statements have been adopted.

Composition of the Management Board

The Management Board comprised two members in financial year 2024: Chief Executive Officer (CEO) Dr Andreas Hoerning and Chief Financial Officer (CFO) Sebastian Westrich.

On behalf of the entire Supervisory Board, I would like to sincerely thank all staff, the Management Board and the management team for their hard work and dedication in financial year 2024.

London, 26 March 2025

On behalf of the Supervisory Board

Christoph Barchewitz
Chairman of the Supervisory Board

CORPORATE GOVERNANCE STATEMENT

CORPORATE GOVERNANCE STATEMENT PURSUANT TO SECTION 289f IN CONJUNCTION WITH SECTION 315d OF THE GERMAN COMMERCIAL CODE (HANDELSGESETZBUCH – HGB)

1. Compliance Declaration Pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz – AktG)

Section 161 of the AktG requires the executive boards and supervisory boards of listed European Companies (societates Europaeae; "SEs") to state every year that the recommendations of the Government Commission on the Corporate Governance Code published by the Federal Ministry of Justice and Consumer Protection in the official section of the electronic Federal Gazette have been and are complied with, or to state which recommendations were not and are not applied and the reasons for this. The declaration should be made permanently available to the public on the company's website.

Westwing Group SE's Management Board and Supervisory Board issued a compliance declaration pursuant to section 161(1) of the AktG on 17 December 2024. The declaration pursuant to section 161 of the AktG has been included in this statement as required by section 315d sentence 2 and section 289f(2) no. 1 of the HGB. Its wording is as follows:

COMPLIANCE DECLARATION BY THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF WESTWING GROUP SE ON THE GERMAN CORPORATE GOVERNANCE CODE ("GCGC") PURSUANT TO SECTION 161 OF THE GERMAN STOCK CORPORATION ACT

The last Compliance Declaration of the Management Board and the Supervisory Board of Westwing Group SE (hereinafter referred to as the "**Company**") was issued on 15 December 2023.

In accordance with sec. 161 para. 1 of the German Stock Corporation Act (AktG), the Management Board and Supervisory Board of the Company hereby declare that the recommendations of the German Corporate Governance Code, in the version dated April 28, 2022, which came into force by publication in the Federal Gazette on June 27, 2022 ("**GCGC 2022**"), will be complied with in the future and have been complied with – to the extent required by the GCGC 2022 – since the last Compliance Declaration was issued, with the following exceptions:

- According to **B.3 GCGC 2022**, the first-time appointment of members of the Management Board shall take place for a period of no more than three years. Deviating from this, Dr. Andreas Hoerning was appointed as Management Board member for a period of 3.5 years from July 1, 2022, onwards. Because Dr. Andreas Hoerning has been with the Company for several years before his appointment as Management Board member, the Supervisory Board already had a comprehensive picture of his skills and knowledge before his appointment. The Supervisory Board considered a first office term of 3.5 years as appropriate, also for the implementation of medium-term strategic decisions and objectives.

- According to **C.5 GCGC 2022**, a Management Board of a listed company should not serve as Chairman of a Supervisory Board in a group-external listed company. The Chairman of the Supervisory Board of the Company is also a member of the Management Board of a group-external listed company established under the laws of Luxembourg. The Chairman of the Supervisory Board has declared to the Company that he has sufficient time to perform his duties as a member and Chairman of the Supervisory Board and that he can perform his mandate with due regularity and diligence. The Supervisory Board and the Management Board are convinced that the responsibility for both offices does not lead to any conflict of interest.

- **G.7 GCGC 2022**, which recommends that the performance criteria for all variable remuneration components shall be defined in the respective previous year for the coming financial year, was and will be deviated from only with regards to the time component. The Supervisory Board defines these at the beginning of the relevant financial year, as the end of the previous year is waited for, in order to be able to adjust performance criteria accordingly if necessary.

Munich, 17 December, 2024

For the Management Board	For the Supervisory Board
Dr Andreas Hoerning	Christoph Barchewitz

1a. Reference to the website on which the remuneration report, the remuneration system and the latest remuneration resolution are made publicly available

The remuneration report and the auditor's report pursuant to section 162 of the AktG, the remuneration system for the members of the Management Board pursuant to section 87a (1) and (2) sentence 1 of the AktG and the resolution of the Annual General Meeting pursuant to section 113 (3) of the AktG on the remuneration of the members of the Supervisory Board will be published under www.westwing.com in the "Investor Relations" section under "Corporate Governance".

2. Disclosures on Corporate Governance Practices Applied Over and Above Those Required by Law

Section 315d sentence 2 and section 289f(2) no. 2 of the HGB require relevant disclosures to be made on corporate governance practices applied over and above those required by law, together with information on where these are available to the public.

The Company uses a digital tool (the "Policy Manager") that makes compliance rules and certain corporate governance practices available to Westwing's staff at all times, while staff can also access these via the Company's intranet. In addition, the tool is used for online training and final compliance testing. The Legal department, which is also responsible for content-related compliance topics, tracks whether the final tests have been taken. The VP Legal reports on the compliance ratios to the Management Board, as well as submitting quarterly reports to the Supervisory Board's Audit Committee.

CODE OF CONDUCT

The trust placed by third parties in the integrity of the entire Company is a significant prerequisite for its success. A comprehensive Code of Conduct therefore apply that provides employees, suppliers and business partners with guidelines and operating instructions for legally, correct, ethical and socially responsible behaviour. This addresses not only issues such as anti-corruption and handling conflicts of interests, but also how to ensure a safe, fair working environment.

All Westwing Group employees and all members of senior management must comply with the Code of Conduct at all times. In addition, the Company has a Business Partner Code of Conduct and a Private Label Supplier Code of Conduct, underscoring the importance of "compliance throughout the supply chain".

The codes of conduct are publicly available on Westwing Group SE's corporate website (ir.westwing.com, in the Corporate Governance/Compliance section). Additionally, all Westwing staff are generally required to read the Code of Conduct. White collar workers must also take a final test in the digital Policy Manager to demonstrate what they have learned. This is monitored and a report on it is submitted to management. Blue-collar workers at Westwing Germany receive personal training and access to the guidelines.

ANTI-CORRUPTION MEASURES AT WESTWING

Westwing's Anti-corruption Policy – which it introduced years ago – is regularly reviewed and adapted. It summarizes the binding rules that we have developed for our employees. This guidance goes into greater detail than the rules given in the Code of Conduct, illustrating comprehensively and explicitly the actions and prohibitions designed to prevent corruption.

Westwing has committed to a zero-tolerance policy on bribery. Among other things, this forbids making improper payments and accepting inappropriate gifts or incentives of any kind from third parties. The policy also introduces limits on the value of gifts and invitations that can be accepted. The objective is to provide employees with answers to frequently asked questions and common problems and to raise awareness of the issues.

The Anti-corruption Policy is publicly available from the Corporate Governance/Compliance/Anti-corruption Policy section of Westwing Group SE's corporate website (ir.westwing.com). Additionally, all Westwing staff are generally required to read the Anti-corruption Policy. White collar workers must also take a final test in the digital Policy Manager to demonstrate what they have learned. This is monitored and a report on it is submitted to management. Blue-collar workers at Westwing Germany receive personal training and access to the guidelines.

Westwing has introduced a whistleblower tool that allows employees and third parties to submit tip-offs about potential unlawful activity at the Company in a protected manner. This complies in particular with the recommendation and suggestion contained in section A.4 of the 2022 version of the German Corporate Governance Code, and with the Whistleblower Directive and its implementation in national law. The whistleblower tool is publicly available from the Corporate Governance/Compliance/Open Whistleblower Channel section of Westwing Group SE's corporate website (ir.westwing.com).

OTHER COMPANY POLICIES

In addition to the policies and codes mentioned above, Westwing has a number of other corporate guidelines that must be observed by both management and staff. These include the following documents:

- A policy designed to ensure compliance with the two-person principle when entering into contracts or placing orders

- IT/information security policies and operating instructions that provide information about issues such as data protection and data security, plus how to use the applications deployed at the Company All white-collar staff at Westwing are obliged to take the information security training course. In addition, a final test in the digital Policy Manager is used to demonstrate what they have learned. This is monitored and a report on it is submitted to management.

- The Capital Markets Compliance Policy explaining the capital market law obligations that result from the Company's listing. Among other things, this familiarises Westwing employees with the prohibition on insider dealing and on the unlawful disclosure of inside information. It also provides information on closed periods and silent periods, plus associated recommendations that employees should not trade Westwing Group SE's shares in the 30-day windows before publication of the Company's earnings figures.

- An Anti-money Laundering Policy designed to ensure compliance with the requirements of the German Anti-money Laundering Act (Geldwäschegesetz – GwG) and to prevent misuse of the Company by third parties for money laundering or terrorist financing. Relevant employees and senior management are instructed how to comply with the statutory requirements set out in the GwG and about the procedures that must be observed in suspicious cases.

- A Human Rights Policy, which emphasises the fundamental importance to ethical and responsible business conduct of respecting human rights, and which provides staff with guidance

- A Confidentiality Policy, which provides an overview of the key corporate measures that must be observed to ensure confidentiality (e.g. document classification)

- An Environment, Health and Safety Policy obliging Westwing to do business responsibly in line with the Code of Conduct so as to protect the environment and the health and safety of employees and third parties

Westwing's staff can access these policies on the Company's intranet and via the digital Policy Manager tool.

In addition, Westwing has an in-house Sustainability team that drives forward its sustainability strategy together with the Company's Management Board, other managers and all relevant Westwing units. A variety of operating instructions and policies covering these areas exist. For further details, see the Sustainability section of the corporate website and the relevant sustainability report.

DISCLOSURES IN ACCORDANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE

Recommendation B.2 of the 2022 version of the German Corporate Governance Code states that, together with the Management Board, the Supervisory Board shall ensure that there is long-term succession planning; the approach shall be described in the Corporate Governance Statement. In financial year 2024, the Supervisory Board addressed the issue of long-term succession planning for the Management Board, working both together with the latter and without it.

Recommendation C.1 of the 2022 version of the Code specifies that the Supervisory Board shall determine specific objectives regarding its composition and shall prepare a profile of skills and expertise for the entire Board while taking the principle of diversity into account. Proposals by the Supervisory Board to the General Meeting shall take these objectives into account, while simultaneously aiming at fulfilling the profile of skills and expertise required for the Supervisory Board as a whole. The implementation status shall be disclosed in the form of a qualification matrix in the Corporate Governance Statement. The latter shall also provide information about what the shareholder representatives on the Supervisory Board regard as the appropriate number of independent Supervisory Board members representing the shareholders and the names of these members.

The Supervisory Board has set specific objectives for its composition, reviewed its profile of skills and expertise in accordance with the recommendations of the 2022 version of the Code and again worked to create a concrete skills and expertise matrix in financial year 2024 and the first quarter of 2025, which is given below:

Skills and expertise	Christoph Barchewitz	Dr. Antonella Mei-Pochtler	Michael Hoffmann	Susanne Samwer	Aymeric Chaumet
Marketing and sales	X	X	X		X
HR and organisational planning	X	X	X		
e-commerce/Retail	X	X	X	X	X
Technology			X		
Legal and compliance	X		X		
Finance (e.g. accounting, corporate finance)	X	X	X	X	X
Audit	X		X	X	
Cybersecurity and risk management	X	X	X		
Strategy	X	X	X		X
Supply chain	X				
Leadership	X	X	X		X
External supervisory board expertise	X	X	X		
Home & living	X	X	X	X	
Sustainability		X	X	X	
European work experience	X	X	X	X	X

The Supervisory Board also takes diversity into account when making proposals to the General Meeting for successor candidates for election and for the Board's composition.

The profile of skills and expertise focuses on the following criteria in particular: first and foremost, expertise in the area of e-commerce, i.e. experience in online retailing as either an entrepreneur or a consultant; management or supervisory board experience; plus expertise in the areas of accounting and/or auditing, including expertise in key sustainability issues for the Company. The following criteria must also be taken into account: independence, avoiding conflicts of interest, the number of positions held on other supervisory boards or similar bodies, the ability to dedicate sufficient time to the Supervisory Board's activities and to training, the defined age limit and the maximum duration of the appointment.

The Supervisory Board complied in full with the above-mentioned profile of skills and expertise in financial year 2024.

Recommendation C.7 of the 2022 version of the Code requires more than half of the shareholder representatives to be independent from the company and the Management Board. Supervisory Board members are to be considered independent from the company and its Management Board if they have no personal or business relationship with the company or its Management Board that may cause a substantial – and not merely temporary – conflict of interest. When assessing the independence of their Supervisory Board members from the company and its Management Board, shareholder representatives shall particularly take into consideration whether the respective Supervisory Board member – or a close family member – currently is maintaining (or has maintained) a material business relationship with the company or an entity dependent on the company (e.g. as customer, supplier, lender or advisor) in the year up to his/her appointment, directly or as a shareholder or in a leading position of a non-group entity. The Supervisory Board considers four of its five members to be independent. In financial year 2024 these were as follows: Christoph Barchewitz (Chairman), Dr Antonella Mei-Pochtler (Deputy Chairwoman), Michael Hoffmann, Mareike Wächter (until 19 June 2024) and Aymeric Chaumet (from 19 June 2024 onwards). Susanne Samwer is not considered by the Supervisory Board to be an independent member due to her close personal relationship with the CEO of the largest shareholder.

Recommendation D.12 of the 2022 version of the Code requires the Supervisory Board to report in the Corporate Governance Statement if and how a self-assessment was performed. The Supervisory Board and its committees performed an efficiency survey of their activities in financial year 2024, which took the form of a self-assessment. An online questionnaire was used to comprehensively survey all Supervisory Board members. The results were then discussed by the Supervisory Board in the first quarter of 2025.

3. Description of the Working Practices of the Management Board and the Supervisory Board, and of the Composition and Working Practices of their Committees

Section 315d sentence 2 and section 289f(2) no. 3 of the HGB require a description of the working practices of the Management Board and the Supervisory Board, and of the composition and working practices of their committees, to be included in the Corporate Governance Statement.

Westwing Group SE has a two-tier (dual) board structure, in the form of its Management Board and Supervisory Board. The two bodies work together closely and constructively in the interests of the Company. The Management Board manages the Company, while the Supervisory Board advises and supervises the Management Board. Westwing Group SE's shareholders regularly exercise their rights in the General Meeting.

MANAGEMENT BOARD WORKING PRACTICES

The Management Board is responsible for managing Westwing Group SE's business in the Company's interests and taking the interests of its shareholders, employees and other stakeholders into account, with the goal of sustainably creating value. It takes the care required of a diligent and conscientious manager when doing so, in accordance with the law, Westwing Group SE's Articles of Association, the Rules of Procedure for the Management Board and the individual members' contracts of service. The Management Board develops the Company's strategy, coordinates it regularly with the Supervisory Board and ensures its implementation.

The Management Board is responsible for ensuring that all provisions of the law and internal policies are observed with and endeavours to achieve their compliance in the Company. The internal control system and the risk management system comprise a compliance management system aligned to the enterprise's risk position.

The internal control system and the risk management system shall also include sustainability-related objectives, unless these are required by law anyway. This shall include processes and systems for collecting and processing sustainability-related data.

The following schedule of responsibilities provides a breakdown of the responsibilities assigned to the individual Management Board members. Each Management Board member is responsible for managing the departments assigned to them within the framework set by Management Board resolutions. The departments are assigned to the members in the Management Board's Rules of Procedure. According to the Rules of Procedure for the Management Board in force during the reporting period, the individual Management Board members were responsible for the following areas:

Dr. Andreas Hoerning (CEO)	Sebastian Westrich (CFO)
Strategy (development and implementation)	Finance
Organization	Accounting, taxes and treasury
Marketing	Financial control
Technology and product management	External financial reporting
People and culture	Investor relations
Sales	Legal, risk and compliance
Creative	Sustainability and non-financial reporting
Sourcing and operations	

The members of the Management Board are jointly responsible for the overall management of the Company, regardless of the breakdown of responsibilities. They work together cooperatively and inform each other on an ongoing basis of significant activities and events in the departments for which they are responsible.

In addition, activities and transactions that are exceptionally significant for the Company or that entail an exceptional economic risk require the approval of the full Management Board. The full Management Board also decides on all matters for which the law, Westwing Group SE's Articles of Association or the Management Board's Rules of Procedure require a decision to be taken by the Management Board. This includes but is not limited to the Company's strategy, key business policy issues and all other matters (and particularly national or international business relationships) that are of particular significance for Westwing Group SE and/or the Westwing Group.

In general, Management Board resolutions are passed during meetings. At the request of a Management Board member, meetings (including resolutions taken in them) can also be held via conference calls or other electronic means of communication (especially videoconferencing).

Management Board meetings should be held regularly, but at least once a month. They must be held if this is in the Company's best interests.

Above and beyond this, resolutions may also be passed outside of meetings, e.g. orally, by e-mail, or using other common means of communication (especially videoconferencing). The Management Board should use its best efforts to ensure that all its resolutions are passed unanimously. If this is not possible, resolutions are passed by a simple majority of the votes cast, unless the law, Westwing Group SE's Articles of Association or the Management Board's Rules of Procedure prescribe another majority. Where the Management Board consists of two members only – as was the case in financial year 2024 – it must pass resolutions unanimously.

The Management Board (and especially the CEO) is in regular contact with the Supervisory Board Chairman and informs the latter of the course of business at and position of, Westwing Group SE and its Group companies. It discusses the Company's strategy, planning, performance and risk management with him. The Management Board must report without undue delay to the Supervisory Board Chairman about significant events and in the case of business matters that could have a material impact on the assessment of the Company's position and development and on its management. Among other things, this includes any defects found in the monitoring system pursuant to section 91(2) of the AktG.

Specifically, the Management Board reports to the Supervisory Board at least once a calendar quarter on the proposed business strategy and other fundamental questions relating to corporate planning (and in particular financial, investment and human resources planning), unless changes in the position or new questions require a report to be made without undue delay. In addition, the Management Board must report to the Supervisory Board regularly and at least once a quarter, on the course of business and in particular on the Company's revenue and position.

The Management Board reports without undue delay to the Supervisory Board Chairman about significant events as defined by section 90(1) sentence 3 of the AktG and business matters that could have a material impact on the Company's position. Significant events also include business events at Group companies that could have a material impact on Westwing Group SE's position and that become known to the Management Board.

Apart from those transactions for which Supervisory Board approval is required by law, the Management Board may only perform certain transactions and activities with the prior approval of the Supervisory Board or of a Supervisory Board Committee entrusted with this by the Supervisory Board. These transactions and activities are listed in the Rules of Procedure for the Management Board and were reviewed in the reporting period.

NO MANAGEMENT BOARD COMMITTEES

The Management Board consists of two people and has not formed any committees.

SUPERVISORY BOARD WORKING PRACTICES

The Supervisory Board advises and supervises the Management Board in its management of the Company on a regular basis. It must be involved in decisions of fundamental importance to the Company.

The Supervisory Board performs its duties in accordance with the provisions of the law, Westwing Group SE's Articles of Association and the Rules of Procedure for the Supervisory Board. It works together with the Company's other governing bodies and in particular the Management Board, closely and in a spirit of mutual trust in the Company's best interests.

The Supervisory Board elects a Chairman and a Deputy from among its members. The Chairman coordinates the work performed by the Supervisory Board and its cooperation with the Management Board.

The Chairman maintains regular contact with the Management Board and confers with it on the Company's strategy, planning, performance, risk management and sustainability activities and on key events that are of significant importance for the assessment of the Company's position and development and for its management.

The Supervisory Board must meet at least once every calendar quarter. Additional meetings are convened where necessary. The Supervisory Board Chairman chairs the Supervisory Board meetings. He determines the order in which the agenda items are addressed and the nature and form of the votes taken.

In general, Supervisory Board resolutions are passed during meetings. Meetings can also be held via conference calls or other electronic means of communication (especially videoconferencing) on the Chairman's instructions or with the approval of all members of the Supervisory Board. In such cases, resolutions may be passed via conference calls or other electronic means of communication (especially videoconferencing).

Above and beyond this, resolutions may also be passed outside meetings, e.g. in writing, by e-mail or using other comparable means of communication. Supervisory Board resolutions are passed by a simple majority of the votes cast unless a different requirement is specified by law. Abstentions do not count as votes cast for this purpose. If a Supervisory Board vote results in a tie, the Supervisory Board Chairman shall have the casting vote.

Additional information on Supervisory Board working practices is contained in the Rules of Procedure for the Supervisory Board. These are publicly available from the Corporate Governance/Supervisory Board section of Westwing Group SE's corporate website (ir.westwing.com).

COMPOSITION OF THE SUPERVISORY BOARD AND ITS COMMITTEES

At the beginning of financial year 2024, Westwing Group SE's Supervisory Board was composed of the following members: Christoph Barchewitz (Supervisory Board Chairman), Dr Antonella Mei-Pochtler (Deputy Chairwoman), Susanne Samwer, Mareike Wächter and Michael Hoffmann.

Mareike Wächter stepped down from the Supervisory Board with effect from the end of the Annual General Meeting on 19 June 2024. The Annual General Meeting on 19 June 2024 elected Aymeric Chaumet as a new Supervisory Board member. He was elected for the remaining term of office of the Supervisory Board member who had stepped down (i.e. until the end of the General Meeting resolving to approve its actions for financial year 2025).

The Supervisory Board had three committees during the reporting period: an Audit Committee, a Nomination Committee and a Remuneration Committee.

The members of the committees were as follows:

Committee	Members
Audit Committee	Michael Hoffmann (Chairman) Susanne Samwer Mareike Wächter (until 19 June 2024) Aymeric Chaumet (from 19 June 2024 onwards)
Remuneration Committee	Dr Antonella Mei-Pochtler (Chairwoman) Christoph Barchewitz Michael Hoffmann
Nomination Committee	Christoph Barchewitz (Chairman) Dr Antonella Mei-Pochtler Mareike Wächter (until 19 June 2024) Michael Hoffmann (from 19 June 2024 onwards)

The Chairman of the Audit Committee, Michael Hoffmann, is an independent financial expert as defined by section 100(5) of the AktG. A former CEO and business administration graduate management who spent more than a decade as head of the audit committee at another company that is listed on the TecDAX/MDAX, he has particular expertise in the area of accounting. Susanne Samwer, a member of the Audit Committee and a qualified US Certified Public Accountant (CPA inactive), is a financial expert within the meaning of section 100(5) of the AktG. She has particular knowledge of financial statement audits thanks to her years of experience working for audit firms and her professional background as a financial director.

Overall, the members of the Supervisory Board and of the Audit Committee are highly familiar with the sector in which Westwing Group SE operates. Consequently, the personal requirements to be met by the members in accordance with the law, the 2022 version of the German Corporate Governance Code and the Rules of Procedure for the Supervisory Board have been met.

The main topics addressed by the Audit Committee are, as recommended by the 2022 version of the German Corporate Governance Code, the review of the Company's accounting; the monitoring of the accounting process; the effectiveness of the internal control system, the risk management system and the internal audit system; the audit of the financial statements including the sustainability reporting, and compliance.

Among other things, the Remuneration Committee addresses all questions relating to the remuneration of the Management Board and the remuneration of Supervisory Board, to the extent that this falls within the Supervisory Board's remit. The Remuneration Committee prepares all proposed resolutions on Management Board remuneration for final decision by the Supervisory Board.

In line with Recommendation D.4 of the 2022 version of the German Corporate Governance Code, the Nomination Committee is responsible for naming suitable candidates to the Supervisory Board for its proposals to the General Meeting.

4. Targets Set in Accordance with Sections 76(4) and 111(5) of the AktG

Section 315d sentence 2 and section 289f(2) no. 4 of the HGB state that the targets set in accordance with section 76(4) and section 111(5) of the AktG must be included in the statement issued by listed companies along with information on whether these targets were met within the periods concerned and, if they were not, what the reasons for this were.

PROPORTION OF WOMEN AT THE TWO MANAGEMENT LEVELS BELOW THE MANAGEMENT BOARD

Section 76(4) of the AktG requires the management boards of listed companies to set targets for the proportion of women at the two management levels below them.

In line with this, the Management Board set a target of 0% for the first management level back in financial year 2019. As a result, no deadline for achieving the target in accordance with section 76(4) sentence 3 of the AktG needed to be set. The background to why this target was set is the fact that the point of reference for determining the management levels is the legal entity and not the Company or the Group as a whole (proposed resolution and report of the Bundestag's Committee on Family Affairs, Senior Citizens, Women and Youth, printed paper 18/4227, sentence 21). Consequently, the law requires only the two management levels below the Management Board at Westwing Group SE to be taken into account. However, as a matter of principle, when determining the Company's management levels Westwing Group SE's Management Board does not distinguish between employees belonging to Westwing Group SE or other Group companies. A target of 0% for the first management level was set in 2019 purely in order to comply with section 76(4) of the AktG. The starting point for this target was the number of employees at the first management level who have contracts of employment with Westwing Group SE. At the time the resolution was passed in 2019, this related to two male employees. Setting a target of 0% therefore served the legitimate purpose of not having to make new appointments to these two positions within a deadline to be set in accordance with section 76(4) sentence 3 of the AktG while also reflecting the fact that no distinction is made between staff employed by Westwing Group SE and at other Westwing companies. The Management Board considers that this last point remains decisive, and has therefore continued to set a target of 0%.

The target set for the first management level below the Management Board was exceeded in financial year 2024. It amounted to 67% as at 31 December 2024 (previous year: 67%).

The target set by the Management Board for the second management level is unchanged, at 40%. The aim is to reach it by the end of financial year 2028.

The target set for the second management level below the Management Board was exceeded in financial year 2024. It amounted to 44% as at 31 December 2024 (previous year: 54%). As already mentioned above, only employees who had contracts of employment with Westwing Group SE as at 31 December 2024 were taken into account here.

To be clear, we should reiterate at this point that, as a matter of principle, Westwing Group SE's Management Board does not distinguish when determining the Company's management levels between employees belonging to Westwing Group SE or to other Group companies. Looked at from the perspective of the Group rather than merely Westwing Group SE, the proportion of women at the first management level below the Management Board was 72% as at 31 December 2024 (previous year: 72%). The proportion of women at the second management level below the Management Board amounted to 50% as at 31 December 2024 (previous year: 55%).

Westwing Group SE encourages the participation of women at all levels of management. We are proud of our high proportion of female managers and employees.

PROPORTION OF WOMEN ON THE SUPERVISORY BOARD AND THE MANAGEMENT BOARD

Section 111(5) of the AktG requires the supervisory boards of listed companies to set targets for the proportion of women on the Supervisory Board and Management Board.

Originally, a target of 25% women was set for the Supervisory Board. This target was exceeded in financial year 2024 (initially with three female Supervisory Board members and as from 19 June 2024 onwards with two out of a total of five Supervisory Board members). The Supervisory Board has specified the proportion of women in more detail by setting a target of 2/5, reflecting the actual situation and ensuring that the quota corresponded to a whole number. At present, the quota has been reached and the goal is for this to be/remain the case until the end of financial year 2028.

As regards the proportion of women on the Management Board, the Supervisory Board resolved in financial year 2024 that if the Management Board consists of three members, the proportion of women should be at least 1/3 and that if it consists of four members, the proportion of women should be at least 1/4. If the Management Board comprises two or fewer Management Board members, the proportion of women should continue to be 0%. The starting point is that the Company's Management Board comprised and currently comprises two members, both of whom are men. Therefore, in the Supervisory Board's opinion the 0% target in the case of a two-person Management Board merely serves the legitimate purpose of not having to make new appointments to these two positions within a deadline to be set in accordance with section 111(5) of the AktG. The goal is to reach the above-mentioned targets by the end of financial year 2028. The Supervisory Board discussed the topic of gender diversity on the Management Board in financial year 2024 as part of its regular consideration of Management Board succession planning issues, among other things, and will continue to address the issue in financial year 2025.

5. Diversity Policy

Section 315d sentence 2 and section 289f(2) no. 6 of the HGB require stock corporations within the meaning of section 289f(1) of the HGB that are defined as large corporations within the meaning of section 267(3) sentence 1 and sections 267(4) to (5) of the HGB to include in their corporate governance statement a description of the diversity policy that is pursued with regard to the composition of the body authorized to represent the entity and the supervisory board in terms of aspects such as age, gender or educational or professional background. In addition, the objectives of that diversity policy, the manner of its implementation and the results achieved in the financial year must be included.

COMPOSITION OF THE MANAGEMENT BOARD

The composition of the Management Board should be such as to ensure the competent and professional management of Westwing Group SE. The Supervisory Board also takes diversity into account when determining the composition of the Management Board.

The Supervisory Board applies an age limit of 75 for members when determining the Management Board's composition. Exceptions to this rule may be made in justified individual cases.

Please see the information given above regarding the proportion of women on the Management Board.

What is more, as regards the Management Board members' educational and professional background, the aim is to include as many different capabilities and as much experience as possible in the skills areas relevant to managing the Company. Business decisions and issues requiring discussion by the Management Board should be evaluated from as many different perspectives as possible, and nuanced assessments produced and reasons given in line with this.

COMPOSITION OF THE SUPERVISORY BOARD

The composition of the Supervisory Board should be such as to enable it to ensure the qualified oversight of, and provide qualified advice to, Westwing Group SE's Management Board. Supervisory Board members should have the knowledge, skills and professional experience needed to perform their duties in a due and proper manner. To ensure this is the case, the Supervisory Board has set concrete targets and developed a profile of skills and expertise that requires Supervisory Board members to have relevant e-commerce experience, for example. Other issues that must be taken into account include the independence of the Supervisory Board members and the diversity/variety of its composition. As a result, the Supervisory Board corresponds to the recommendation of the 2022 version of the German Corporate Governance Code.

The Supervisory Board applies an age limit of 75 for members when determining its composition. Exceptions to this rule may be made in justified individual cases. The time in office of each of the Supervisory Board members is disclosed. Additional information can be found in the members' published résumés. These are publicly available on the Corporate Governance/Supervisory Board section of the Company's corporate website (ir.westwing.com).

Please see the discussion above for information on gender diversity on the Supervisory Board and on the proportion of women on it in particular.

What is more, as regards its members' educational and professional background, the Supervisory Board has set itself the objective of bringing together as many different capabilities and as much experience as possible in the skills areas relevant to managing the Company. In line with this, the level of diversity should allow business decisions and issues requiring discussion to be evaluated from many different perspectives, and nuanced assessments produced and reasons given in line with this.

OBJECTIVES OF THE DIVERSITY POLICY

Diversity means variety. In practice, Westwing believes that this enriches both society as a whole and the Company. Consequently, Westwing Group SE is committed to positively highlighting diversity throughout the organization and to fostering mutual acceptance. First and foremost, this means promoting measures that serve to integrate people with disabilities ("inclusion").

For Westwing, diversity in terms of gender, culture, religion, sexual orientation, beliefs or other lifestyle issues, for example, goes without saying. Our diversity policy therefore aims to accept differences without passing judgement and, in line with this, to create diverse structures throughout the Company.

In particular, there is no place at Westwing for discriminatory opinions, enmity towards specific groups or unwanted sexual activity. The Company has adopted a zero-tolerance policy in this area and promotes employee education and awareness throughout the organization.

In addition, it should be noted that Westwing does not simply define diversity as an economic factor. Consequently, our diversity policy is not dependent on whether or not we generate positive economic effects from it.

WAY IN WHICH THE DIVERSITY POLICY WAS IMPLEMENTED AND RESULTS IN FINANCIAL YEAR 2024

Westwing has a diversity and inclusion road map designed to make it an even more diverse and inclusive company in the future. Data on diversity (such as ages or gender quotas) is also regularly captured and analysed.

In addition, we made our stance on diversity and inclusion clear in financial year 2024 by drawing up and publishing our Employer Value Proposition (EVP). It is reflected in particular in our “Freedom to grow” value, which shows that Westwing supports all team members’ development regardless of their background. Equally, our “Being human is our superpower” value makes clear that we make respect, support and kindness top priorities. In addition, we introduced “calibration meetings” when promoting staff to team leader positions and higher; these aim to ensure calibration and uniform standards across all areas. Moreover, we held two insight sessions (virtual presentations on concrete topics) in 2024 that examined female entrepreneurship.

Munich, 18 March 2025

Westwing Group SE

For the Management Board
Dr Andreas Hoerning

For the Supervisory Board
Christoph Barchewitz

02

COMBINED
MANAGEMENT REPORT

1. FUNDAMENTAL INFORMATION ABOUT THE GROUP

The Westwing Group – the parent company of which is Westwing Group SE and which is referred to in the following as "Westwing", the "Company" or the "Group" for short – operates an inspirational premium Home & Living e-commerce and design brand in Europe.

Westwing was founded in 2011 and offers products in a variety of different Home & Living categories such as textiles, furniture, lighting, kitchen accessories and decoration. Its assortment comprises both private label products sold under its own brand, "Westwing Collection", and third-party premium brands.

1.1 Business Activities

Westwing is a European premium Home & Living e-commerce and design brand that aims to inspire its customers with the slogan "**Live Beautiful**". The Company intends to be the one-stop destination for Home & Living, with a carefully curated range of products in its Westwing Collection private label business, premium third-party brands, and frequently updated, compelling content offerings and daily shopping themes. Ever since Westwing was founded, the strategy has been to provide its customers with daily inspiration, allowing them to discover and instantly shop their favourite Home & Living pieces.

Westwing's online shop is its primary sales channel, offering a permanent selection of items from the Westwing Collection and other premium brands. The shop's wide-ranging assortment across categories, styles and brands caters to most aspects of living.

In addition, Westwing offers **Daily Specials**, where it combines inspiration and shopping in daily themes that are announced every morning. The brands and products that Westwing selects align with its ambition to stand out, while the way it presents its offering enhances its brand identity. Westwing continuously adapts to new trends, partnering with relevant brands and offering compelling prices to retain existing customers and attract new ones.

The Westwing Collection is Westwing's exclusive product brand. It stands as evidence of the Group's commitment to elevated design standards, producing premium products that should combine design, quality and sustainability.

Westwing's selection of third-party brands offers a wide range of choices. Its portfolio of brand partners is a successful blend of leading interior brands and emerging niche providers.

Westwing targets a highly attractive market that is estimated to be worth approximately EUR 81bn[1] in Germany and approximately EUR 130bn[2] in all the geographies in which the Group operates.

In 2024, Westwing's gross merchandise volume (GMV, see also section 1.3 of this Combined Management Report) amounted to EUR 497m. Of this figure, 43% was attributable to furniture, 15% to textiles and rugs, 11% to lighting, 9% to kitchen and dining, and 23% to other products. The share of GMV accounted for by the Westwing Collection increased to 55% in 2024 (2023: 47%).

1 Euromonitor (29 May 2024).
2 Euromonitor (30 May 2022).

1.2 Structure of the Group

The Group is headed by the holding company, Westwing Group SE, a European stock corporation that is entered in the commercial register of the district court in Berlin under the number HRB 239114 B. The Company is headquartered at Moosacher Strasse 88, 80809 Munich, Germany. Westwing is listed on Frankfurt Stock Exchange's regulated market (Prime Standard). This is a summarised management report; the information on the parent company can be found in chapter 8, while the general information applies equally to the parent company and the group.

A total of 20 companies were included in the Group's consolidated financial statements as at 31 December 2024, of which nine were non-operating. The most important affiliate in terms of revenue is Germany-based Westwing GmbH, which also accounts for a significant part of the Group's international business.

1.3 Performance Measurement System

Westwing manages its operating business via two segments: DACH and International. The key performance indicators used are revenue, revenue growth, Adjusted EBITDA and the Adjusted EBITDA margin. The DACH segment comprises Germany, Switzerland and Austria. The International segment consists of Belgium, the Czech Republic, France, Italy, the Netherlands, Poland, Portugal, the Slovak Republic and Spain.

Westwing defines EBITDA as total earnings before interest and taxes (EBIT) plus depreciation, amortisation and impairments. Adjusted EBITDA is calculated by modifying this figure to take account of share-based payment expenses and one-time restructuring costs. This provides a performance metric for the Company's operating business. The Adjusted EBITDA margin is defined as Adjusted EBITDA expressed as a percentage of revenue.

In 2024, Westwing adjusted its EBITDA for restructuring expenses arising from its complexity reduction measures. These measures included the migration from a proprietary technology ecosystem to a mostly Software-as-a-Service (SaaS) based platform, including the restructuring of its Technology department. Additionally, the Company switched to a mostly global and more premium product assortment, which was accompanied by the restructuring of the corporate functions in Italy and Spain, and related business functions in Central and Eastern Europe and at its headquarters. In total, adjustments relating to the implementation of the complexity reduction measures amounted to EUR 8.5m. This policy is consistent with past years; Westwing has always adjusted for major restructuring programmes.

Other financial and non-financial performance indicators that are reported to the Management Board in addition to the key performance indicators (revenue, revenue growth, Adjusted EBITDA and the Adjusted EBITDA margin) include the following:

- GMV (gross merchandise volume): This is defined as the order value (excluding VAT) of all valid orders for the relevant period excluding failed and cancelled orders and less projected cancellations, which are estimated based on historical patterns. Returns are included, however.

- Westwing Collection share: The share of total GMV accounted for by the Westwing Collection, expressed as a percentage.

- Number of orders: This is defined as the total number of valid orders placed during the 12 months before the period-end and is not adjusted for returns.

- Average basket size: The GMV for the relevant period divided by the total number of orders for the same period.

- Active customers: Customers who have placed at least one valid order during the 12 months before the period-end, not adjusted for returns.

- Average orders per active customer in the preceding 12 months: This is the total number of orders placed in the 12 months before the period-end divided by the number of active customers as at the period-end.

- Average GMV per active customer in the preceding 12 months: GMV in the 12 months before the period-end divided by the number of active customers as at the period-end.

- Mobile visit share: The proportion of site visits made via mobile devices, expressed as a percentage of total site visits.

- Contribution margin: Total gross profit less adjusted fulfilment expenses, expressed as a percentage of revenue.

- Free cash flow: The sum of cash flow from operations and cash flow from investments.

1.4 Research and Development

Following the Management Board's decision in 2023 to change the technology strategy, Westwing reached a key milestone in 2024 by successfully migrating all countries to its new SaaS-based technology platform. This transition from a proprietary system to a scalable SaaS solution provides a robust foundation for growth while reducing fixed costs. The new platform also features enhanced functionalities.

Looking ahead to 2025, Westwing will focus on further optimising the customer experience, phasing out remaining legacy technologies, and leveraging the new platform to drive operational efficiency gains.

This strategy change led to a EUR 3.4m increase in amortisation in 2024 due to the shortened useful lives of old software systems.

Development costs are capitalised in accordance with IAS 38 and HGB. The net carrying amount of intangible assets resulting from the capitalisation of internally developed software decreased by EUR 3.2m to EUR 16.0m in the 2024 financial year. Reflecting the decision described above, capitalised development costs accounted for roughly 20% of total technology costs in 2024 (2023: 12%). Amortisation of capitalised development costs amounted to EUR 9.6m during the same period (2023: EUR 6.5m).

2. REPORT ON ECONOMIC POSITION

2.1 Macroeconomic and Sector-specific Environment

Westwing operates in the Home & Living e-commerce market across 12 European countries. The Group's revenue and profitability depend on macroeconomic conditions, sector-specific dynamics, and the broader prospects for e-commerce, including growth of mobile channels.

In 2024, the global economic situation remained challenging but showed early signs of stabilisation. According to the International Monetary Fund (IMF), global GDP growth slowed slightly to 3.2% (2023: 3.3%), as many economies faced long-lasting inflation effects and restrictive monetary policies. Geopolitical tensions, particularly the ongoing war between Russia and Ukraine, continued to disrupt global markets. In Europe, the energy crisis eased compared to prior years. However, elevated consumer prices and the cost-of-living crisis sustained pressure on household budgets. Despite these challenges, global consumer price inflation declined to 5.7% in 2024 (2023: 6.7%), with inflation in advanced economies slowing to 2.6% (2023: 4.6%). Germany – Westwing's largest market – saw a significant reduction in inflation, with consumer prices rising by just 2.2%, down significantly from the elevated levels of the previous years.[3]

Within the eurozone, economic development remained subdued, with GDP growth of 0.8% in 2024 (2023: 0.4%). This was primarily driven by the impact of high interest rates and persistent uncertainty. While the EU Economic Sentiment Indicator remained weak but stable throughout 2024, the EU Employment Expectations Indicator even declined over the year. These factors weighed on private consumption and investment, dampening economic momentum in 2024.[4]

The macroeconomic factors outlined above presented challenges for the overall Home & Living market, including its online segment. However, signs of recovery have emerged: according to market research, the German e-commerce market—Westwing's largest geography—returned to growth in 2024 after two consecutive years of decline. This underscores the sector's resilience amid challenging conditions.[5]

OVERALL ASSESSMENT OF THE ECONOMIC ENVIRONMENT

Westwing anticipated the weak macroeconomic developments in 2024, allowing it to adapt to market conditions effectively. Westwing closed 2024 in line with its forecast for both revenue and Adjusted EBITDA. These results reflect the Company's strong positioning and its ability to successfully navigate the challenging market environment.

Looking forward, the Group continues to see significant potential in the Home & Living e-commerce market, as online penetration still is comparably low. Online shopping is expected to grow as consumers increasingly value convenience, variety and accessibility. However, online market growth will continue to be influenced by overall consumer sentiment, which may result in modest or even declining online growth rates given the current macroeconomic outlook for the European Union.

2.2 Course of Business

In 2024, Westwing's business was impacted by persistently poor consumer sentiment regarding Home & Living, and by macroeconomic uncertainties. Westwing had anticipated and planned for this, closing the year with revenue that exceeded the previous year at EUR 444m (2023: EUR 429m) and an Adjusted EBITDA margin of 5.4%, also above previous year's level (2023: 4.1%).

Westwing closed the year at the upper end of its capital market guidance for revenue and Adjusted EBITDA range.

3 Federal Statistical Office of Germany: Press release No. 020 of 16 January 2025.
4 Eurozone: Hopes of a strong consumer rebound fade | Oxford Economics
5 https://logistik-heute.de/news/e-commerce-onlinehandel-deutschland-wieder-im-aufwind-195142.html

Date	Revenue	Revenue growth	Adjusted EBITDA	Adjusted EBITDA margin
28 March 2024 (original guidance)	EUR 415m – EUR 445m	−3% to +4%	EUR 14m – EUR 24m	3% to 5%
FY 2024 result	EUR 444.3m	3.7%	EUR 24.0m	5.4%

The DACH segment generated revenue of EUR 252.2m (+6.6% year-over-year) and Adjusted EBITDA of EUR 14.5m (2023: EUR 16.1m). Revenue in the International segment was EUR 192.2m (+0.0% year-over-year) and Adjusted EBITDA amounted to EUR 9.8m (2023: EUR 2.1m). Please see the segment results for further details.

The following factors affected the Company's course of business in 2024:

Challenging Economic Situation

The ongoing geopolitical conflicts, especially the war in Ukraine, affected the European economies. While inflation rates decreased, consumer sentiment regarding Home & Living remained weak. Despite this, Westwing managed to grow revenue and to improve its profitability.

Implementation of its Three-step Transformation Plan

At the beginning of the year, the Company outlined its three-step plan to unlock Westwing's full value potential. The first phase lasted from mid-2022 to the end of 2023 and included the turnaround of the Company as well as the change of the business model based on a new strategy. The second step started in 2024 and will last into 2025. The focus here is on building a lean and scalable platform. From 2025 onwards, the third phase will concentrate on driving growth, maintaining cost discipline, and maximising operating leverage. Westwing made significant progress in 2024, focusing on the following four areas:

1. Complexity Reduction

Westwing's transformation included the migration from a proprietary technology ecosystem to a SaaS-based platform, which came with a new, more premium web design that is tailor-made for design lovers. The new platform was successfully implemented in all existing countries by end of 2024, ahead of plan.

In parallel, Westwing implemented a more premium and mostly global product assortment. This strategic shift led to a restructuring of its corporate functions in Italy and Spain and its business-related functions in Poland and at its headquarters. Furthermore, local logistics centres in Italy, Poland and Spain were consolidated into Westwing's European logistic centre in Poznań, Poland. As anticipated, the change in the assortment had a negative impact on topline as the company phased out less premium and less profitable products.

2. Stronger Premium Brand Positioning

Westwing made good progress on strengthening its premium brand positioning across all channels and invested in its brand and customer experience. In March, the Group opened its second physical retail space and first ever store-in-store at Breuninger's flagship fashion and lifestyle store in Stuttgart. At Milan Design Week in April, Westwing presented design highlights from the Westwing Collection plus a collaboration with prestigious fabric house Dedar Milano in an immersive exhibition. During the men's European Football Championship in Germany, the Company collaborated with İlkay Gündoğan, the former captain of the German national football team. Additionally, Westwing entered into an exclusive partnership with MEISSEN, Europe's oldest porcelain maker, showcasing a unique blend of tradition and modern design. In the third quarter, the Company launched an "Iconic Pieces" brand awareness campaign in Germany, which included out-of-home advertising across major German cities. All of this has helped to increase brand awareness and to improve brand perception among customers, third party design brands and other external stakeholders.

3. OneWestwing Commercial Model

In 2023 the Company successfully integrated its Shop and Club sales under a single domain and in one App in all countries, before implementing a single checkout for all customers through a SaaS-platform in 2024. This has created a better and more intuitive customer experience that aims to generate higher conversion rates and ultimately drive growth and profitability.

4. Expansion of the Westwing Collection

Westwing's internally designed products allow the Company to offer a comprehensive assortment on its website that aligns with the premium brand and customers' tastes, setting it apart from the competition. The Company continued to expand its Westwing Collection in 2024, with the share of Group GMV increasing to an all-time high of 55%. In addition, Westwing significantly increased the proportion of sustainable products (see chapter 4, Sustainability Statement) in the Westwing Collection portfolio (66% at the end of 2024). Westwing remains dedicated to developing new products and expanding the assortment in 2025.

2.2.1 FINANCIAL PERFORMANCE

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

The condensed Consolidated Statement of Profit or Loss (IFRSs) before adjustments is as follows:

EURm	2024	In % of revenue	2023	In % of revenue	Change in EURm	Change in %
Revenue	**444.3**	**100.0**	**428.6**	**100.0**	**15.7**	**3.7**
Cost of sales	– 218.7	– 49.2	– 215.7	– 50.3	– 3.0	1.4
Gross profit	**225.7**	**50.8**	**212.9**	**49.7**	**12.7**	**6.0**
Fulfilment expenses	– 85.2	– 19.2	– 90.3	– 21.1	5.1	– 5.6
Marketing expenses	– 57.1	– 12.9	– 45.6	– 10.6	– 11.5	25.3
General and administrative expenses	– 84.6	– 19.0	– 85.2	– 19.9	0.6	– 0.7
Other operating expenses	– 8.9	– 2.0	– 6.2	– 1.4	– 2.7	44.4
Other operating income	5.4	1.2	5.9	1.4	– 0.6	-9.6
Operating profit/loss	**– 4.8**	**– 1.1**	**– 8.4**	**– 2.0**	**3.6**	**– 42.4**

The following table shows the reconciliation from operating profit/loss to Adjusted EBITDA:

EURm	2024	2023
Operating profit/loss	**– 4.8**	**– 8.4**
Share-based payment expenses/(income)	– 0.0	2.3
Restructuring expenses	8.5	4.1
Depreciation, amortisation and impairments	20.3	19.8
Adjusted EBITDA	**24.0**	**17.8**
Adjusted EBITDA margin	5.4%	4.1%

The Adjusted Consolidated Statement of Profit or Loss shown in the following table, which Westwing uses to comment on operating developments in the individual line items, does not include share-based payment expenses or other major restructuring expenses.

In 2024, Westwing adjusted its EBITDA by EUR 8.5m to account for part of the restructuring expenses from its complexity reduction measures, which included the change in its technology strategy.

In 2023, Westwing adjusted its EBITDA for restructuring expenses related to the change in its technology strategy of EUR 4.1m.

ADJUSTED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

EURm	2024	In % of revenue	2023	In % of revenue	Change in EURm	Change in %
Revenue	444.3	100.0	**428.6**	**100,0**	**15.7**	**3.7**
Cost of sales	– 218.7	– 49.2	– 215.7	– 50.3	– 3.0	1.4
Gross profit	225.7	50.8	**212.9**	**49.7**	**12.7**	**6.0**
Fulfilment expenses*	– 84.0	– 18.9	– 90.3	– 21.1	6.3	– 6.9
Contribution margin	141.7	31.9	**122.7**	**28.6**	**19.0**	**15.5**
Marketing expenses*	– 56.9	– 12.8	– 45.3	– 10.6	– 11.5	25.4
General and administrative expenses*	– 79.1	– 17.8	– 80.3	– 18.7	1.2	– 1.5
Other operating expenses*	– 8.3	– 1.9	– 4.9	– 1.1	– 3.4	69.1
Other operating income*	6.3	1.4	5.9	1.4	0.4	6.1
Depreciation, amortisation and impairments	20.3	4.6	19.8	4.6	0.5	2.8
Adjusted EBITDA	24.0	5.4	**17.8**	**4.1**	**6.2**	**–**

* The following adjustments were made in these line items:

EURm	Expense item	2024	2023
Share-based payments	Fulfilment expenses	0.0	0.0
	Marketing expenses	0.2	0.2
	General and administrative expenses	– 0.3	2.0
Restructuring expenses	Fulfilment expenses	1.2	–
	Marketing expenses	0.0	–
	General and administrative expenses	5.7	2.9
	Other expenses	0.6	1.3
	Other operating income	0.9	–
Total		8.5	**6.4**

Revenue for the financial year can be broken down as follows:

EURm	2024	In % of revenue	2023	In % of revenue
Revenue from the sale of products	435.3	98.0	419.7	97.9
Service revenue	1.5	0.3	1.1	0.3
Other revenue	7.6	1.7	7.8	1.8
Total	444.3	100.0	**428.6**	**100.0**

Changes in the other, ancillary performance indicators were as follows in the reporting period:

OTHER PERFORMANCE INDICATORS

	2024	2023	Change
Westwing Collection share (in % of GMV)	55%	47%	8pp
GMV (in EURm)	497	481	+ 3%
Number of orders (in thousands)	2,548	2,851	– 11%
Average basket size (in EUR)	195	169	+ 16%
Active customers (in thousands)	1,237	1,275	– 3%
Average orders per active customer in the preceding 12 months	2.1	2.2	– 8%
Average GMV per active customer in the preceding 12 months (in EUR)	402	377	+ 6%
Mobile visit share	81%	80%	1pp

BUSINESS PERFORMANCE [6]

Westwing's revenue in 2024 amounted to EUR 444.3m, growing by 3.7% compared to 2023 (EUR 428.6m). Westwing navigated the challenging market environment and weak Home & Living consumer sentiment by further enhancing its product offering and strengthening its brand positioning.

The share of revenue accounted for by the Westwing Collection grew by 8 percentage points, from 47% of GMV in 2023 to 55% of GMV in 2024.

Westwing's gross profit increased to 50.8%, up from 49.7% in 2023. This performance was primarily driven by a higher revenue contribution from the Westwing Collection and enhanced margin management.

Fulfilment expenses[7] as a percentage of revenue significantly improved year-over-year, from 21.1% in 2023 to 18.9% in 2024. In absolute terms, they amounted to EUR 84.0m (2023: EUR 90.3m). This improvement was mainly attributable to better utilisation of warehouse space and efficiency gains.[8]

Marketing expenses as a percentage of revenue amounted to 12.8%, an increase of 2.2 percentage points compared to the previous year (2023: 10.6%). Expressed in absolute terms, they rose by a significant EUR 11.5m to EUR 56.9m (2023: EUR 45.3m). The rise was primarily due to investments in increasing Westwing's brand awareness in Germany and other planned marketing measures.

General and administrative expenses as a percentage of revenue fell from 18.7% in 2023 to 17.8% in 2024. In absolute terms, general and administrative expenses decreased by EUR 1.2m to EUR 79.1m (2023: EUR 80.3m), despite temporarily higher depreciation and amortisation of EUR 2.7m caused by the technology transformation.

Adjusted EBITDA improved significantly from EUR 17.8m in 2023 to EUR 24.0m in 2024, a year-over-year rise of EUR 6.2m. The Adjusted EBITDA margin climbed 1.2 percentage points, from 4.1% to 5.4%.

6 Figures are presented on an adjusted basis; see the Adjusted Statement of Profit or Loss tables above for details.

7 Fulfilment expenses include shipping costs.

8 Effective 1 January 2024, Westwing has reclassified the capitalisation of inbound costs from fulfilment expenses to cost of goods sold in the adjusted statement of profit or loss. To ensure comparability, the 2023 figures presented in this report have been retrospectively adjusted to reflect this reclassification in cost of goods sold, gross profit, and fulfilment expenses.

Depreciation and amortisation rose by EUR 0.5m to EUR 20.3m. The increase was due to higher amortisation resulting from the shortened useful lives of certain internally generated intangible assets following the change in the Company's technology strategy.

The net financial result increased by EUR 0.8m compared to 2023 and amounted to EUR 0.1m (2023: EUR – 0.7m). The main driver was higher interest income on deposits of EUR 1.7m (2023: EUR 1.1m), while currency effects nearly completely offset each other at EUR – 0.1m (2023: EUR 0.1m).

Income tax expenses amounted to EUR – 0.2m compared to expenses of EUR – 3.3m in the previous year. The tax expense in the previous year was mainly characterised by the derecognition of capitalised deferred taxes on loss carry forwards.

The loss after tax in the 2024 financial year was EUR – 5.0m, a year-over-year improvement of EUR 7.5m (2023: EUR – 12.4m).

SEGMENT RESULTS

The Group's revenue can be broken down by segment as follows:

EURm	2024	In % of revenue	2023	In % of revenue	Change in EURm	Change in %
DACH	252.2	56.8	236.5	55.2	15.7	6.6
International	192.2	43.2	192.1	44.8	0.0	0.0
Total	**444.3**	**100.0**	**428.6**	**100.0**	**15.7**	**3.7**

Adjusted EBITDA for the segments was as follows:

EURm	2024	Margin	2023	Margin	Change in EURm
DACH	14.5	5.8%	16.1	6.8%	– 1.6
International	9.8	5.1%	2.1	1.1%	7.7
HQ/reconciliation	– 0.3	–	– 0.4	–	0.1
Total	**24.0**	**5.4%**	**17.8**	**4.1%**	**6.2**

The DACH segment contributed EUR 252.2m to revenue, an increase of 6.6% compared to 2023. Revenue in the International segment was stable at EUR 192.2m. The DACH segment achieved an Adjusted EBITDA of EUR 14.5m (2023: EUR 16.1m) and an Adjusted EBITDA margin of 5.8% (2023: 6.8%). The decline was due to continued investments in brand awareness in Germany. Adjusted EBITDA in the International segment was EUR 9.8m (2023: EUR 2.1m), corresponding to an Adjusted EBITDA margin of 5.1% (2023: 1.1%). This positive trend was mainly due to an increased Westwing collection share and the switch to a mostly global and more premium product assortment.

The primary driver of the year-over-year revenue growth disparity between the two segments was the complexity reduction measures implemented as part of the Company's three-step transformation plan. The transition to a mostly global and more premium product assortment had a significantly greater impact on the International segment than on the DACH segment in 2024. For the 2025 financial year, the changeover effects are expected to subside and development is expected to be more balanced.

2.2.2 CHANGES IN FINANCIAL POSITION

CONDENSED STATEMENT OF CASH FLOWS

EURm	2024	2023	Change in EURm
Cash flows from operating activities	16.6	33.3	– 16.7
Cash flows from investing activities	– 7.5	– 3.8	– 3.6
Cash flows from financing activities	– 21.8	– 23.9	2.1
Net change in cash and cash equivalents	**– 12.7**	**5.7**	**– 18.3**
Effect of exchange rate fluctuations on cash held	0.0	– 0.1	0.2
Cash and cash equivalents as at 1 January	81.5	76.0	5.5
Cash and equivalents as at 31 December	**68.8**	**81.5**	**– 12.7**

Westwing generated cash flows from operating activities of EUR 16.6m in 2024 (2023: EUR 33.3m). The decrease was mainly a result of a build-up of inventories. In contrast, 2023 showed a large positive cash flow effect from the reduction of excess inventories. Net working capital – defined as inventories plus prepayments, current trade receivables and other financial assets less trade payables, accruals, supplier finance arrangements and contract liabilities – decreased year-over-year and amounted to EUR – 10.1m in 2024 (2023: EUR – 8.0m). In addition, cash flow from operating activities in 2024 was impacted to a greater extent by restructuring expenses compared to the previous year.

Cash flows from investing activities amounted to EUR -7.5m in 2024 (2023: EUR – 3.8m). This development was primarily due to higher investments in intangible assets, especially in internal software development, which amounted to EUR 6.6m in 2024 (2023: EUR 3.9m). In addition, the Company invested into warehouse automation and safety, which led to elevated investments into purchases of property, plant and equipment of EUR 3.6m (2023: EUR 1.5m). Furthermore, Westwing received interest income of EUR 1.7m (2023: EUR 1.1m) as well as income from subletting surplus office and warehouse space totalling EUR 1.4m.

Free cash flow for the full year 2024 decreased due to the changes in cash flows from operating activities and cash flows from investing activities described above and amounted to EUR 9.1m (2023: EUR 29.5m).

Cash flows from financing activities were EUR – 21.8m (2023: EUR – 23.9m). They include a EUR 10.8m purchase of treasury shares (2023: EUR 3.7m) as well as lease expenses, primarily for office and warehouse locations, amounting to EUR 9.8m (2023: EUR 10.6m).

Cash and cash equivalents decreased by EUR 12.7m compared to 31 December 2023 and amounted to EUR 68.8m at the end of 2024. Westwing had credit lines of up to EUR 20.0m in 2024 compared to EUR 33.0m in the previous year. This change is attributable to the return of a credit line of EUR 13m with Norddeutsche Landesbank.

Principles and Objectives of Financial Management

Westwing's financial management activities focus on managing cash and working capital, and on maintaining liquidity. The nature and volume of cash transactions are aligned with the operating business. Westwing only has term deposits such as highly liquid short-term investments with original maturities of three months or less. Rolling 12-month as well as 13-weeks cash flow planning is used to determine liquidity requirements.

The Company maintains cash reserves to cover additional investments in growth, to support its ongoing business, and to navigate weak market developments. Westwing consistently ensured that enough liquid funds were available to fund operations and was always able to meet its payment obligations.

Details of financial risk management can be found in the Notes to the Consolidated Financial Statements (Note 22).

2.2.3 FINANCIAL POSITION

CONDENSED STATEMENT OF FINANCIAL POSITION

EURm	2024	2024 in % of total	2023	2023 in % of total	Change in EURm	Change in %
Total assets	**199.3**	**100.0**	**203.4**	**100.0**	**– 4.1**	**– 2.0**
Non-current assets	60.1	30.2	67.0	32.9	– 6.9	– 10.3
Current assets	139.2	69.8	136.4	67.1	2.8	2.0
Total equity and liabilities	**199.3**	**100.0**	**203.4**	**100.0**	**– 4.1**	**– 2.0**
Equity	59.4	29.8	75.0	36.9	– 15.6	– 20.8
Non-current liabilities	34.0	17.1	36.7	18.1	– 2.7	– 7.3
Current liabilities	105.9	53.1	91.7	45.1	14.2	15.5

Non-current assets mainly consisted of property, plant and equipment, and intangible assets. Property, plant and equipment decreased from EUR 44.6m as at the end of 2023 to EUR 37.9m as at the end of 2024. The decline is partly caused by a revaluation of warehouses and office buildings formerly capitalised under IFRS 16, which are now reported under non-current (EUR 2.4m) and current receivables (EUR 1.6m) due to their subletting. Intangible assets, which were primarily attributable to the capitalisation of software development expenses, dropped by EUR 3.1m, partly as a result of the change in the Company's technology strategy. Capitalised software development expenses were EUR 6.5m in 2024, while amortisation amounted to EUR 9.6m.

Current assets amounted to EUR 139.2m as at 31 December 2024 (31 December 2023: EUR 136.4m). Cash and cash equivalents dropped to EUR 68.8m (31 December 2023: EUR 81.5m). This decline was driven by lower cash flows from operating and investing activities, as well as higher investments into share buybacks. Inventories increased to EUR 47.5m (31 December 2023: EUR 28.1m), while trade and other current financial receivables declined slightly by EUR 1.4m to EUR 10.7m (31 December 2023: EUR 12.1m); this item included expected credit losses of EUR 7.1m (31 December 2023: EUR 4.0m).

The Company's equity decreased to EUR 59.4m as at 31 December 2024 compared to EUR 75.0m as at the end of 2023. This change was mainly caused by the net loss for the year of EUR 5.0m and the EUR 10.8m increase in treasury shares, which were deducted from equity.

Non-current liabilities fell by EUR 2.7m to EUR 34.0m (31 December 2023: EUR 36.7m). The decline is mainly due to lower long-term leasing liabilities and lower deferred tax liabilities.

As at 31 December 2024, the Group had credit lines of EUR 10.0m at UniCredit Bank AG (31 December 2023: EUR 10.0m) that are valid until further notice, with EUR 5.5m of this amount being used as a bank guarantee facility. It also had credit lines of EUR 10.0m at Norddeutsche Landesbank that were valid until 31 December 2024. No supplier finance arrangements were in place as at 31 December 2024.

Current liabilities increased by EUR 14.2m year-over-year to EUR 105.9m (31 December 2023: EUR 91.7m). This development was primarily driven by an increase in trade payables and accruals from EUR 35.9m at the end of 2023 to EUR 46.0m as at 31 December 2024, and by higher contract liabilities which amounted to EUR 23.3m (31 December 2023: EUR 19.3m). Lease liabilities were down EUR 2.2m to EUR 9.0m as at 31 December 2024 (31 December 2023: EUR 11.2m).

Overall Assessment of the Group's Economic Position

In 2024 Westwing returned to growth on a full year basis and improved its profitability significantly year-over-year in terms of Adjusted EBITDA and operating result. This was accomplished despite a challenging market environment characterised by macroeconomic uncertainties and persistently subdued consumer sentiment in the Home & Living sector.

Strong improvements in unit economics, driven by an increased Westwing Collection share and efficiency gains, as well as cost-saving measures from complexity reduction, contributed to the positive profitability development. The Company is therefore confident that it will be able to further enhance its economic position, especially once the market environment improves.

3. EMPLOYEES

Westwing Group employed 1,291 full time equivalents (FTEs) as at the end of December 2024, a decrease on the 1,614 FTEs recorded as at the end of 2023.

In December 2024, most staff were employed by the Munich-based legal entities Westwing Group SE (242 FTEs) and Westwing GmbH (270 FTEs), and by the Group's Polish entity (654 FTEs). The latter also operates Westwing's shared service centre and logistic centre.

Westwing's workforce is highly international. As at the end of 2024, the Company employed people from more than 66 different nationalities. Likewise, Westwing sees gender diversity as an important factor: 62.1% of the Company's employees and 62.0% of its leadership team are female.

4. SUSTAINABILITY STATEMENT

4.1 GENERAL INFORMATION
ESRS 2 | General Disclosures

4.1.1 BASIS FOR PREPARATION

The sustainability statement has been prepared on a consolidated basis for Westwing Group SE in full compliance with the European Sustainability Reporting Standards (ESRS). At the same time, it fulfills the requirements for non-financial reporting according to 289b et seq. and 315b to 315c of the German Commercial Code (Handelgesetzbuch – HGB), It presents the company's overall sustainability performance and its combined impacts. The consolidation of the sustainability statement follows the same principles as for the financial statements, and detailed information regarding the scope of this consolidation can be found in Note. 2.3 of the Annual Report. Westwing does not have any subsidiaries included in the consolidation scope that are exempt from individual or consolidated sustainability reporting under Articles 19a or 29a of Directive 2013/34/EU. Westwing Group SE (single entity) is the parent company of the Westwing Group (conglomerate) and is responsible for business decisions. Therefore, with regard to the content of the non-financial statement for Westwing Group SE (single entity) pursuant to § 289b HGB, reference can be made to the statement concerning the Group. For our non-financial statement regarding Westwing Group SE (single entity) pursuant to § 289b HGB, we have not used a framework because an ESRS sustainability statement for the Group is relevant to our stakeholders.

The disclosed sustainability matters and figures are based on the double materiality assessment. Westwing's sustainability statement covers both the upstream and downstream value chains, as well as its own operations. The materiality assessment extends to both upstream and downstream value chains, capturing the impacts, risks, and opportunities (IROs) within these areas. Westwing's policies, including its code of conduct, actions, and targets, also cover the value chain where feasible, particularly in relation to our Westwing Collection suppliers, brand partners, and other suppliers and service providers. Data from upstream and downstream activities, where available, are included in disclosed metrics to provide a comprehensive view of impacts across the value chain.

The upstream value chain includes sourcing, procurement, and shipping from suppliers and brand partners in Asia and Europe, over which Westwing has limited operational control. The company's own operations span its offices, logistic centres, and stores, all of which are located in leased spaces, limiting the extent of direct operational control. The downstream value chain includes order processing, packaging, shipping to customers, and product end-of-life management across 12 European countries. While Westwing has direct operational control over specific processes such as selecting packaging materials, and managing order processing systems, broader responsibilities within the value chain, such as the practices of packaging suppliers or outsourced customer service providers, remain outside our direct operational oversight.

Westwing has not used the option to omit information related to intellectual property, know-how, or innovation results, nor has it applied the exemption from disclosing impending developments or matters under negotiation.

BP-2 – Disclosures in relation to specific circumstances

TIME HORIZONS

The time horizons used are the same as the time horizons specified in ESRS 1 section 6.4.

(a) short-term time horizon: the reporting period in our financial statements;
(b) medium-term time horizon: up to 5 years from the end of the short-term reporting period;
(c) long-term time horizon: 5-10 years.

For climate risks, different time horizons were selected due to the need for scenario planning to capture the extended nature of climate-related impacts and opportunities. Westwing deviated from the medium- and long-term definitions in ESRS 1 to better align with industry practices and long-term climate commitments, defining short-term as 1–3 years, medium-term as 3–10 years, and long-term as up to 2050. This adjusted approach reflects the prolonged timeframes required to assess potential climate impacts and develop effective mitigation and adaptation strategies.

VALUE CHAIN ESTIMATIONS

Concerning our value chain metrics, some have been estimated from indirect sources. Here is an overview in the following table.

VALUE CHAIN METRICS ESTIMATED FROM INDIRECT SOURCES TABLE

Metric	Basis for preparation	Level of accuracy	Planned actions to improve the accuracy in the future
Scope 3 greenhouse gas (GHG) emissions (tCO_2e)	Scope 3 GHG emissions were estimated using category-specific approaches. For Category 1 (Purchased Goods & Services), material composition information from suppliers was used when available, applying industry-average emission factors. Where supplier data was unavailable, average values were applied to address data gaps. For Category 4 (Upstream Transportation and Distribution), average distances were used to calculate total tkm for activity data. For Category 11 (Use of Sold Products), emissions were estimated based on assumptions about product durability and typical usage patterns. For Category 12 (End-of-Life Treatment of Sold Products), disposal methods were determined using sector averages from emission factor databases.	The accuracy of these estimates is moderate. Emission factors and certain activity data were based on industry averages rather than supplier-specific information, which may limit precision. Categories with assumptions, such as product durability (Category 11) and disposal methods (Category 12), introduce additional variability, though these are consistent with accepted sector averages and standard practices.	For Category 1 (Purchased Goods & Services), the implementation of a Product Lifecycle Management (PLM) system will enable us to gather higher-quality data from suppliers on material composition, reducing our reliance on averages. For transportation (Category 4), we plan to collect carrier-specific emissions data to improve precision in our footprint calculations. Additionally, for the use of sold products (Category 11), we intend to investigate market-specific variances in product usage through desktop research to enhance the accuracy of our estimations.

SOURCES OF ESTIMATION AND OUTCOME UNCERTAINTY

Some quantitative metrics and monetary amounts disclosed in the sustainability statement are subject to a high level of measurement uncertainty. Here is an overview in the following table.

QUANTITATIVE METRICS AND MONETARY AMOUNTS SUBJECT TO A HIGH LEVEL OF UNCERTAINTY TABLE

	Metric	Sources of measurement uncertainty	Assumptions, approximations and judgements made in measurement
Quantitative Parameter	Scope 3 GHG emissions – Purchased Goods & Services	Limited availability of product material composition from suppliers.	Reliance on the accuracy of supplier-provided data, with extrapolations made where data is unavailable.
	Scope 3 GHG emissions – Upstream transportation and distribution	Limited availability of distance data.	Estimated distances are calculated based on available origin and destination information.
	Scope 3 GHG emissions – End of life	No data available on specific product disposal methods.	Industry-average disposal methods are applied in the absence of customer-specific information.
	Scope 3 GHG emissions – Direct use-phase	Limited data on product durability and customer usage patterns.	Assumptions are based on average product durability, usage patterns, and wattage due to the lack of product-specific and customer-specific data. Indirect use-phase emissions are not included.
	E5-5 36c) The rates of recyclable content in products and their packaging	Limited availability of packaging material composition from third-party product suppliers.	Assumptions are based on the packaging material composition and weight of similar items where primary data is available.

REPORTING ERRORS IN PRIOR PERIODS

As this is the first reporting year under the CSRD, there are no changes in preparation or presentation of the sustainability information, nor have there been any errors identified.

DISCLOSURES STEMMING FROM OTHER LEGISLATION OR GENERALLY ACCEPTED SUSTAINABILITY REPORTING PRONOUNCEMENTS

HGB Disclosures

This Sustainability Statement in accordance with ESRS simultaneously meets the requirements for the non-financial statement prepared in accordance with 289b et seq. HGB and 315b to 315c HGB. The initial full application of the European Sustainability Reporting Standards (ESRS) as a framework pursuant to 315c para. 3 in conjunction with 289d HGB is based on the importance of ESRS as the sustainability reporting standards formally adopted by the European Commission.

The five aspects mentioned in the HGB are addressed in the ESRS as follows:

- Environmental matters: ESRS E1-E5
- Employee matters: ESRS S1, S2
- Social matters: ESRS S1, S2, S4
- Respect for human rights: ESRS S1, S2
- Corruption and anti-bribery: ESRS G1

EU TAXONOMY

As part of the environmental information in this Sustainability Statement, the disclosures required by Article 8 of Regulation 2020/852 (EU Taxonomy Regulation) for Westwing Group are included in Chapter 2 Environmental Information.

4.1.2 GOVERNANCE

GOV-1 – The role of the management and supervisory bodies

Governance structure and board composition

Westwing has a two-tier (dualistic) board structure, consisting of a Supervisory Board and a Management Board. In total, the Management Board, according to the German system, is responsible for the management of the company and comprises two executive members. The Supervisory Board comprises five (non-executive) members and has the task of advising and monitoring the Management Board. In line with the applicable legislation, the Supervisory Board of Westwing Group SE does not include employees or other workers' representatives. Four of the five Supervisory Board members are deemed independent.

The board members have experience relevant to the e-commerce, retail, and financial sectors, ensuring effective oversight of business operations. The Management Board is currently all-male. The Supervisory Board has a 40% female representation, with the average ratio being 3:2.

Experience and expertise of board members

	Supervisory Board					Management Board	
Skills and expertise	Christoph Barchewitz	Aymeric Chaumet	Michael Hofmann	Dr. Antonella Mei-Pochtler	Susanne Samwer	Dr Andreas Hoerning	Sebastian Westrich
Marketing and sales	x	x	x	x		x	
HR and organisational planning	x		x	x		x	
e-commerce / Retail	x	x	x	x	x	x	x
Technology			x				
Legal and compliance	x		x			x	x
Finance	x	x	x	x	x		x
Audit	x		x		x		x
Risk management	x		x	x			x
Strategy	x	x	x	x		x	x
Supply chain	x					x	
Leadership	x	x	x	x		x	x
External supervisory board expertise	x		x	x			x
Home & living	x		x	x	x	x	x
Sustainability			x	x	x		x
European work experience	x	x	x	x	x	x	x

Sustainability Expertise in Governance

Westwing systematically ensures the sustainability expertise of its management and supervisory bodies. The Management Board has access to an in-house sustainability team with proven expertise, is supported by external experts as needed, and relies on clearly defined processes for integrating sustainability into decision-making and governance. The Supervisory Board incorporates relevant sustainability expertise through its composition, including experience in social engagement, Environmental, Social, and Governance (ESG)-related committee work in other companies, and active involvement in overseeing sustainability topics within corporate strategy and risk management.

To strengthen ESG expertise, Management Board members receive regular training and briefings on current regulatory developments, particularly regarding the EU Taxonomy, CSRD, and other ESG-related standards. In addition, regular assessments of sustainability risks and opportunities are integrated into strategic decision-making processes.

The Supervisory Board regularly monitors sustainability aspects, particularly through the Audit Committee. It also evaluates the adequacy of its expertise in sustainability through annual self-assessments and consults internal and external sustainability specialists as needed.

This process ensures continuous development and the availability of relevant knowledge to effectively oversee material sustainability impacts, risks, and opportunities. Sustainability topics can thus be monitored with expertise aligned with Westwing's specific IROs.

ROLES AND RESPONSIBILITIES IN OVERSEEING IROS

The Management Board is responsible for ensuring compliance with all legal provisions, internal policies, and risk management processes. It supervises and has the responsibility for the integration of sustainability objectives within corporate governance and decision-making processes. The Management Board also oversees the implementation of sustainability initiatives, ensuring integration into operational and financial planning. Its role includes setting sustainability-related objectives and monitoring progress through internal governance structures.

The Sustainability Steering Committee, chaired by the Director of Corporate Sustainability, comprises the Management Board, C-level executives from core business areas, and the Group's Vice President Legal. plays a key role in overseeing sustainability strategy implementation, reviewing progress, and aligning sustainability objectives with financial and operational targets.

The Supervisory Board's responsibilities include overseeing sustainability-related matters, risk management, compliance, and corporate governance. It advises and oversees the Management Board in developing the strategic guidelines for sustainability, ensuring alignment with regulatory requirements and business strategy. The Audit Committee of the Supervisory Board, is responsible for the review and compliance with sustainability reporting, internal controls, and risk management processes, ensuring integration with financial oversight.

The responsibilities of the Management Board and Supervisory Board with respect to IROs are reflected in their mandate as well as in the Sustainability Policy.

DELEGATION AND REPORTING LINES

The Audit Committee of the Supervisory Board monitors the aspects of sustainability and also supervises the broader topics of Governance, Risk, and Compliance (GRC). In this context – next to the Management Board – the Director for Sustainability, the GRC Manager, and the VP Legal report regularly directly to the Audit Committee.

The Corporate Sustainability team (reporting to the CFO) and the Quality and Sustainability team (reporting to the Chief Operations and Sourcing Officer) provide focused expertise to the Management Board, connecting sustainability with financial and operational decision-making. In 2025, sustainability-related expertise was consolidated as the sustainability functions of the Quality and Sustainability team were integrated into the Corporate Sustainability team. This restructuring further strengthened cross-departmental collaboration in materiality assessments and risk evaluations.

INTERNAL CONTROLS

Sustainability-related controls are embedded within Westwing's GRC framework, linking sustainability with financial reporting and compliance functions for a cohesive management approach. These controls are integrated into existing risk management processes, ensuring that sustainability-related risks are considered in internal risk assessments and reviewed by the Audit Committee. Compliance tracking systems monitor key sustainability performance indicators, which are aligned with broader company risk management functions.

The governance structure supports cross-functional collaboration between finance, compliance, and sustainability teams, reinforcing accountability and ensuring sustainability-related controls are effectively implemented and maintained. These controls are embedded within Westwing's GRC framework, integrating sustainability objectives with financial reporting and compliance functions for a cohesive management approach. While this framework is in place, CRSD-related controls are not yet implemented and are planned for introduction next year.

TARGET SETTING AND MONITORING

The Sustainability Steering Committee, which includes the Management Board, monitors progress quarterly. The Supervisory Board receives at least one annual update from the Management and Corporate Sustainability Team on specific sustainability metrics and the effectiveness of the Sustainability Policy. The Audit Committee reviews regularly sustainability-related risks and mitigation strategies, and monitors compliance with Westwing's broader governance framework.

GOV-2 – Information provided to and sustainability matters addressed by the undertaking's management and supervisory bodies

The Sustainability Steering Committee which includes the Management Board is informed by the Corporate Sustainability team about the company's material sustainability IROs as part of the materiality assessment process. It is also informed on a quarterly basis on the effectiveness of due diligence processes and related policies, actions, metrics, and targets, if and as appropriate. The Corporate Sustainability team is responsible for monitoring and analysing these factors across the value chain in cooperation with experts across all Westwing departments. The Audit Committee of the Supervisory Board is updated regularly on key sustainability topics, including material impacts, risks, and opportunities, as well as the implementation and effectiveness of due diligence processes. These updates are provided by the Corporate Sustainability team, which monitors and analyses these factors across the value chain in cooperation with experts across relevant Westwing departments. The Chair of the Audit Committee reports back to the Supervisory Board regularly and ensures that the Supervisory Board is informed about these topics. Additionally, at least once a year, the Director of Sustainability provides an overview directly to the Supervisory Board, covering, as necessary, the results and effectiveness of policies, actions, metrics, and/or targets adopted to address material impacts, risks, and opportunities.

The Management Board and Supervisory Board evaluate IROs as part of their management and oversight duties, focusing on the company's strategy, key transactions, and risk management processes. Each year, sustainability goals are integrated into the company's business strategy as well as into departmental strategies as appropriate. The corporate risk register is updated biannually, under the supervision of the Management Board, to reflect current IROs. The management and supervisory bodies consider IROs through regular reviews of strategy, risk management, and major operational decisions. These reviews include an assessment of trade-offs to align business goals with environmental and social factors.

During the reporting period, the management and supervisory bodies have addressed the IROs related to climate change and energy, resource use and circular economy, own workforce, workers in the value chain, consumers and end-users, and business conduct.

GOV-3 – Integration of sustainability-related performance in incentive schemes

Westwing integrates sustainability performance and climate-related considerations into its incentive schemes of the Management Board through a variable remuneration system, with a portion of the variable pay tied to the achievement of non-financial parameters such as the emission reduction targets. This system comprises a short-term variable remuneration (STI) and long-term variable remuneration (LTI). The STI pertains to annual targets related to sustainability performance, while the LTI is structured to incentivize longer-term environmental and social objectives that align with Westwing's sustainability goals. In accordance with the German Corporate Governance Code, there are no variable components, and therefore no climate-related considerations, in the remuneration of the Supervisory Board.

For 2024, the selected non-financial STI component is the "Share of plastics containing over 60% recycled materials." The selected non-financial LTI components for the 2023–2025 performance period are the "Share of suppliers committed to setting science-based targets (SBTs)" and the "Percentage reduction of Scope 1 and Scope 2 emissions. A significant portion of the variable remuneration consists of share-based payments, aligning management's interests with those of shareholders. Other remuneration components are designed to support sustainability goals. Sustainability-linked remuneration accounts for 20% of the total long-term variable remuneration.

Sustainability-related performance metrics are not currently considered as performance benchmarks or included in remuneration policies. This exclusion reflects a current focus on financial performance metrics as the primary benchmarks in remuneration policies.

The remuneration system for the Management Board is established by the Supervisory Board based on the remuneration systems approved by the Annual General Meeting (AGM). The Remuneration Committee of the Supervisory Board prepares the details and provides recommendations to the full Supervisory Board. The current remuneration system was approved by shareholders at the 2023 AGM, and the remuneration report for FY 2023 was further approved at the 2024 AGM. This process reflects a structured governance approach to regularly updating and approving the remuneration framework. This process reflects a structured governance approach to regularly updating and approving the remuneration framework.

GOV-4 – Statement on due diligence

Core elements of due diligence	Disclosure Requirements	Section and page in the sustainability report
Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2: Information provided to and sustainability matters addressed by the undertaking's management and supervisory bodies	GOV-2 – Information provided to and sustainability matters addressed by the undertaking's management and supervisory bodies (p.61)
	ESRS 2 GOV-3: Integration of sustainability-related performance in incentive schemes	GOV-3 – Integration of sustainability-related performance in incentive schemes (p.62)
	ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (p.69)
Engaging with affected stakeholders	ESRS 2 GOV-2	GOV-2 – Information provided to and sustainability matters addressed by the undertaking's management and supervisory bodies (p.61)
	ESRS 2 SBM-2: Interests and views of stakeholders	SBM-2 – Interests and views of stakeholders (p.68)
	ESRS 2 IRO-1	IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities (p.73)
	ESRS 2 MDR-P Topical ESRS: reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process	E1-2 – Policies related to climate change mitigation and adaptation (p.96) E5-1 – Policies related to resource use and circular economy (p.112) G1-1 – Business conduct policies and corporate culture (p.168) S1-1 – Policies related to own workforce (p.129) S2-1 – Policies related to value chain workers (p.146) S4-1 – Policies related to consumers and end-users (p.158)
Identifying and assessing negative impacts on people and the environment	ESRS 2 IRO-1 (including Application Requirements related to specific sustainability matters in the relevant ESRS)	IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities (p.73)
	ESRS 2 SBM-3	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model (p.69)
Taking action to address negative impacts on people and the environment	ESRS 2 MDR-A Topical ESRS: reflecting the range of actions, including transition plans, through which impacts are addressed	E1-3 – Actions and resources in relation to climate change policies (p.97) E5-2 – Actions and resources related to resource use and circular economy (p.113) S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (p.135) S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (p.149) S4-4 – Taking action on material impacts on consumers and end-users (p.161)

Core elements of due diligence	Disclosure Requirements	Section and page in the sustainability report
Tracking the effectiveness of these efforts	ESRS 2 MDR-M	E1-5 – Energy consumption and mix (p.106) E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions (p.108) E1-7 – GHG removals and GHG mitigation projects finance through carbon credits (p.111) E5-4 – Resource inflows (p.124) E5-5 – Resource outflows (p.126) S1-6 – Characteristics of employees within the company's workforce (p.140) S1-14 – Health and safety metrics (p.142) S1-17 – Incidents, complaints and severe human rights impacts (p.143)
	ESRS 2 MDR-T Topical ESRS: regarding metrics and targets	E1-4 – Targets related to climate change mitigation and adaptation (p.102) E5-3 – Targets related to resource use and circular economy (p.117) S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (p.138)

GOV-5 – Risk management and internal controls over sustainability reporting

Westwing's risk management and internal control processes in relation to sustainability reporting are designed to ensure accuracy and reliability, particularly for ESG metrics. These processes are built on the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission), which includes control environment, risk assessment, control activities, information and communication, and monitoring. The Non-Financial Internal Control System is a key feature, providing a structured approach to managing and mitigating risks related to non-financial reporting, including compliance with regulatory requirements such as the Corporate Sustainability Reporting Directive (CSRD). This framework is planned for implementation next year.

Westwing's risk assessment is carried out through a detailed risk manual that undergoes regular review and updates. All risks are assessed based on their likelihood and potential impact over a one-year horizon. Mitigation measures are considered, and an aggregated risk assessment is conducted for the most critical risks, rated on a scale from "low" to "extreme." This prioritization ensures that the most significant risks are addressed with appropriate mitigation strategies.

Key risks identified within the sustainability reporting process include non-compliance with the CSRD regulation and the potential for receiving an adverse opinion from external auditors. These risks pose reputational and financial threats to Westwing. In response, Westwing has updated its risk catalogue to include these risks and has implemented the COSO-based Non-Financial Internal Control System to mitigate them. Controls are in place to help ensure that sustainability data is accurately reported, and any gaps identified during assessments are addressed through corrective action plans.

The findings from Westwing's risk assessments and internal controls are integrated into the company's relevant internal functions and processes. Corrective action plans, informed by risk assessment outcomes, are developed and implemented by the responsible departments. This integration aims to ensure that sustainability reporting practices are continuously improved, and any risks identified are systematically addressed. Continuous monitoring reinforces accountability and ensures that team members are aware of their roles in maintaining data integrity.

Specific risks monitored include the completeness and integrity of data, estimation accuracy, data availability from upstream and downstream sources, and timing for the inclusion of this information in the reporting cycle.

Westwing's findings related to risk assessments and internal control evaluations are periodically reported to the Management and Supervisory Board (and/or the Audit Committee). These reports provide insights into the effectiveness of internal controls and highlight any risks related to sustainability reporting. This is aimed to enable the management and supervisory bodies to oversee the sustainability reporting process, ensuring compliance and alignment with the company's risk management objectives.

4.1.3 STRATEGY

SBM-1 – Strategy, business model and value chain

Westwing aims to be Europe's leading one-stop destination for premium home and living. The company offers a carefully curated selection of Home & Living products across key categories such as textiles, décor, kitchen accessories, lighting, and furniture. Each item is thoughtfully designed and sourced to balance premium quality with responsible material choices, including an increasing share of certified and recycled materials where feasible. In addition to its own collection, Westwing provides a curated range of premium products from third-party brands, complemented by regularly refreshed content featuring daily shopping themes. The company does not impose product bans in specific markets, enabling it to offer a diverse assortment of items across regions. The product categories for the Westwing Collection remained consistent during the reporting year.

In 2024, Westwing expanded its operations to include Portugal, bringing its presence to a total of 12 European countries. The company's business is divided into two primary segments: DACH, which includes Germany, Switzerland, and Austria, and the International segment, which covers Spain, Portugal, Italy, France, Poland, the Czech Republic, Slovakia, Belgium, and the Netherlands. The company's key customer group, the "Design Lover" community, values premium design products which aligns with the emphasis on high-quality and durable products. This focus supports the increasing integration of certified materials and responsible sourcing practices. Additionally, growing sustainability awareness among consumers in key European markets drives efforts to improve transparency and product sustainability information.

As of December 2024, Westwing employs a total of 1,392 people, with 660 based in Germany, 667 in Poland and 54 in other locations. In 2024, the company generated total revenue of €444 million, with 57% coming from the DACH region and 43% from international markets. As a retail company without own manufacturing facilities, Westwing's primary impacts and risks are concentrated within its value chain, particularly in its supply chain. Westwing is not involved in industries such as fossil fuels, chemical production, controversial weapons, or tobacco cultivation and production.

Westwing's sustainability goals focus on areas where the company has greater operational control, particularly the Westwing Collection and its supplier base, as well as the countries where most of its operations are located - Germany and Poland. These goals also emphasize strengthening relationships with key stakeholders, including suppliers, logistics partners, and customers, to drive progress toward sustainability targets. For instance, supplier engagement initiatives focus on sustainable sourcing practices, while logistics partners are involved in efforts to reduce emissions.

Westwing prioritises the Westwing Collection in its sustainability strategy, increasing the use of certified materials and responsible sourcing. Additionally, as a curated platform, it influences sustainability through third-party brand selection. Across its 12 European markets, customer expectations for responsible products drive efforts to improve transparency and offer more sustainable options.

Westwing's key customer groups shape its sustainability approach. "Design Lovers" prioritise premium aesthetics and durability, reinforcing the focus on high-quality, long-lasting products. Sustainability-conscious consumers expect clear information on product certifications and sourcing. Additionally, consumers who rely on product labels and manuals to prevent misuse, particularly for items with potential health or safety implications, are a key consideration in Westwing's approach to transparency. Ensuring product information is accessible and accurate supports responsible consumption.

As Westwing expands its collection, product range, and offline presence, key sustainability challenges include logistics emissions, packaging waste, and supply chain risks. Planned initiatives such as improving logistics efficiency and increasing European-based sourcing aim to mitigate these impacts while maintaining sustainability progress across all markets.

In the context of Westwing's expansion, collecting data from offline stores on energy consumption and emissions will be important to enhance our sustainability reporting and keep us aligned with our targets as we expand.

BUSINESS MODEL AND VALUE CHAIN

(a) **Inputs and Approach to Securing Them**

Westwing's business model is built on sourcing key materials such as wood, cotton, wool, and leather from suppliers primarily located in Europe and Asia. These materials are critical for manufacturing products for both the Westwing Collection and third-party brands. Key activities in securing these materials include product development, sourcing, procurement, and quality control.

Westwing aims to ensure the quality of materials used in the Westwing Collection through strategic, long-term relationships with suppliers, though the company has limited operational control over them. This effort is supported by a combination of strategic suppliers and in-house design and buying teams that develop and curate the Westwing Collection. Investments in talent and technology also play a critical role in securing and optimizing inputs for the company's unique group strategy.

From a materiality perspective, the upstream value chain for the Westwing Collection is essential to value creation, as it directly impacts the availability, quality, and cost structure of materials. Through a materiality assessment conducted under ESRS 1, Chapter 3, the company has identified raw material price fluctuations and supply chain disruptions as key risks, particularly relevant in the home furnishings sector. These risks have prompted Westwing to prioritize sustainable sourcing practices and minimize resource use where possible in the creation of the Westwing Collection.

(b) **Outputs and Outcomes for Customers, Investors, and Other Stakeholders**

Westwing's outputs primarily consist of a wide array of Home & Living products sold via its e-commerce platform, with the Westwing Collection contributing more than 50% of the gross merchandise value (GMV). Current benefits of these outputs for customers include a differentiated shopping experience that aims to blend lifestyle content with premium products. Expected benefits of these outputs for customers include long-term satisfaction, supported by the Westwing Collection's continued expansion and enhanced product quality.

The key resources driving these outputs include Westwing's in-house design teams, who aim to create exclusive product designs, and marketing and creative teams, whose goal is to lead impactful brand and product campaigns. These teams also strive to develop engaging daily content that inspires customers, fosters high retention rates, and strengthens the brand's presence.

For investors, current benefits of Westwing's outputs include a clear path to improved profitability and cash flow, driven by the strategic focus on high-margin proprietary products and operational efficiency, supported by financial performance metrics such as €444 million in revenue and an Adjusted EBITDA of €24 million in 2024. Expected benefits for investors include higher enterprise valuation based on further profitability improvements, driven by the continued expansion of the Westwing Collection, efficiency improvement measures, and scale effects from expansion.

For other stakeholders, including employees and the broader community, Westwing delivers current benefits of its outputs, such as employment opportunities and contributions to addressing sustainability challenges. Expected benefits for these stakeholders include enhanced career opportunities for employees through company growth and broader adoption of sustainable practices throughout the value chain, including further reductions in environmental impacts through minimising packaging waste and emissions reductions.

Customer satisfaction is key in driving repeat business and long-term growth. The downstream value chain also presents expected downstream outcomes, such as opportunities for further optimisation, including reducing carbon emissions through enhanced packaging and operational efficiencies.

(c) Main Features of the Upstream and Downstream Value Chain

Westwing's upstream value chain encompasses the sourcing, procurement, and shipment of products to its logistics centre. The key business actors in this value chain include Westwing Collection suppliers and third-party brands located in Europe and Asia, as well as logistics operators responsible for transporting goods. Westwing acts as a strategic partner to its suppliers, focusing on quality management while having limited direct operational control. These suppliers provide essential materials and products that significantly contribute to Westwing's gross merchandise value, particularly through the Westwing Collection, which accounts for more than half of the company's sales.

Downstream, Westwing oversees the packaging, order processing, and shipment of products to customers across 12 European countries. Distribution channels involve third-party logistics operators, complemented by partial control over deliveries through the Westwing Delivery Service. Efficient logistics are critical to Westwing's business, as fast and reliable delivery enhances customer loyalty and drives repeat purchases. The company's logistics providers play a vital role in this value chain, ensuring products are delivered efficiently, safely, and on time, contributing to Westwing's overall performance.

SBM-2 – Interests and views of stakeholders

Westwing engages with its primary stakeholders—investors, customers, employees, suppliers, and business partners—through dedicated channels tailored to each relationship. Investor relations are managed via quarterly earnings calls, investor conferences and meetings, and the investor relations website. Employee feedback is collected through regular surveys, the eNPS (employee Net Promoter Score), and company-wide meetings. Customer input is gathered via surveys, product reviews, and customer service interactions. Suppliers engage through performance reviews, audits, and regular business meetings.

The purpose of engagement varies for each stakeholder group: for investors, it focuses on transparency and financial performance; for employees, it emphasizes workplace culture and satisfaction; for customers, it aims to improve product offerings and experiences; and for suppliers and business partners, it ensures quality, sustainability alignment, competitive pricing, and reliable product availability.

Westwing recognizes that aspects of its business model, such as reliance on logistics operations and a temporary workforce structure, may influence workforce-related risks, particularly regarding health and safety. To mitigate these risks, the company implements relevant training and collects stakeholder feedback through surveys and meetings. Insights into workforce interests, including health and safety, well-being, and professional development, are analyzed to refine operations and adjust working conditions, training, and development programs. This ensures workforce needs are integrated into the business model and strategic decisions, reflecting Westwing's commitment to fair and safe workplace practices.

Value chain workers are key stakeholders affected by Westwing's sourcing practices, particularly regarding human rights and fair working conditions. While Westwing does not directly engage with value chain workers, it relies on recognized bodies to conduct social audits assessing their rights and well-being. These audits inform strategic decisions on responsible sourcing and supplier relationships, supporting a sustainable and ethical business model aligned with stakeholder expectations.

Consumers and end-users play a central role in Westwing's strategy, particularly regarding sustainability, product safety, data protection, and transparent communication. Feedback from surveys, product reviews, and other channels highlights consumer interests such as reliable products, privacy-respecting services, and sustainability information. These insights influence product design, customer service strategies, and marketing practices aimed at building consumer trust. Policies like the Information Security Policy ensure GDPR-compliant handling of consumer data, while product safety standards address concerns around health and satisfaction by maintaining high-quality offerings. Responsible marketing practices further enhance consumer trust and market differentiation by prioritizing transparency.

Westwing's engagement activities guide strategic decisions and align operations with stakeholder expectations, particularly around sustainability. The Corporate Sustainability team evaluates feedback through the double materiality assessment under the CSRD and shares relevant insights with the Sustainability Steering Committee to address identified gaps.

Different teams provide regular updates to the management, and supervisory bodies on stakeholder feedback. For example, customer feedback may influence product design and material sourcing, while employee input shapes workplace culture and policies. Progress towards value chain-related targets, such as social audits and social management systems, is also reported to these bodies, ensuring alignment with stakeholder interests and rights.

Recent strategic amendments include a focus on sustainable product sourcing reflecting consumer and regulatory feedback. These changes aim to strengthen consumer trust and meet expectations around sustainability and privacy. Additionally, Westwing has prioritized European suppliers to align with consumer preferences and sustainability and operational efficiency goals. While these adjustments are expected to positively influence consumer perceptions, no significant changes to stakeholder relationships or perceptions are anticipated, and no further steps are currently planned.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

The materiality assessment has shown that the main IROs for Westwing are as follows. Please refer to section IRO-1 for the detailed materiality assessment process.

Topic	Description	Impact, Risk, Opportunity	Value chain	Time Horizon
E1 - Climate Change	Carbon emissions from supply chain, logistics and own operations	Actual negative impact	Upstream	Short-term
E1 - Climate Change	Reduced production of raw materials (e.g., wood, cotton) and complications in finishing processes, resulting in increased costs and prices due to water scarcity	Risk	Upstream	Long-term
E1 - Climate Change	Damages and disruptions in the logistics chain and the production of raw material due to extreme weather events resulting in increased prices	Risk	Upstream	Long-term
E1 - Climate Change	Increased costs of implementing decarbonisation technologies and/or transitioning to lower-carbon footprint production	Risk	Own operations	Medium-term
E1 - Climate Change	Cost savings and greater customer appeal through adoption of renewable energy sources, energy efficiencies and strategic partnerships with sustainable energy providers	Opportunity	Own operations	Medium-term
E1 - Climate Change	Increased manufacturing and logistics costs due to dependencies on energy-intensive processes and non-renewable energy sources in the value chain	Risk	Upstream	Long-term
E5 - Circular economy	Resource use as a result of supplying home & living products	Actual negative impact	Upstream	Short-term
E5 - Circular economy	Increased revenue and competitive advantage from growing demand for resale, refurbished, and sustainable products driven by shifting consumer preferences	Opportunity	Own operations	Long-term
E5 - Circular economy	Reduced customer loyalty and revenues resulting from failure to adapt and respond to customers' sustainability preferences on local country markets	Risk	Own operations	Long-term
E5 - Circular economy	Cost savings and improved operational efficiency through resource optimisation	Opportunity	Upstream	Medium-term
E5 - Circular economy	Cost savings, and increased customer loyalty through resource efficiency, waste reduction, and circular product design	Opportunity	Upstream	Medium-term

Topic	Description	Impact, Risk, Opportunity	Value chain	Time Horizon
E5 - Circular economy	Higher costs, and regulatory non-compliance due to inefficient resource use in the value chain	Risk	Upstream	Medium-term
E5 - Circular economy	Operational risks due to increased costs and complexities from warranties, returns, and customer care in circular business models	Risk	Own operations	Long-term
S1 - Own workforce	Legal liabilities, reputational damage, and litigations due to poor working conditions such as inadequate health and safety measures	Risk	Own operations	Short-term
S2 - Workers in the value chain	Fair and ethical treatment of workers in the value chain, promoting social responsibility, human rights and improving labour conditions	Potential positive impact	Upstream	Short-term
S2 - Workers in the value chain	Reputational damage, supply chain disruptions, and legal liabilities due to labour rights violations within the value chain	Risk	Upstream	Short-term
S4 - Consumers and end-users	Consumers adopt more sustainable lifestyles by promoting responsible consumption and providing adequate sustainability information	Potential positive impact	Downstream	Long-term
S4 - Consumers and end-users	Consumer harm or dissatisfaction from supplying unsafe or unreliable products	Potential negative impact	Downstream	Short-term
S4 - Consumers and end-users	Reduced customer trust, increased costs and potential legal liabilities due to product quality issues	Risk	Downstream	Short-term
G1 - Business Conduct	Reputational damage and regulatory penalties arising from non-compliance with ethical standards and business conduct policies	Risk	Own operations	Long-term

Westwing's material IROs arise from its operational activities and extensive relationships within its upstream and downstream value chain. These impacts are central to Westwing's business model, informing its approach to sustainable operations, product sourcing, distribution, and customer engagement. Through a materiality assessment, Westwing identified key focus areas across climate change, circular economy, labour conditions (own operations/value chain), and consumers/end-users, which influence the company's decision-making and strategic adaptations.

MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES ACROSS OPERATIONS AND THE VALUE CHAIN

Westwing's operations, primarily based at its headquarters in Germany and logistics centre in Poland, contribute to carbon emissions and resource use impacts. To address these challenges, Westwing implements energy-efficient practices, waste reduction programs, and renewable electricity sourcing wherever possible to minimize its environmental footprint.

In its upstream value chain, the company prioritizes sustainable materials such as Forest Stewardship Council (FSC)-certified wood and organic cotton, reducing environmental degradation risks and aligning with its sustainable product strategy. This commitment is supported by partnerships with Westwing Collection suppliers, many of which are based in Europe. Regular supplier audits ensure compliance with fair labour practices and sustainable standards, mitigating reputational and compliance risks related to labour conditions.

In the downstream value chain, Westwing's distribution network spans 12 European countries. The company minimizes environmental impact through optimized logistics and efficient routing. Furthermore, its product design emphasizes durability and recyclability, addressing increasing customer demand for sustainable products while fostering brand loyalty over the long term.

EFFECTS ON BUSINESS MODEL, STRATEGY, AND DECISION-MAKING

Westwing's strategy and business model are shaped by material IROsacross key areas such as climate change, circular economy, workforce, and value chain. Immediate measures, such as sustainable sourcing, packaging optimisation, and waste reduction, address short-term challenges like carbon emissions and operational efficiencies, aligning with resource optimisation goals. Current opportunities, such as adopting energy-efficient practices and leveraging circular product design, contribute to cost savings and enhance customer loyalty, further strengthening the business model.

Anticipated effects of long-term risks, such as resource scarcity and disruptions in logistics and raw material production due to climate change, drive Westwing's focus on diversifying sourcing strategies. Similarly, medium-term risks, including rising costs in manufacturing and logistics, influence sourcing decisions and supplier partnerships. In parallel, long-term opportunities, such as the growing demand for resale and refurbished products, shape efforts to enhance product durability and refurbishment capabilities, ensuring alignment with shifting consumer preferences and sustainability goals.

Westwing's value chain is influenced by risks like regulatory compliance challenges and inefficiencies in resource use, which necessitate enhanced supplier engagement strategies. At the same time, opportunities such as resource optimisation and emissions reductions are pursued to achieve cost savings and support environmental objectives.

Decision-making processes are informed by material impacts, risks, and opportunities, with priorities set around addressing regulatory compliance risks. Strategic adjustments, such as strengthening supplier relationships, reflect Westwing's proactive approach to managing these factors while adapting to long-term sustainability and operational challenges.

CONNECTION OF IMPACTS TO STRATEGY, TIME HORIZONS, AND NATURE OF INVOLVEMENT

Westwing's strategy and business model impact both people and the environment, with specific actions in place to manage these effects. Carbon emissions from logistics, supply chain activities, and internal operations contribute to climate change, creating short-term environmental challenges. These emissions stem directly from Westwing's operational and distribution model across Europe. To address this, the company is implementing energy-efficient practices, packaging and waste reduction programs, and increasing its use of renewable electricity, aligning its operations with environmental goals in the short and medium term.

Resource use in sourcing materials for Westwing's products also impacts the environment, particularly within the upstream supply chain. To mitigate these effects, Westwing prioritizes sustainable materials, such as FSC-certified wood and organic cotton, as part of its sustainable product strategy. This approach reduces resource-related impacts and strengthens the company's commitment to sustainability through partnerships with responsible suppliers.

Social impacts are also a key focus for Westwing, particularly in the upstream supply chain. The company promotes fair and ethical treatment of workers by supporting labour standards and social responsibility through its partnerships with Westwing Collection suppliers. Regular audits ensure compliance with these standards, reducing short-term compliance and reputational risks related to worker treatment.

In the downstream value chain, Westwing manages potential negative impacts on consumer safety and satisfaction through stringent quality controls to prevent harm from unsafe products. Additionally, by providing sustainability information, Westwing encourages responsible consumer choices, contributing to long-term brand trust as demand for sustainable products continues to grow. This downstream impact on consumer behaviour aligns with Westwing's mission to offer safe, reliable home and living products and supports its long-term engagement goals.

STRATEGIC ADAPTATIONS AND FUTURE COMMITMENTS

Westwing continually evolves its strategy, prioritising sustainable sourcing, energy-efficient upgrades, and waste reduction to address its material impacts. These adaptations help to ensure that Westwing remains aligned with regulatory requirements, customer demands, and long-term growth objectives, providing resilience across its value chain.

FINANCIAL EFFECTS

Based on our climate risk assessments and double materiality assessment, we have not identified any current financial effects of our material risks and opportunities on our financial position, performance, or cash flows.

INVESTMENT AND FUNDING

Westwing's current investments are focused on reducing carbon emissions, enhancing resource efficiency, and sourcing sustainably. While these initiatives are intended to support long-term financial and sustainability goals, they remain flexible and are not yet contractually committed, allowing Westwing to adjust its plans as needed. Funding will primarily come from internal sources.

Westwing has assessed the resilience of its strategy and business model by evaluating its capacity to address material impacts, risks, and opportunities through existing risk management and business planning processes. This assessment considered short- and medium-term risks, including regulatory changes, supply chain disruptions, and operational constraints in leased logistics centres, as well as opportunities arising from expanding sustainable product lines and responsible sourcing. Westwing's sustainability-focused practices inherently reinforce this resilience by integrating sustainability into core business functions. For example, sustainable sourcing and packaging optimisation reduce environmental impacts, while efforts to strengthen supplier relationships mitigate risks related to regulatory compliance and resource scarcity. Additionally, the focus on product durability and longevity aligns with consumer demand, enabling Westwing to capture market opportunities. A more structured and comprehensive resilience analysis, incorporating long-term time horizons and scenario-based assessments, is planned for completion in 2025.

Material IROs are reported this year for the first time. In this report, with the exception of IROs linked to resource outflows related to products and services, the personal health and safety of consumers and/or end-users, and business conduct, all other IROs are covered by entity-specific disclosures in addition to the ESRS Disclosure Requirements.

4.1.4 IMPACT, RISK AND OPPORTUNITY MANAGEMENT

IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities

IMPACTS

The Double Materiality Assessment (DMA) enabled Westwing to identify and evaluate its environmental and social impacts across the upstream, internal, and downstream value chain. Aligned with CSRD requirements, the assessment process involves selecting relevant ESG topics, evaluating impacts across the value chain, and gathering stakeholder insights on both potential and actual effects on people and the environment. The assessment outputs inform Westwing's corporate risk management process for sustainability-related risks, ensuring alignment with the company's broader risk framework. This approach is guided by a due diligence framework that prioritizes factors increasing the risk of adverse impacts, such as specific geographies, business relationships, and operational activities.

The assessment examines potential and actual impacts on people, including unsafe working conditions, limited growth opportunities, and risks to physical and mental health, as well as environmental impacts. These are evaluated across Westwing's own operations, including its logistics centre and offices, and its business relationships, encompassing suppliers and downstream logistics such as final customer delivery. Expert judgment and stakeholder engagement—through surveys, interviews, and follow-ups with employees, customers, suppliers, business partners, and top management—are key to gathering and interpreting views on material topics and their associated impacts. Stakeholders are ranked by influence, urgency, and legitimacy to weigh their input appropriately, and external experts are consulted for additional insights on complex issues.

Negative and positive impacts are then prioritized based on their severity and likelihood, with a focus on those with the most significant adverse effects, such as unsafe working conditions or human rights violations, and environmental harms. Negative impacts are assessed by their scale, scope, and remediability, while positive impacts are evaluated by their scale and scope. Materiality thresholds, as defined by ESRS standards, determine which impacts are deemed material, using a 5-point scale where a severity score of 3 or above designates an impact as material.

For each material impact identified, the information disclosed is selected based on its relevance to stakeholders and alignment with ESRS disclosure requirements. This ensures that disclosed information reflects the most significant and actionable aspects of material impacts on people and the environment.

The process to monitor impacts on people and the environment includes periodic engagement with stakeholders such as employees, customers, and suppliers, along with internal reviews of operational practices, supplier audits, desk research and the analysis of key performance indicators related to identified material impacts. The monitoring process is aimed at the evaluation of both negative and positive impacts on people and the environment, enabling updates to the priorities, mitigation strategies and the corporate risk management, as necessary.

FINANCIAL RISKS AND OPPORTUNITIES

In addition to assessing impacts, the DMA incorporates an evaluation of financial risks and opportunities linked to ESG issues, linking Westwing's identified impacts with associated financial dependencies to create a view of potential effects on financial stability. While impacts and opportunities are not part of Westwing's corporate risk management framework, impacts are assessed separately through the DMA to support strategic business planning and provide context for related risks and opportunities. Sustainability-related risks, however, are integrated into the corporate risk management process and inform decision-making at both operational and strategic levels. This integration focuses on risks arising from dependencies on natural and human resources. For instance, resource scarcity may increase financial risks through higher costs, while adopting sustainable practices can generate opportunities for cost-saving efficiencies.

Westwing assesses the likelihood, magnitude, and nature of financial risks using a 5-point scale and established thresholds from its general risk management process, where the magnitude, whether low or high, is linked to specific monetary sums. The process for identifying sustainability-related risks and opportunities involves collecting data from internal and external sources, evaluating potential dependencies, and determining material risks and opportunities. These are then assessed for their impact on financial and operational outcomes, ensuring consistency with the corporate risk management methodology. The extent of integration is focused on material sustainability-related risks, which are categorised and prioritised alongside other strategic risks to support Westwing's overall risk management objectives. This structured approach links sustainability-related risks to defined financial outcomes, helping Westwing prioritise these risks alongside other types within its broader risk strategy. Financial materiality is designated when the score (likelihood * magnitude) reaches a threshold of 3 or above and/or magnitude has a value of 3 or above. For each material risk and opportunity identified, the information disclosed is determined based on its relevance to financial stakeholders and alignment with ESRS disclosure requirements, ensuring transparency and prioritisation of significant financial effects.

CLIMATE-RELATED IROS

To assess its climate-related impacts, Westwing has focused on its GHG emissions across Scopes 1, 2, and 3. Scope 1 emissions encompass direct emissions from Westwing's operations, including heating systems and company vehicles. Scope 2 covers indirect emissions from purchased electricity, while Scope 3 addresses emissions generated along the value chain, such as raw material sourcing, transportation, and product disposal.

Westwing's assessment considered the company's full carbon footprint by evaluating both current and potential future GHG emission sources. This screening process includes setting assessment boundaries, gathering internal and external data, and evaluating emissions from both operational and supply chain activities. Beyond present operations, the assessment also anticipates future growth, projected energy needs, and potential shifts in material sourcing that may influence GHG emissions. Additional climate-related impacts, such as land-use changes within the supply chain, are also considered where relevant.

Using data collected from operations and its value chain, Westwing assesses total GHG emissions and compares these against its science-based targets. This assessment supports strategic planning aimed at increasing renewable energy use and energy efficiency in its operations.

Risks

Westwing's climate-related scenario analysis informs the identification and assessment of both physical and transition risks and opportunities across the short-, medium-, and long-term time horizons. The short-term (1–3 years), medium-term (3–10 years), and long-term (up to 2050) definitions broadly reflect Westwing's planning approach, which typically focuses on the next year for operational decisions, three-year horizons for business growth and strategy execution, and longer-term considerations for sustainability and market developments. While not fully aligned, these horizons are used as a basis for capital allocation decisions: short-term investments address immediate operational priorities, medium-term allocations support strategic growth and resilience initiatives, and longer-term considerations inform high-level evaluations of energy and infrastructure needs.

The climate-related scenario analysis includes identifying climate hazards and transition events and assessing how assets and business activities are exposed to and sensitive to these hazards and events, resulting in gross climate risks. Transition events were identified through desk research, focusing on publicly available sources such as regulatory roadmaps, industry reports, and climate science literature, including the IPCC Sixth Assessment Report (AR6). This research aimed to understand potential drivers of change, such as stricter emissions regulations, technological advancements, and shifts in consumer preferences for sustainable products. Transition events were assessed for their relevance to Westwing's operations and value chain, highlighting potential exposure to increased compliance costs, supply chain disruptions, and changing consumer demand. This analysis is qualitative in nature and serves as a preliminary step toward more detailed assessments. The assessment considered short-term (1–3 years), medium-term (3–10 years), and long-term (up to 2050) timeframes to address immediate and future impacts. The scenarios used—SSP5-8.5 (high-emissions) and SSP1-2.6 (low-emissions)—were selected for their alignment with state-of-the-art climate science, however, the scenario analysis does not currently include a specific 1.5°C-aligned scenario, such as SSP1-1.9. Developed by the climate research community through collaboration, these scenarios are widely recognized and form part of the IPCC Sixth Assessment Report. The scenario analysis considers key forces such as policy changes, macroeconomic trends, energy usage, and technological developments. For example, assumptions about regulatory policies and emissions standards are used to evaluate potential impacts on costs and supply chain disruptions. Key constraints of the scenarios include uncertainties in climate projections, particularly regarding the frequency and severity of extreme weather events, and the lack of granular, localized data. Assumptions about policy, technology, and socio-economic conditions may not fully reflect future developments, and the static nature of these assumptions limits adaptability. Additionally, long-term projections are less reliable due to the complexity of climate systems and interdependencies with other risks.

By using these two scenarios, both worst-case and best-case climate futures are addressed, covering a spectrum of potential impacts on operations. This approach enables the anticipation of supply chain disruptions, infrastructure vulnerabilities, and changes in consumer behaviour, allowing resilient strategies and adaptation plans to be developed to mitigate risks and seize opportunities across different time horizons.

Westwing does not currently align specific climate scenarios with the assumptions applied in its financial statements. The company's financial projections do not incorporate climate-related IROs, nor are differentiated discount rates or time horizons explicitly used to account for such uncertainties. However, Westwing remains aware of the potential long-term impacts of market trends and regulatory changes related to climate, which may influence broader strategic decisions over time. Scenario inputs were drawn from regional data sources where available. Future scenario analysis will seek to incorporate more location-specific data where possible to enhance the understanding of regional climate vulnerabilities specific to Westwing's main markets and supply chain locations as well as quantitative information. As the company refines its approach to climate-related risks and opportunities, it may further integrate these considerations into financial planning processes.

Physical Risks

Westwing identified and assessed climate-related physical risks that could impact its business across its operations and along its upstream and downstream value chain over the short, medium and long term using the SSP5-8.5 high-emission scenario. This scenario assumes continued reliance on fossil fuels and limited mitigation measures, resulting in a high-emission, high-temperature pathway. It includes a projected global temperature rise of 4°C or more by 2100, significant sea level rise of up to one meter, and increased frequency and severity of extreme weather events. Key identified climate related hazards included chronic risks such as water scarcity and heat stress, and acute risks like extreme weather events, including floods and storms. The analysis also considered temperature-related hazards, such as heatwaves; water-related risks, including droughts and floods; and soil-related vulnerabilities that could impact sourcing regions in Asia and Europe. Under this scenario, an increased frequency of extreme weather events is assumed, posing risks to supply chains and logistics infrastructure for our retail operations, particularly over the medium and long term. This necessitates potential investments in resilient infrastructure and diversified supplier networks.

Over the short term (1–3 years), acute risks such as extreme weather events (e.g., storms and floods) were identified as key hazards due to their potential to disrupt logistics and supply chains. Over the medium term (3–10 years), chronic risks, such as water scarcity and heat stress, are expected to increase in relevance, alongside continuing acute risks. Long-term risks (up to 2050) include both chronic risks, such as prolonged droughts and soil degradation, and the compounded effects of frequent extreme weather events, impacting sourcing regions and logistics infrastructure. These time horizons were defined to align with Westwing's operational and strategic planning: short-term risks reflect immediate supply chain needs, medium-term risks align with typical supplier contract durations, and long-term risks consider infrastructure lifetimes.

Westwing conducted a high-level screening to assess whether its assets and business activities may be exposed to the identified hazards. This screening relied on desk research, focusing on publicly available climate risk data, such as regional projections and general hazard mappings (e.g., IPCC reports), to identify areas of potential exposure. While detailed geospatial analysis was not conducted, the process highlighted risks in sourcing regions in Asia and Europe, particularly for areas likely to experience water stress or extreme weather events under the SSP5-8.5 scenario.

Westwing evaluated the exposure and sensitivity of its assets, activities, and suppliers to each identified risk. Risks were prioritised by likelihood and severity, supported by publicly available data where available. The assessment applied region-specific data, as feasible, to understand vulnerability across key sourcing and logistics regions, focusing on areas most likely to experience significant climate impacts. By examining the vulnerability of its operations and supply chain, Westwing aimed to identify gross physical risks that could emerge under severe climate conditions, informing its strategic risk management.

Transition Risks and Opportunities

Westwing identified transition risks and opportunities within its operations and value chain over the short, medium and long term by using the SSP1-2.6 low-emissions scenario. The analysis also drew on data from the International Energy Agency's Net Zero Emissions by 2050 scenario to assess the effect of potential regulatory trends, market developments, and technological innovation opportunities. The SSP1-2.6 scenario describes a world where strong climate action drives transition to a low-carbon economy, with widespread adoption of clean technologies. The global temperature rise is limited to 1.5°C to 2°C above pre-industrial levels by 2100, with gradual warming. Sea level rise is projected to be between 0.3 to 0.6 meters, reducing the risk of severe coastal flooding. The IEA Net Zero Emissions by 2050 Scenario prepares for a future where advanced economies achieve net zero emissions ahead of emerging markets. By evaluating these scenarios, Westwing assessed the likelihood, magnitude and duration of transition events, enabling it to prioritise risks.

This approach allowed Westwing to gauge its capacity to adopt low-carbon technologies and adjust product offerings to meet emerging sustainability standards, identifying both risks and opportunities linked to the shift toward a low-carbon economy.

CIRCULAR ECONOMY AND RESOURCE USE IROS

Westwing's assessment of IROs related to resource use and the circular economy aligns with the ESRS 2 IRO-1 guidance. This structured approach prioritises resource inflows, outflows, and waste management across the value chain.

Based on the Locate, Evaluate, Assess and Prepare (LEAP) approach, the materiality assessment began by identifying where Westwing's operations and value chain interact with environmental resources. Key stages were identified, including sourcing, warehousing, logistics, and end-of-life product management. This helped locate dependencies on renewable and non-renewable resources, assess environmental impacts, and classify these as either actual or potential over the short-, medium-, and long-term horizons.

To ensure thorough identification of IROs, Westwing screened its assets and activities across its value chain, including the leased logistics centre and stores, to identify areas of significant resource use, emissions, and waste generation. The screening assumed that impacts stem mainly from sourcing, packaging, logistics, and product end-of-life.The methodologies used included desk research, expert judgment, the existing risk management system, and benchmarking against industry standards and peers. Findings were validated through consultations with stakeholders, including suppliers, customers, and internal experts, who provided valuable insights into resource use and circular economy considerations. Though no direct consultations with affected communities were conducted, this stakeholder feedback informed the materiality assessment and supported decision-making on resource use and circularity goals.

The assessment examined resource inflows, focusing on circularity and optimisation of renewable and non-renewable material use. For resource outflows, it assessed impacts linked to products and services, particularly regarding waste reduction and hazardous waste management. Internal methodologies, combined with benchmarking against peers, provided a framework for evaluating impacts on resource use. Although Environmental Footprint methods and Material Flow Analysis (MFA) are recognised approaches, Westwing's assessment relied primarily on stakeholder inputs and data specific to its value chain.

The outcomes of the materiality assessment identified business units such as our logistics centre, Westwing Collection, and Brand Partners as the most relevant contributors to resource use and circular economy impacts. Westwing has prioritised key resources essential to its circular economy goals, focusing on key materials such as wood, cotton, plastics and packaging materials. These resources were selected based on their significance to regulatory compliance and operational efficiency, as well as their potential for optimisation within a circular model. The materiality assessment indicated that maintaining business-as-usual practices poses material risks, including increased regulatory exposure, operational inefficiencies, and reputational harm linked to unsustainable resource use. In contrast, transitioning to a circular economy offers significant opportunities, such as cost savings through resource optimisation, responding to consumer demand for sustainable products, and enhancing product lifecycle management. Across the value chain, Westwing has identified that material sourcing, logistics, and end-of-life stages concentrate the most significant resource use, risks, and impacts. These stages serve as focal points for improving resource efficiency and minimising waste, aligning with Westwing's circular economy objectives.

BUSINESS CONDUCT IROS

Westwing's process to identify and assess material impacts, risks, and opportunities related to business conduct matters considered location, activity, sector, and transaction structure. The process reviewed supplier regions, focusing on differences in regulatory frameworks, with European countries offering stricter governance compared to regions with weaker enforcement of labour rights or anti-corruption measures. Activities such as sourcing, supplier onboarding, and third-party logistics were evaluated as they involved higher engagement with external partners.

Sector-specific considerations included risks common in the e-commerce retail industry, such as supply chain transparency and customer data protection. The structure of transactions was also taken into account, with long-term supplier contracts seen as reducing risks, while spot transactions received additional scrutiny. These criteria were used to form a balanced evaluation of business conduct-related risks and opportunities.The evaluation revealed one material risk linked to corporate culture which is possible reputational damage and regulatory penalties arising from non-compliance with ethical standards and business conduct policies, no material opportunities were identified.

POLLUTION, WATER AND MARINE RESOURCES, AND BIODIVERSITY AND ECOSYSTEMS IROS

Westwing evaluates its operations and value chain to screen for material impacts, risks, dependencies, and opportunities related to the various CSDR topics such as climate change and energy, resource use and circular economy, pollution, water and marine resources, and biodiversity and ecosystems. These evaluations were informed by internal expertise, supplier data where available, peer benchmarking and publicly available data.

Pollution

Westwing screened its site locations and value chain activities to identify pollution-related impacts, risks, and opportunities, focusing on air, water, and soil pollution. This screening considered indirect pollution risks arising from supplier practices and logistics operations. The findings confirmed that pollution is not material for Westwing, as the company's operations do not include pollution-intensive activities, and its value chain operates largely under strict environmental regulations, particularly in Europe. While indirect risks exist, they are not significant enough to pose material financial, operational, or strategic implications for Westwing's business.

No consultations with affected communities regarding pollution-related impacts were conducted, as the preliminary assessment indicated that pollution was not a material issue.

Water- and Marine-Resources
Westwing assessed water-related risks and impacts across its operations and value chain, focusing on sourcing activities and supplier regions where water scarcity might pose challenges. The findings indicated that water and marine resources are not material issues for Westwing, given the low water intensity of its e-commerce operations and the absence of significant direct water use or marine resource dependency. Supplier regions, particularly in Europe, operate under strict environmental regulations that mitigate water-related risks. No consultations with affected communities regarding water-related impacts were conducted, as these issues were deemed immaterial.

Biodiversity- and Ecosystems
Westwing evaluated its site locations and value chain for impacts, risks, dependencies, and opportunities related to biodiversity and ecosystems. The assessment used internal expertise and information along with publicly available data to identify potential interactions with biodiversity-sensitive areas. The findings confirmed that biodiversity is not material for Westwing due to its low reliance on activities that directly harm ecosystems, such as deforestation or intensive agriculture.

(a) Actual and potential impacts on biodiversity and ecosystems were assessed, focusing on supplier practices and locations near biodiversity-sensitive areas.

(b) Dependencies on ecosystem services were evaluated, considering critical resources like timber, which are largely certified (e.g., FSC®) to mitigate biodiversity risks.

(c) Transition and physical risks, such as habitat loss and regulatory changes, were considered alongside potential opportunities to enhance biodiversity through sustainable sourcing.

(d) Systemic risks, including broader ecological degradation, were also part of the evaluation but were found to pose no significant threat to Westwing’s operations or value chain.

No consultations with affected communities were conducted regarding biodiversity-related impacts, risks, or dependencies, as significant negative impacts were not identified. Westwing’s sourcing practices emphasise responsible certifications, such as FSC® and GOTS, to minimise potential impacts.

Use of Scenario Analysis

Westwing has not conducted scenario analyses related to pollution, water and marine resources, or biodiversity and ecosystems. These topics were determined to be immaterial based on screening results, and therefore scenario analysis was not applied to assess material risks and opportunities over different time horizons.

INTEGRATION AND MANAGEMENT OF SUSTAINABILITY-RELATED RISKS

Westwing integrates sustainability-related risks into its risk management framework, assessing them alongside operational and strategic risks to maintain a balanced approach across business priorities. These risks are evaluated using Westwing's established risk-assessment criteria, contributing to the company's objectives of financial stability and alignment with its long-term strategy. While opportunities and impacts are managed through separate strategic initiatives, identified risks are incorporated into the corporate risk management process. This process ensures compliance with regulatory standards, alignment with strategic priorities, and thorough evaluations of their influence on Westwing's overall risk profile.

The decision-making process for sustainability and financial risks is supported by Westwing's Non-Financial Internal Control System, which adheres to the COSO framework. Through this system, material sustainability-related risks are integrated into the overall risk profile, enabling their significance to be assessed relative to operational and financial stability. This allows Westwing to evaluate and adjust its risk management processes based on the materiality of these risks and their alignment with corporate objectives.

Risk identification and assessment are conducted using data from internal and external sources. Once identified, risks are reviewed and validated by relevant departments, with decision pathways evaluated against regulatory standards and strategic priorities. Post-implementation monitoring ensures that adjustments align with Westwing's broader risk strategy and provide ongoing refinement of the process.

Sustainability-related risks are fully integrated within Westwing's corporate risk management framework, offering a unified perspective on the company's risk profile and facilitating a coordinated response to market or regulatory changes. Opportunities identified through the Double Materiality Assessment (DMA) are managed separately but pursued through strategic initiatives that align with Westwing's business objectives.

Westwing's input parameters for risk assessment include quantitative and qualitative data sources across the value chain, reflecting a comprehensive scope of operations. These data points incorporate stakeholder perspectives, potential regulatory changes, and financial thresholds, with assumptions informed by historical data, current market trends, and stakeholder feedback.

The materiality assessment process undergoes regular updates to ensure alignment with evolving standards. The most recent modification was completed in October 2024, with the next scheduled review set for the upcoming fiscal year to incorporate updates from ESRS and CSRD guidelines.

IRO-2 – Disclosure Requirements in ESRS covered by the undertaking’s sustainability statement

In Westwing's DMA, E2 Pollution, E3 Water and Marine resources, E4 Biodiversity and Ecosystems and S3 Affected communities have not been identified as material topics, and therefore not covered in the sustainability statement. Although S1 and G1 have been assessed as material, certain specific Disclosure Requirements listed below were not deemed material, and not included in the reporting:

- E5-5 Resource outflows/ Waste
- S1-8 Collective bargaining coverage and social dialogue
- S1-9 Diversity metrics
- S1-10 Adequate wages
- S1-11 Social protection
- S1-12 Percentage of employees with disabilities
- S1-13 Training and skills development metrics
- S1-15 Work-life balance
- S1-16 Remuneration metrics (pay gap and total remuneration)
- G1-2 Management of relationships with suppliers
- G1-3 Prevention and detection of corruption and bribery
- G1-5 Political influence and lobbying activities
- G1-6 Payment practices

As this is the first reporting year under the CSRD, we are using phase-in provisions in accordance with Appendix C of ESRS 1 for the following disclosures:

- ESRS 2 SBM-3 48e Anticipated financial effects
- E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
- E5-6 Anticipated financial effects from resource use and circular economy-related risks and opportunities
- S1-7 Characteristics of non-employees in the undertaking’s own workforce
- S1-14 Health and safety - data points related to non-employees

There is no data in this sustainability statement derived from other EU legislation. The exhaustive list of Disclosure Requirements complied with in preparing the sustainability statement can be found in the table below.

DISCLOSURE REQUIREMENTS COMPLIED WITH IN PREPARING THE SUSTAINABILITY STATEMENT TABLE

ESRS	Disclosure Requirements	Reference in the sustainability statement
E1 – Climate change	GOV-3 – Integration of sustainability-related performance in incentive schemes	p. 62
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	p. 69
	IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	p. 74
	E1-1 – Transition plan for climate change mitigation	p. 93
	E1-2 – Policies related to climate change mitigation and adaptation	p. 96
	E1-3 – Actions and resources in relation to climate change policies	p. 97
	E1-4 – Targets related to climate change mitigation and adaptation	p. 102
	E1-5 – Energy consumption and mix	p. 106
	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	p. 108
	E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	p. 111
	E1-8 – Internal carbon pricing	p. 111
E5 – Resource use and circular economy	IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	p. 77
	E5-1 – Policies related to resource use and circular economy	p. 112
	E5-2 – Actions and resources related to resource use and circular economy	p. 113
	E5-3 – Targets related to resource use and circular economy	p. 117
	E5-4 – Resource inflows	p. 124
	E5-5 – Resource outflows	p. 126

ESRS	Disclosure Requirements	Reference in the sustainability statement
S1 – Own workforce	SBM-2 – Interests and views of stakeholders	p. 68
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	p. 69
	S1-1 – Policies related to own workforce	p. 131
	S1-2 – Processes for engaging with own workers and workers' representatives about impacts	p. 134
	S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	p. 136
	S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	p. 137
	S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 140
	S1-6 – Characteristics of the undertaking's employees	p. 142
	S1-14 – Health and safety metrics	p. 144
	S1-17 – Incidents, complaints and severe human rights impacts	p. 145
S2 – Workers in the value chain	SBM-2 Interests and views of stakeholders	p. 68
	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	p. 69
	S2-1 – Policies related to value chain workers	p. 148
	S2-2 – Processes for engaging with value chain workers about impacts	p. 149
	S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	p. 150
	S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	p. 151
	S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 154

ESRS	Disclosure Requirements	Reference in the sustainability statement
S4 – Consumers and end-users	SBM-2 – Interests and views of stakeholders	p. 68
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	p. 69
	S4-1 – Policies related to consumers and end-users	p. 160
	S4-2 – Processes for engaging with consumers and end-users about impacts	p. 161
	S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	p. 162
	S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	p. 163
	S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 168
G1 – Business conduct	GOV-1 – The role of the supervisory and management bodies	p. 59
	IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	p. 73
	G1-1– Corporate culture and business conduct policies and corporate culture	p. 170

4.2 ENVIRONMENTAL INFORMATION

Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

In accordance with Article 8 of the EU's Taxonomy Regulation, this section includes information on how Company activities that are considered eligible and aligned qualify as environmentally sustainable under that regulation.

OUR ACTIVITIES

In 2022, Westwing performed a detailed review of the climate change-related economic activities listed in the Taxonomy Regulation and supplementary legislation and mapped potential sustainable business activities to its business model. After screening for macro sector applicability in relation to the two environmental objectives of climate change mitigation and climate change adaptation, the Corporate Sustainability department reviewed all Taxonomy activities for their potential applicability to Westwing. Longlisted activities were investigated further and their eligibility discussed with multiple executive team members and senior Westwing employees. As a result, two climate change mitigation[9] activities were identified as relevant for reporting:

- Activity 7.7 Acquisition and ownership of buildings (in relation to CapEx)
- Activity 8.1 Data processing, hosting and related activities (in relation to OpEx)

In 2023, the Corporate Sustainability team, in collaboration with the Finance team, conducted a reassessment of the shortlisted climate change-related economic activities, including the activities that were newly introduced by the amended Delegated Act on climate change mitigation and adaptation[10]. Following a thorough assessment and discussions involving the Chief Financial Officer, the same two activities, 7.7 (in relation to CapEx) and 8.1 (in relation to OpEx), are defined as relevant for eligibility[11]. In relation to turnover no activities were identified as taxonomy-eligible. Similarly, economic activities involving the technical screening criteria for the four other environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems) were screened and mapped to the Company's business activities. However, after consultations with relevant departments and senior leaders, including the Chief Financial Officer, no activities were defined as eligible for Westwing.

The Corporate Sustainability team conducted a review in 2024 to identify any changes. Since there were no significant changes in the nature of business activities, the reported activities for 2024 remain the same as in 2023.

In 2024, leasing of assets such as office buildings and warehouses (7.7. Acquisition and ownership of buildings) accounted for EUR 5.5m, or 53% of total capital expenditure (2023: EUR 3.3m or 38%). Our expenses on cloud services (Activity 8.1 Data processing, hosting and related activities) accounted for EUR 2.7m, or 1.2% of operational expenditure (2023: EUR 1.8m or 1.3%).

It was not possible to claim Taxonomy alignment for the two activities due to our current inability to comply with all 'substantial contribution,' 'do no significant harm,' and 'minimum safeguards' criteria." The Corporate Sustainability team will continue to explore the possibility of claiming alignment at a future point in time.

9 As outlined in Commission Delegated Regulation (EU) 2021/2139.

10 Amendments to Annexes I and II to Delegated Regulation (EU) 2021/2139 (27 June 2023).

11 For Westwing these activities are not eligible as climate change adaptation activities are not considered enabling under climate change adaptation objective, thus, no turnover, CapEx and OpEx can be associated with these activities as eligible.

PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2024

Financial year 2024	Year 2024			Substantial contribution criteria					
Economic activities (1)	Code (2)	Turnover, year 2024 (3)	Proportion of turnover, year 2024 (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)
		EURm	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (taxonomy-aligned)		0	0%	0%	0%	0%	0%	0%	0%
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%
Of which enabling			0%	0%	0%	0%	0%	0%	0%
Of which transitional			0%	0%					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Turnover of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
A. Turnover of taxonomy eligible activities (A.1 + A.2)		0	0%	0%	0%	0%	0%	0%	0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Turnover of taxonomy non-eligible activities		444.3	100%						
Total		444.3	100%						

DNSH criteria ("Does not significantly harm")									
Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A2) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%		
N	N	N	N	N	N	N	0%		
N	N	N	N	N	N	N	0%		
N	N	N	N	N	N	N	0%		
							0%		
							0%		

PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2024

Financial year 2024		Year 2024		Substantial contribution criteria					
Economic activities (1)	Code (2)	CapEx, year 2024 (3)	Proportion of CapEx, year 2024 (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)
		EURm	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)		0	0%	0%	0%	0%	0%	0%	0%
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	N
Of which Enabling			0%	0%	0%	0%	0%	0%	N
Of which Transitional			0%	0%					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Acquisition and ownership of buildings	7.7	5.5	53%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		5.5	53%	53%	0%	0%	0%	0%	0%
A. CapEx of Taxonomy eligible activities (A.1 + A.2)		5.5	53%	53%	0%	0%	0%	0%	0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-non-eligible activities		4.8	47%						
Total		10.3	100%						

DNSH criteria ("Does not significantly harm")									
Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A2) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%		
N	N	N	N	N	N	N	0%		
N	N	N	N	N	N	N	0%		
N	N	N	N	N	N	N	0%		
							38%		
							38%		
							38%		

PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2024

Financial year 2024		Year 2024		Substantial contribution criteria					
Economic activities (1)	Code (2)	OpEx, year 2024 (3)	Proportion of OpEx, year 2024 (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)
		EURm	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)		0	0%	0%	0%	0%	0%	0%	0%
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%
Of which Enabling			0%	0%	0%	0%	0%	0%	0%
Of which Transitional			0%	0%					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Data processing, hosting and related activities	8.1	2.7	1.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2.7	1.2%	1.2%	0%	0%	0%	0%	0%
A. OpEx of Taxonomy eligible activities (A.1 + A.2)		2.7	1.2%	1.2%	0%	0%	0%	0%	0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
OpEx of Taxonomy-non-eligible activities		233.2	98.8%						
Total		235.9	100%						

DNSH criteria ("Does not significantly harm")									
Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A2) OpEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%		
N	N	N	N	N	N	N	0%		
N	N	N	N	N	N	N	0%		
N	N	N	N	N	N	N	0%		
							1.3%		
							1.3%		
							1.3%		

NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

OUR KPIS

The calculation methodology for the KPIs reported in this section did not change compared to the previous year. All KPIs are calculated at Group level.

We will closely track and evaluate future developments to the Taxonomy Regulation going forward, and will adapt our reporting as necessary. In the meantime, we will continue to concentrate on delivering on our Sustainability Strategy and on implementing sustainability-centred initiatives and activities, as outlined in this Sustainability Statement.

ACCOUNTING POLICIES

The KPIs are determined in accordance with Annex I of the Article 8 Delegated Act. The Taxonomy-eligible and Taxonomy-aligned KPIs are determined in accordance with the legal requirements as follows:

The proportion of our total turnover accounted for by Taxonomy-eligible and Taxonomy-aligned economic activities has been calculated as the share of net turnover derived from products and services associated with Taxonomy-eligible and Taxonomy-aligned economic activities (numerator) divided by the net turnover (denominator). The denominator of the turnover KPI is based on our consolidated net revenue in accordance with IAS 1.82(a). Please see section 2.5. of the Notes to the Consolidated Financial Statements for further details on the accounting policies used with our consolidated net revenue. As explained above, we did not identify any Taxonomy-eligible or Taxonomy-aligned activities for the numerator. Our consolidated net revenue can be reconciled to our consolidated financial statements; see the Consolidated Statement of Profit or Loss.

Our CapEx KPI is defined as our Taxonomy-eligible and Taxonomy-aligned CapEx divided by our total CapEx. Total CapEx comprises additions to tangible and intangible fixed assets including right-of-use assets during the financial year before depreciation, amortisation and any remeasurements (including those resulting from revaluations and impairments), but excluding changes in fair value. Our total CapEx can be reconciled to our consolidated financial statements; see Notes 12 and 13 in the Notes to the Consolidated Financial Statements.

Our OpEx KPI is defined according to subsection 1.1.3.1 of Annex I of Delegated Regulation (EU) 2021/2178 as our Taxonomy-eligible and Taxonomy-aligned OpEx divided by our total operating expenses. Operating expenses consist of direct non-capitalised costs relating to research and development, short-term leases, maintenance and repairs.

Our corporate accounting policies ensure the avoidance of double-counting by clearly allocating the amounts of Taxonomy aligned turnover, CapEx and OpEx in the numerator of the relevant KPIs.

ESRS E1 | Climate Change

4.2.1 INTRODUCTION

As climate change presents a significant challenge to businesses and society as a whole, it is imperative for companies to understand and manage their climate risks and opportunities in order to ensure long-term sustainability and resilience. This section provides an overview of Westwing's climate-related policies, actions, and targets, as well as key metrics such as our energy mix consumption and GHG emissions. In addition, it outlines the actions we have implemented or planned to reduce our carbon footprint.

4.2.2. GOVERNANCE

GOV-3 Integration of sustainability-related performance in incentive schemes

Please see GOV-3 Integration of sustainability-related performance in incentive schemes.

4.2.3. STRATEGY

E1-1 – Transition plan for climate change mitigation

Recognising the urgency of adapting and responding to climate change, Westwing has recently developed a formal Climate Transition Plan to consolidate and expand upon our ongoing efforts for climate change mitigation. Approved by the company's management board, this plan aligns with Westwing's overall business strategy and financial planning, and main elements embedded within the annual strategy development process. It informs the overarching 3-year Group Strategy, which emphasises areas like expansion and premium positioning. Each department develops annual strategies aligned with Group priorities, with the Corporate Sustainability team working closely with the Executive team and other departments to embed sustainability initiatives throughout these strategies. The Executive team reviews the strategies to maintain consistent alignment with the long-term Group Strategy and sustainability goals.

While currently excluded from the EU Paris-aligned Benchmarks, Westwing is committed to decarbonisation and aligning with the 1.5°C pathway of the Paris Agreement. Westwing's GHG emission reduction targets, validated by the Science Based Targets initiative (SBTi), align with the 1.5°C pathway using cross-sector guidance due to the lack of an e-commerce-specific pathway.

Our Scope 1 and 2 emissions reduction targets include a 75% reduction in Scope 1 and 2 greenhouse gas (GHG) emissions by 2030 (from a 2022 baseline). Both direct emissions from our own operations (Scope 1) and indirect emissions from purchased energy sources (Scope 2) are covered. We also set a supplier engagement target, committing ourselves to ensuring that 80% of all our suppliers, measured in terms of our spend on purchased goods and services, and upstream transportation and distribution providers will have set their own science-based targets by 2027.This target includes Westwing Collection suppliers, third-party brand suppliers, and logistics carriers.

As part of our Sustainability Strategy 2030, we also aim to increase the share of renewable energy we use in our operations. Currently, the larger of our two warehouses in our logistics centre in Poznan uses solar PVs for 14% of its electricity, and all offices (except our office in Hong Kong and China) and delivery hubs use renewable electricity. For sites where the transition to renewable energy sources is not feasible due to technical or other constraints, Guarantees of Origin will be considered as an alternative.

Westwing's decarbonisation levers include:

- Use of renewable energy
- Energy efficiency measures
- Electrification of owned and operated vehicle fleet
- Supply chain decarbonisation
- Changes in product portfolio
- Sustainable procurement of packaging materials
- Resource efficiency measures

Specific actions to reduce carbon emissions include sourcing renewable electricity, where feasible, and exploring opportunities to transition to renewable heating for our logistic centre, supported by energy-efficient technologies to lower energy demand. In product design for Westwing Collection, the company sources certified raw materials and collaborates with suppliers to develop innovative recycled materials, in efforts to reduce emissions associated with raw material extraction. To minimise value chain emissions, Westwing engages suppliers to set science-based targets and optimises logistics operations. Within its own operations, the company aims to transition its fleet to electric vehicles.

Investments have been allocated to energy optimisation in the logistics centre and renewable electricity procurement. Key performance indicators (KPIs) include tracking renewable energy use, Scope 1 and 2 GHG emission reductions, and the share of suppliers by spend with science-based targets.

A qualitative assessment indicates no locked-in GHG emissions from key assets or products that could jeopardise emission reduction targets, as Westwing does not own fossil fuel-intensive infrastructure. Operations focus on reducing emissions through renewable energy sourcing, energy efficiency measures, and responsible sourcing practices, mitigating the risk of significant locked-in emissions. If relevant, Westwing will consider potential Scope 3 locked-in GHG emissions from the use of sold products if these emissions are found to contribute significantly to the total Scope 3 emissions footprint.

In 2024, Westwing's activities were not classified as sustainable under the EU Taxonomy, and the company had no CapEx investments in coal, oil, or gas-related activities. Additionally, no future investments in these areas are currently planned. The alignment of CapEx, OpEx, and revenues with taxonomy-aligned criteria is expected to remain unchanged in the long term.

Key progress was made in several areas outlined in the Climate Transition Plan during 2024. This included engaging with logistics centre operators to explore options such as renewable energy sources. Efficiency measures were implemented, including the use of door seals and optimized forklift battery charging. Westwing also collaborated with suppliers to enhance sustainable sourcing practices and launched innovative products made from recycled materials.

ESRS 2 – SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Westwing conducted a qualitative risk, opportunity, and scenario analysis covering its entire operations and value chain, focusing on high-risk high impact areas. In our operations, we focused on our headquarters and our logistics centre in Poland, where the majority of our employees and operations are based. For our upstream activities, we concentrated on high-risk commodities, such as cotton. As stores currently contribute only a small share of revenues, they were excluded from this analysis. No material physical or transition risks were excluded. The scenario analysis was conducted over the last year, reflecting available climate data and industry developments relevant to our e-commerce model and our international operations across Europe and Asia. The retail sector is less exposed to climate risks compared to high-emitting sectors, and our assets have been assessed as not being at risk. Additionally, no business activities have been identified as incompatible with, or requiring significant efforts to align with, the transition to a climate-neutral economy. Westwing's main actual impact is linked to the carbon emissions from its supply chain, logistics and own operations. In terms of risks and opportunities, the analysis revealed certain physical and transition risks and one main opportunity. On the physical risks side, water scarcity was identified as a risk that could affect the production of key raw materials such as wood and cotton, leading to increased costs. Additionally, extreme weather events pose a risk of disrupting the logistics chain, which could result in material shortages and higher prices. Transition risks were also identified, primarily related to increased costs from the implementation of decarbonisation technologies required to comply with regulatory changes aimed at reducing carbon emissions. Costs are also associated with dependencies on energy-intensive processes and non-renewable energy sources in the value chain. Furthermore, the shift towards renewable energy consumption might result in financial impacts due to the need for investments in new energy systems and the adaptation of production processes to align with a low-carbon economy. The adoption of renewable energy sources, increasing energy efficiencies and collaborating with suitable partners present an opportunity for cost savings and greater customer appeal in the medium- to long-term.

Critical assumptions were made using established climate scenarios, particularly SSP5-8.5 and SSP1-2.6, to understand how different scenarios would impact macroeconomic trends, energy consumption, and technological deployment. Assumptions included increased renewable energy sourcing, with a focus on energy-efficient technologies for our logistics centre and no in-house manufacturing, relying instead on suppliers in Europe and Asia. These scenarios informed strategic responses to the risks identified and required mitigation resources.

The analysis was conducted over short-, medium-, and long-term time horizons (up to 2050) and was aligned with Westwing's GHG emissions reduction targets under the SBTi. These time horizons aim to align with climate scenarios to assess potential impacts by 2030 and 2050, supporting our goal to reduce emissions and mitigate climate-related risks in the e-commerce sector. This scenario planning revealed financial risks, including increased costs from water scarcity affecting raw material production, disruptions in logistics, and challenges related to regulatory compliance. However, it also highlighted opportunities for cost savings through energy efficiency measures and increased adoption of renewable energy sources.

The analysis also considered uncertainties, particularly those related to geographic vulnerabilities in Asia and Europe. Uncertainties include variable supply conditions across sourcing regions and evolving regulatory landscapes in our key markets, potentially impacting logistics, supplier resilience, and raw material availability. Our strategies consider these uncertainties to adjust supplier relations, logistics planning, and sourcing resilience as necessary. To mitigate these risks, Westwing is diversifying its supplier base and developing logistics contingency plans.

Westwing has assessed the resilience of its strategy and business model to climate change by evaluating material transition risks, such as regulatory changes and market shifts in sustainable sourcing, and physical risks, including extreme weather disruptions. These were considered through business continuity planning, and regulatory monitoring, focusing on short-term time horizons. We aim to conduct a comprehensive resilience assessment, integrating scenario-based evaluations across other time horizons in 2025.

4.2.4 IMPACT, RISK AND OPPORTUNITY MANAGEMENT

IRO-1 – Description of the processes to identify and assess material climate- related impacts, risks and opportunities

Please see ESRS 2 IRO 1 - Climate related IROs.

E1-2 – Policies related to climate change mitigation and adaptation

Westwing's Sustainability Policy outlines commitments focused on managing climate-related material impacts, risks, and opportunities (IROs), including emissions from operations and logistics, challenges in raw material availability, cost implications of transitioning to lower-carbon production, opportunities for cost savings through greater efficiencies, and increased customer appeal through more climate-friendly operations and practices.

The policy directly addresses climate change mitigation by prioritizing emissions reduction and promoting sustainable practices across operations. Climate change adaptation is incorporated through resilience-building measures, including sourcing strategies and logistical adjustments to manage risks posed by climate impacts. Energy efficiency improvements are pursued across operations, supported by increased sourcing of renewable energy and partnerships with sustainable energy providers. The policy does not currently address additional climate-related areas beyond those explicitly mentioned.

Monitoring of climate commitments is conducted through a KPI system, with indicators tracked monthly, quarterly, or annually, as appropriate. Annual assessments of GHG emissions are complemented by more frequent reviews of material sourcing, energy efficiency metrics, and progress on supplier engagement targets under the SBTi.

The scope of the policy is broad, covering all Westwing operations across geographies and value chain activities, with no exclusions. Accountability rests with the Management Board, which ensures the policy is integrated into daily operations, while the Corporate Sustainability team and other company experts handle day-to-day implementation.

The Sustainability Policy is shaped by stakeholder insights, including feedback from suppliers and industry experts during materiality assessments, as well as input from Westwing experts, benchmarking, and assessments of applicable regulations. Guidance from the Sustainability Steering Committee ensures alignment with internal goals and standards such as the SBTi and the Paris Agreement. The policy is accessible to affected stakeholders through Westwing's intranet and a digital tool, the "Policy Manager," which provides employees with compliance rules and corporate governance practices. It is also available on the corporate website.

E1-3 – Actions and resources in relation to climate change policies

In addition to establishing a Climate Change Policy, Westwing has additionally put forth an action plan to address climate change. These actions focus on key levers of decarbonisation, including the use of renewable energy, energy efficiency measures, electrification of our owned and operated vehicle fleet, supply chain decarbonisation, changes in our product portfolio, sustainable procurement of packaging materials, and resource efficiency measures.

SUMMARY OF ACTIONS TAKEN TO ADDRESS CLIMATE CHANGE

Decarbonisation Lever	Action	Expected Outcome	Achieved or Expected GHG emission reduction[12] (tCO_2e)
Use of renewable energy	Source renewable energy across all operational sites, where market availability allows	Reduction in Scope 1 and 2 GHG emissions Reduced reliance on fossil fuel electricity sources	2400 (expected)
	Purchase Renewable Electricity Certificates (RECs)	Reduction in Scope 2 GHG emissions	
	Transition to renewable heating sources across all operational sites	Reduction in Scope 1 GHG emissions Reduced reliances on fossil fuel heating sources	2600 (expected)
Energy efficiency measures	Implement energy-efficient technologies and practices across operations	Reduction in Scope 1 and 2 GHG emissions Reduction in overall energy consumption and expenses	700 (achieved)
Changes in product portfolio	Sourcing certified raw materials	Reduction in Scope 3 GHG emissions related to raw material consumption	N/A
	Developing products with innovative recycled materials by collaborating with suppliers	Reduction in Scope 3 GHG emissions by reducing use of virgin material consumption	N/A

12 Cumulative values provided are based on base year (2022) and only provided for the absolute emission reduction target in place.

Progress in 2024	Time Horizon	Scope	Related target(s)
Active engagement with our logistics centre operators to collaboratively explore options for installing additional solar PVs at leased sites and to identify renewable energy sources for both heating and electricity beyond solar PV	2024 – 2030	Own operations: Scope 1 and 2	To reduce absolute Scope 1 and 2 GHG emissions 75% by 2030 from a 2022 base year To source 100% of overall energy used from renewable sources by 2027
Exploration of options to cover remaining electricity consumption through the purchase of Renewable Energy Certificates (RECs) or Guarantees of Origin	2024 – 2030	Own operations: Scope 2	To reduce absolute Scope 1 and 2 GHG emissions 75% by 2030 from a 2022 base year To source 100% of overall energy used from renewable sources by 2027
Conducted feasibility studies for our leased logistics centre in Poland to identify options for renewable heating transition	2024 – 2027	Own operations: Scope 1	To reduce absolute Scope 1 and 2 GHG emissions 75% by 2030 from a 2022 base year To source 100% of overall energy used from renewable sources by 2027
Implementation of door seals and optimised charging patterns for forklift batteries	2024	Own operations: Scope 1 and 2 (Logistics centre)	To reduce absolute Scope 1 and 2 GHG emissions 75% by 2030 from a 2022 base year To source 100% of overall energy used from renewable sources by 2027
Collaborated closely with suppliers to transition their procurement of raw materials to certified sources, collaborated with suppliers to secure FSC licensed products. Identified animal byprocucts in our portfolio and explored responsible sourcing certifications for each relevant material.	2024 – 2026	Upstream value chain: Scope 3 (Westwing Collection)	To use more than 90% certified sustainable wood by 2026 in our Westwing Collection products. To use more than 90% certified organic, recycled, and/or responsibly sourced cotton by 2026 in our Westwing Collection products To use more than 90% responsibly sourced animal by-products by 2026 in our Westwing collection products
Launch of Keani lamp – Lighting solution utilising modern 3D printing technology and recycled plastic as the primary material Development of Danilo Tables and Stools – Innovative table and stool family using fabric veneer made from recycled textile waste combined with a biodegradable binder. Expected to launch in 2025.	2024 – 2025	Upstream value chain: Scope 3 (Westwing Collection)	N/A

Decarbonisation Lever	Action	Expected Outcome	Achieved or Expected GHG emission reduction[12] (tCO_2e)	
Supply-chain decarbonisation	Engage suppliers to establish science-based targets	Reduction in Scope 3 GHG emissions	N/A	
	Implement strategies to optimise logistics operations	Reduction in Scope 3 GHG emissions	N/A	
			N/A	
Electrification	Transition of the vehicle fleet to include more electric vehicles	Reduction in Scope 1 GHG emissions	120 (expected)	
Sustainable procurement	Increase the use of recycled materials in packaging	Reduction in Scope 3 GHG emissions	N/A	
Resource efficiency measures	Eliminate single-use plastics and foams	Reduction in Scope 3 GHG emissions	N/A	

12 Cumulative values provided are based on base year (2022) and only provided for the absolute emission reduction target in place.

Progress in 2024	Time Horizon	Scope	Related target(s)
Upskilled internal teams on carbon emissions and science-based target setting. Piloted our supplier engagement program by engaging with all key Westwing Collection suppliers, logistics carriers and a selection of third-party brand partners on the topic of carbon emissions	2024 – 2027	Upstream value chain: Scope 3	80% of suppliers by spend covering purchased goods and services, and upstream transportation and distribution will have science-based targets by 2027
Increased linehaul utilisation Moved primary injection hub closer to our logistics centre	2024	Upstream value chain: Scope 3	N/A
Piloting pick up and drop off locations for customer orders	Planned for 2025	Upstream value chain: Scope 3	N/A
Monitor market for suitable options to transition owned/operated vehicle fleet	2024 – 2027	Own operations: Scope 1	Reduce absolute Scope 1 and 2 GHG emissions 75% by 2030 from a 2022 base year Source 100% of overall energy used from renewable sources by 2027
Increased the use of recycled plastics in plastic packaging materials. Inbound plastic bags and plastic used for the automatic bagging machine is now made with more than 60% recycled content. Increased the use of 100% recycled paper in packaging materials.	2024	Upstream and downstream value chain: Scope 3 (Logistics centre)	Replace more than 90% of plastic packaging with alternatives made of at least 60% recycled plastic by 2025
Replaced the main foams used in packaging with internally repurposed shredded cardboard. Reduced single-use plastics in the logistics centre except for tape. Replaced plastic packaging materials with paper alternatives for bags, ribbons, and tape. Replaced non recyclable packaging with recycled plastic	2024 – 2030	Upstream and downstream value chain: Scope 3 (Westwing Collection and logistics centre)	Eliminate foam in packaging by 2025 Eliminate single-use plastics in packaging by 2030

The implementation of the climate action plan did not require significant capital expenditures (CapEx) or operational expenditures (OpEx) in 2024. The implementation of Westwing's climate-related action plan may require CapEx and OpEx in the future.

Westwing's ability to implement its climate-related actions depends on several key preconditions. The availability and scalability of decarbonisation technologies are crucial for reducing emissions across operations and the value chain. Additionally, successful implementation relies on strong alignment with suppliers and logistics partners to ensure that sustainability measures are adopted throughout the supply chain. Government regulations and incentives also play a significant role, as supportive policies can accelerate efforts, while stricter environmental requirements may increase compliance costs. Access to renewable energy infrastructure is essential, especially in regions where Westwing operates, as is the availability of financial resources to invest in decarbonisation technologies and energy-efficient processes. Lastly, consumer demand for sustainable products influences the pace at which Westwing can adapt its offerings and business models to meet climate goals.

4.2.5 METRICS AND TARGETS

E1-4 – Targets related to climate change mitigation and adaptation

As Westwing is dedicated to playing its part in mitigating climate change and reducing its GHG emissions, we have set the below targets to help lower our carbon footprint. Our climate-related targets are for the years 2027 and 2030, we have not yet set targets for the year 2050. Westwing did not directly involve stakeholders in the target-setting process for climate-related matters. Instead, we relied on internal expertise and benchmarking against industry best practices and peer targets to ensure that our goals are ambitious, relevant, and aligned with evolving standards and expectations.

Westwing has considered future developments and their potential impact on the company's GHG emissions reduction objectives when setting targets. Key assumptions include planned mitigation measures such as energy efficiency improvements and the phased introduction of renewable electricity. These measures were evaluated based on projected timelines for implementation and their expected contribution to reducing emissions relative to the 2022 baseline. For example, energy efficiency projects were prioritised based on their potential to deliver short-term emission reductions, while the introduction of renewable energy was assessed for its medium- and long-term impact due to the technical complexities and the availability of adequate solutions. Business growth projections were also taken into account to ensure that the targets reflect the company's expected operational scale. This included forecasting increases in sales volumes and associated operational emissions, with targets designed to account for these anticipated changes and maintain alignment with a 1.5°C-compatible trajectory.

The targets assumed continued progress in grid decarbonisation across operational geographies, supported by national and regional policies to facilitate the transition away from fossil fuels. Future regulatory factors were incorporated by analysing current policy roadmaps and estimating their likely influence on operational emissions and the availability of low-carbon technologies. The availability of low-carbon technologies and the feasibility of securing renewable energy through mechanisms such as Power Purchase Agreements (PPAs) and Renewable Energy Certificates (RECs) were also critical to setting the target. Westwing evaluated the market availability and costs of these mechanisms to ensure the feasibility of achieving the targets within the specified timeframe.

The 2022 base year emissions inventory serves as the foundation for the target and was developed using the most updated data available at the time, covering all relevant business activities and ensuring a reliable and representative baseline.

Westwing monitors progress against its science-based emissions reduction targets to track the effectiveness of its actions and policies. This includes annual evaluations of Scope 1, 2, and 3 emissions reductions relative to the selected baselines, focusing on material impacts such as carbon emissions from supply chain, logistics, and own operations.

To track the effectiveness of measures related to material risks and opportunities, Westwing reviews the progress of planned mitigation actions, such as energy efficiency improvements and renewable electricity adoption. These reviews are data-driven, allowing us to assess alignment with our emissions reduction goals and identify areas requiring further action.

Westwing Group SE's climate targets are designed with consideration for global sustainable development and local circumstances. The 75% reduction in Scope 1 and 2 GHG emissions by 2030 target contributes to reducing reliance on fossil fuels, aligning with broader climate goals such as Sustainable Development Goal (SDG)13 (Climate Action). Regional grid decarbonisation and local energy infrastructure challenges are considered, with energy efficiency measures complementing renewable energy efforts where grid progress is slower. The supplier engagement target, requiring 80% of suppliers by spend to adopt science-based targets by 2027, supports the transition to low-carbon supply chains while fostering sustainable practices in regions where suppliers operate, including building capacity in areas with potentially less advanced climate policies. The commitment to source 100% renewable energy by 2027 contributes to SDG 7 (Affordable and Clean Energy) by addressing the transition to cleaner energy systems. Regional differences in renewable energy availability are considered, with solutions such as PPAs and RECs supporting progress where direct access to renewables is limited.

Westwing has set a combined Scope 1 and 2 absolute reduction target and a supplier engagement focused target for Scope 3, as these best align with our business model and overall climate ambition. The Scope 3 supplier engagement target includes an interim target for 30% of suppliers by spend to publicly commit to setting science-based targets by the end of 2025. In 2024, a 22% share was reached. The methodology for assessing this KPI is in line with the methodology used for Target 2 in the table below. Additional absolute reduction or intensity targets for Scope 1 or Scope 3 have not been set.

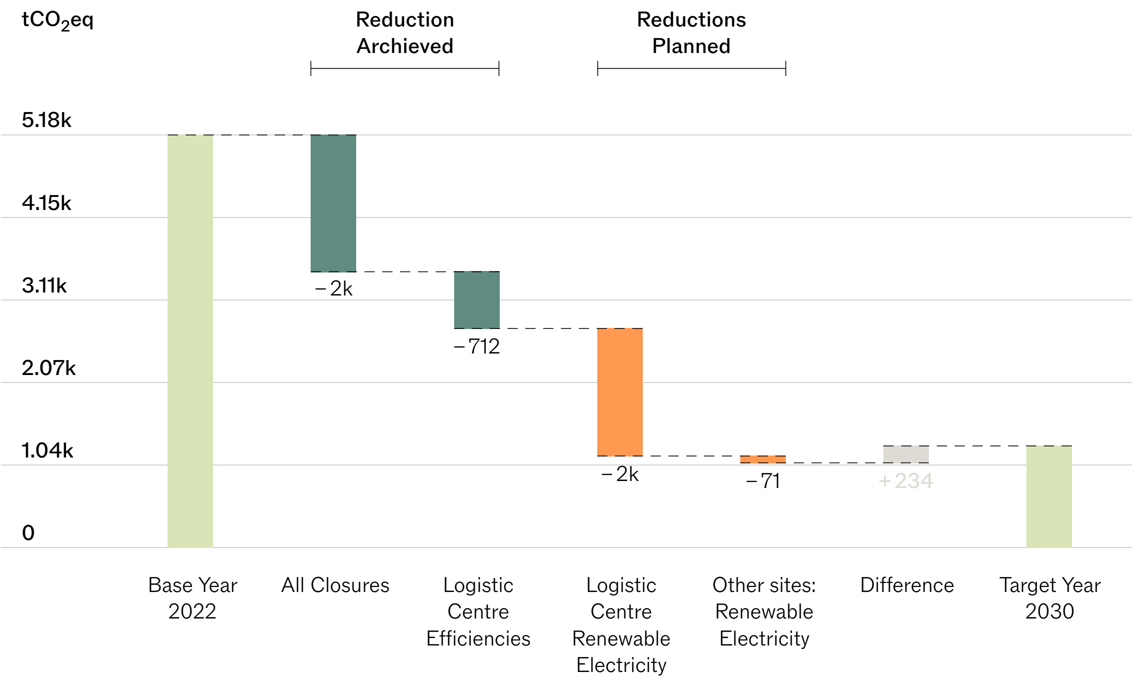
SUMMARY TABLE OF WESTWING CLIMATE-RELATED TARGETS

	Unit	Target 1
Name and description	–	Westwing Group SE commits to reduce absolute Scope 1 and 2 GHG emissions 75% by 2030 from a 2022 base year.
Policy objective target contributes to	–	Climate change mitigation, energy efficiency, renewable energy deployment.
Expected outcome (absolute value)	tCO_2eq	1,293
% of coverage	%	100 of Scope 1 and 2 GHG emissions
Baseline year	–	2022
Baseline value	tCO_2eq	5,173
Target year	–	2030
Performance against target	–	64% – in line with expectations
2030 target value (absolute)	tCO_2eq	1,293
Scope of target in terms of business activity, geography, and value chain	–	Our Scope 1 and 2 emission reduction target encompasses all direct emissions from our own operations (Scope 1), including fuel consumption and company-owned vehicle emissions, as well as indirect emissions from purchased energy sources (Scope 2), such as electricity and heating. This target applies to the entire Westwing group, covering all operational entities and sites across both Europe and Asia.
Calculation Methodology	–	Market-based method
Data sources used	–	• Electricity consumption derived from invoices • Heating and cooling consumption derived from invoices • Fuel consumption from expense reports
Monitoring and review	–	This target is monitored on an annual basis. The Scope 1 and 2 GHG emissions are calculated annually and integrated in our modelling to assess progress towards our target year.
Consistency with company's GHG inventory boundaries	–	The boundary of our Scope 1 and 2 GHG inventory fully aligns with the boundary of this emissions reduction target. There are no deviations between the sources of emissions included in our GHG inventory and those covered by this target.
Compatible with 1.5°C or well-below 2°C?	–	In line with 1.5°C (Paris Agreement)
Validated by the SBT Initiative?	–	Yes
Framework used	–	Science-based Targets Initiative Cross-sector pathway
Reference value		42% reduction in ac-cordance with the SBTi Target Setting Tool
Assured by an independent third party?	–	Our target has been officially verified by the Science-based Targets initiative

	Target 2	Target 3
	Westwing Group SE commits that 80% of its suppliers by spend covering purchased goods and services, and upstream transportation and distribution will have science-based targets by 2027.	To source 100% of overall energy used from renewable sources by 2027
	Climate change mitigation	Climate change mitigation, renewable energy deployment.
	N/A	N/A
	Scope 3 categories included: Category 1: Purchased goods and services Category 4: Upstream transportation and distribution	N/A
	2021	2021
	N/A	N/A
	2027	2027
	12% – in line with expectations	9% – below expectations
	N/A	N/A
	This target includes Scope 3 GHG emission category 1 Purchased goods and service and category 4 upstream transportation and distribution.	Energy includes electricity, heating and cooling for our offices and logistics centre, and renewable fuel for our vehicle fleet trucks.
	Cross-sector pathway by the Science-based Targets Initiative	Based on energy consumption data from invoices and documentation of the energy source.
	• Material composition provided by product suppliers • Volume of products sold from internal systems • Average distances calculated using distance calculators and origin and destination information • Weight of products transported from internal systems	• Electricity consumption derived from invoices • Heating and cooling consumption derived from invoices • Fuel consumption from expense reports
	This target is monitored on a quarterly basis. The suppliers which have set SBTs are reviewed through the SBTi website to assess progress towards our target year.	This target is monitored on an annual basis. Overall energy consumption is calculated annually as part of the data collection exercise supporting our GHG emission calcula-tions.
	The boundary of our Scope 3 target is including the following Scope 3 categories: category 1 purchased goods and service, category 4 upstream transportation and distribution. There are no deviations between the sources of these two categories included in this target and our GHG inventory.	N/A
	N/A	N/A
	Yes	N/A
	Science-based Targets initiative supplier engagement guidance	N/A
	30% of suppliers by spend publicly committed to setting SBTs by end of 2025	
	Our target has been officially verified by the Science-based Targets initiative	No

SCOPE 1 AND 2 GHG EMISSION REDUCTION TARGET PATHWAY

The efforts to date have already significantly contributed to meeting our science-based emissions reduction target. Specifically, the insourcing of several operational sites, the energy efficiency measures implemented and the introduction of renewable electricity have led to an approximate 64% reduction in Scope 1 and 2 emissions compared to the 2022 base year. This tracking process includes ongoing monitoring of emissions data and internal reporting to ensure accountability and transparency in achieving our targets. To further support the achievement of our GHG emissions reduction targets, we closely collaborate with our logistics centre landlord to evaluate available options such as the implementation of heat pumps to reduce emissions associated with heating at our logistic centre, as well as the potential expansion of on-site photovoltaic (PV) systems. This pathway is illustrated in the graphic below.



E1-5 – Energy consumption and mix

The following tables provide an overview of Westwing's energy consumption and mix, highlighting key metrics such as total energy consumption and the share of renewable energy in the overall energy mix. This information is crucial for understanding the company's energy performance and identifying areas for improvement. These metrics are not validated by an external body other than the assurance provider.

TABLE: ENERGY CONSUMPTION RELATED TO OWN OPERATIONS

Energy consumption and mix	2024
6. Total fossil energy consumption (MWh)	6,326
Share of fossil sources in total energy consumption (%)	91
7. Consumption from nuclear sources (MWh)	0
8. Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	n/a
9. Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	506
10. The consumption of self-generated non-fuel renewable energy (MWh)	109
11. Total renewable energy consumption (MWh)	615
Share of renewable sources in total energy consumption (%)	9
Total energy consumption (MWh)	6,941

Westwing calculates and discloses energy consumption and mix metrics using the latest available data at the time of reporting. When the most recent data pertains to the year prior to the reporting year, adjustments are made to estimate values for the reporting year, accounting for significant changes during that period, such as changes in warehouse space. Energy consumption is apportioned based on the share of the space exclusively occupied by Westwing during the reporting period to ensure accuracy. For heating, data is primarily received in cubic meters (m^3) of natural gas, which is converted into megawatt-hours (MWh) using best-practice guidance to standardize energy reporting and facilitate comparability. For electricity mix calculations, the methodology incorporates data on grid energy sources, supplier-specific information (where available), and green electricity supply contracts with energy providers. Electricity generated and consumed from on-site solar panels is monitored through an automated system that provides daily tracking of both energy production and usage in megawatt-hours (MWh).

Westwing does not operate in any high climate impact sectors and therefore does not publish energy intensity from high climate impact sectors.

For a more in-depth understanding of the specific actions taken to reduce our non-renewable energy consumption and energy consumption in general, please refer to section E1.3 – Actions and resources in relation to climate change policies of this report. Section E1.3 provides detailed information on the initiatives undertaken to optimise energy efficiency, increase renewable energy integration, and minimise the company's reliance on fossil fuels

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E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

Westwing has set an absolute emission reduction target of 75% for its Scope 1 and 2 emissions by 2030. No other intermediate emission reduction targets or milestones have been defined. Westwing has calculated its carbon footprint for scope 1, 2, and 3 emissions. A breakdown of the scope emissions for the reporting year can be found in the table below.

WESTWING'S CARBON FOOTPRINT EMISSIONS IN tCO_2eq

	Retrospective			Milestones and target years			
	Base Year (2022)	2024	% 2024/ 2023	2025	2030	2050	Annual % target / Base year
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (tCO_2eq)	2,777	1,081	n/a	n/a	n/a	n/a	n/a
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions (tCO_2eq)	2,783	1,023	n/a	n/a	n/a	n/a	n/a
Gross market-based Scope 2 GHG emissions (tCO_2eq)	2,397	771	n/a	n/a	n/a	n/a	n/a
Significant Scope 3 GHG emissions	**Base Year (2021)**						
Total gross indirect (Scope 3) GHG emissions (tCO_2eq)	**208,456**	**137,753**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**
1 Purchased goods and services	127,521	72,769	n/a	n/a	n/a	n/a	n/a
4 Upstream transportation and distribution	27,016	34,294	n/a	n/a	n/a	n/a	n/a
11 Use of sold products	26,244	13,038	n/a	n/a	n/a	n/a	n/a
12 End-of-life treatment of sold products	27,675	17,652	n/a	n/a	n/a	n/a	n/a
Total GHG emissions							
Total GHG emissions (location-based) (tCO_2eq)	–	139,856	n/a	n/a	n/a	n/a	n/a
Total GHG emissions (market-based) (tCO_2eq)	–	139,604	n/a	n/a	n/a	n/a	n/a
GHG intensity per net revenue							
Total GHG emissions (location-based) per net revenue (tCO_2eq/M€)	–	315	n/a	n/a	n/a	n/a	n/a
Total GHG emissions (market-based) per net revenue (tCO_2eq/M€)	–	314	n/a	n/a	n/a	n/a	n/a
Financial statement reference	Annual Report (2024) – Note 5		n/a				

SCOPE 1 AND 2 GHG EMISSIONS

Westwing calculates Scope 1 GHG emissions using emission factors provided by the UK Department for Environment, Food and Rural Affairs (DEFRA). These emission factors were selected due to their wide acceptance, frequent updates, and alignment with international best practices. The measurement methodology follows the average-data method, which utilizes activity data such as heating consumption from utility providers and fuel consumption from gas receipts. This approach was chosen for its practicality and reliability in accurately reflecting emissions based on readily available operational data. In cases where activity data is unavailable for the reporting period, historic data is used as the basis for estimation, adjusted for significant changes such as differences in the area size occupied during the current period. These assumptions were adopted to ensure that emissions calculations remain as precise and consistent as possible, even in the absence of complete current data.

Westwing calculates Scope 2 GHG emissions using both location-based and market-based methodologies. For location-based Scope 2 emissions, grid-average emission factors from reliable sources, such as DEFRA and the International Energy Agency (IEA), are applied. These factors were chosen for their accuracy and relevance to the regions in which Westwing operates. The calculation is based on energy consumption data provided by utility providers for Westwing-occupied spaces, using the average-data method.

For market-based Scope 2 emissions, renewable electricity contracts with suppliers and energy generated from Westwing's own solar PV installations are utilized. These renewable energy sources reflect actual purchased and generated electricity from renewable sources. The calculation methodology follows the market-based method as outlined in the GHG Protocol, using supplier-specific emission factors and residual emission factors from DEFRA or the IEA for any electricity not covered by renewable energy contracts. No significant assumptions are used to calculate Scope 2 emissions.

Biogenic emissions cannot be reported separately as the emission factor databases used do not differentiate between biogenic and non-biogenic emissions.

SCOPE 3 GHG EMISSIONS

Westwing calculates and measures its Scope 3 GHG emissions in accordance with the GHG Protocol. The reporting boundary for Scope 3 emissions includes all indirect emissions arising from activities within the upstream and downstream value chain of Westwing Group and its entities The following Scope 3 categories are included in our emissions inventory:

- Purchased goods and services
- Upstream transportation and distribution
- Use of sold products
- End-of-life treatment of sold products

The following scope 3 categories have been excluded from our inventory as they represent a smaller proportion of our total emissions, involve minimal financial expenditure for Westwing, and offer limited opportunities for the company to influence or reduce emissions:

- Capital goods
- Fuel- and energy-related activities (not included in Scope 1 and Scope 2)
- Waste generated in operations
- Business travel
- Employee Commuting

The following scope 3 categories have been excluded from our inventory as they are not relevant to our business activities.

- Upstream leased assets
- Downstream transportation and distribution
- Downstream leased assets
- Investments
- Franchises

To calculate Scope 3 GHG emissions, Westwing uses various emissions factors sourced from reputable databases such as DEFRA, EcoInvent, and ADEME, depending on the category.

For purchased goods and services, emissions are measured using a hybrid approach that combines average-data and spend-data methodologies. For products and packaging, emissions are calculated using material composition and weight data provided by suppliers, when available. For purchased services, emissions are primarily estimated using spend data, as direct activity data is limited. The inputs used in this category are derived from specific activities within our upstream value chain.

For upstream transportation and distribution, emissions are measured using activity data derived from average distances based on customer shipping information and carrier-specific hub locations, which are stored in our warehouse management system. These inputs are directly tied to specific activities within our logistics operations and the upstream value chain, particularly related to transportation distances and locations.

For the direct use-phase of products sold and end-of-life treatment, emissions are estimated based on generic assumptions about customer behavior, product lifespan, and disposal practices. These assumptions are based on general industry data and consumer behaviour and differ between product categories, as each category may have distinct usage profiles. Common disposal practices are assumed for each product category, such as recycling for packaging materials, landfilling for non-recyclable items, and incineration for products that may not be recycled. These assumptions do not account for regional variations in disposal methods or infrastructure.

To facilitate all GHG emission calculations, Westwing uses a software tool.

E1-7 – GHG removals and GHG mitigation projects finance through carbon credits

Our focus with respect to climate change is on avoiding and reducing GHG emissions. While these efforts are underway, we have invested in a combination of GHG emission removal and avoidance carbon credit projects to broaden our impact beyond immediate targets. These credits do not contribute to our GHG emission reduction targets.

In 2024, we purchased 6,728 tCO_2eq carbon credits outside the company's value chain, verified against quality standards and cancelled during the reporting period. These carbon credits were sourced from a mix of mitigation projects and removal projects using biogenic sinks. Westwing has not developed any projects within its own operations or contributed to any projects in its upstream or downstream value chain. The company does not plan to cancel any carbon credits in the future based on existing contractual agreements.

Carbon credits cancelled in the reporting year	2024
Total (tCO_2eq)	**6,728**
Share from removal projects (%)	10%
Share from reduction projects (%)	90%
Recognised quality standard 1 – Verra (%)	69%
Recognised quality standard 2 – Gold Standard (%)	20%
Recognised quality standard 3 – Plan Vivo (%)	7%
Recognised quality standard 4 – Carbon Standards International (%)	3%
Share from projects within the EU (%)	0%
Share of carbon credits that qualify as corresponding adjustments (%)	0%

E1-8 – Internal carbon pricing

Westwing does not apply any internal pricing schemes.

ESRS E5 | Resource Use and Circular Economy

4.2.6 INTRODUCTION

Resource use significantly contributes to environmental impacts, including climate change, pollution, water depletion, and biodiversity loss. As expectations for sustainable practices grow, companies are being urged to move beyond the traditional "take-make-waste" model, which depends on extracting finite resources to produce goods that are eventually discarded. In contrast, a circular economy supports sustainable resource use throughout extraction, production, consumption, and waste management, offering environmental benefits such as reduced material and energy consumption, and lower emissions.

This section outlines Westwing's strategic approach to incorporating circular economy principles, emphasising waste reduction, and optimising resource use throughout its operations. Additionally, it presents the associated risks and opportunities, as well as their financial implications in the short-, medium-, and long-term.

ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Please see ESRS 2 IRO 1 - Circular Economy and Resource Use IROs.

E5-1 – Policies related to resource use and circular economy

Westwing's Sustainability and Raw Material Sourcing policies outline commitments aimed at managing material IROs related to resource use and circular economy practices. These policies are designed to cover the entire company and its value chain, including upstream raw material sourcing, internal operations, and downstream suppliers and partners. They include standards for both Westwing Collection and broader supplier networks, ensuring resource use and circular economy commitments extend across all relevant value chain stages. The focus is on sustainable sourcing, reducing reliance on virgin resources, prioritising the use of renewable sources, enhancing waste prevention, and embedding circularity into Westwing's operations.

The policies address resource use and circular economy IROs, starting with the impact of supplying home and living products on people and the environment. They also address the use of renewable resources, prioritising certified materials such as FSC-certified wood and GOTS-certified cotton, as well as promoting the integration of recycled and renewable inputs into product design and packaging. Opportunities include increased revenue and competitive advantage from resale and sustainable products, as well as cost savings through resource optimization. Risks include reduced customer loyalty if sustainability preferences are unmet, higher costs and regulatory risks from inefficient resource use, and operational complexities around warranties and returns in circular business models.

Aligned with the waste hierarchy, the Sustainability Policy focuses on minimising waste through product durability, repairability, reuse, and recycling. In support of circular economy goals, the policy promotes the use of recycled and renewable materials and encourages designs that enhance product longevity. The policy also prioritises waste prevention through the use of reclaimed materials, considering energy recovery as a secondary option and disposal only as a last resort. Each stage of the waste hierarchy – prevention, reuse, recycling, recovery, and disposal – is embedded in this approach, with an emphasis on strategies like repair and refurbishment to minimise waste further.

Monitoring of resource use and circular economy commitments is conducted through KPIs tracked at monthly or quarterly intervals. Regular audits of Westwing Collection suppliers ensure adherence to sustainability standards under recognised frameworks like Higg FEM, OEKO-TEX® STeP, and amfori BEPI. The Corporate Sustainability team, responsible for defining the sustainability strategy and reporting on the relevant KPIs, reviews progress and adjusts policies and practices based on audit findings and stakeholder inputs, if and as necessary.

Westwing's policies align with standards like FSC, PEFC, GOTS, BCI, Global Recycled Standard (GRS), REACH, and OEKO-TEX® to support responsible sourcing and sustainable management of renewable resources such as certified wood and cotton. The Sustainability Policy also aligns with international frameworks, such as the Paris Agreement, United Nations Sustainable Development Goals, and Science-Based Targets initiative (SBTi), reinforcing Westwing's commitment to recognised sustainability principles.

The policies' scope encompasses all Westwing operations across geographic regions and value chain activities, covering both upstream suppliers and downstream partners without exclusions. These policies are part of Westwing's larger environmental and sustainability strategy, so as to ensure that resource use and circular economy goals are aligned with broader company-wide objectives for a more consistent and effective approach. The Management Board is the most senior level accountable for the implementation of Westwing's policies. This board is directly responsible for embedding policy commitments into Westwing's operations and ensuring their effective execution throughout the organisation.

The Corporate Sustainability team, along with other company experts, leads day-to-day implementation of sustainability-related policies. Benchmarking against industry best practices, assessment of relevant regulations and input from Westwing's internal experts and the Sustainability Steering Committee informed the policies' development.

These policies are accessible via Westwing's intranet, Policy Manager, and corporate website, ensuring transparency for affected stakeholders and those involved in implementation.

E5-2 – Actions and resources related to resource use and circular economy

Westwing is committed to improving resource efficiency by reducing resource consumption and increasing the sourcing of sustainable materials, particularly for its products and packaging. These efforts extend to Westwing Collection suppliers and logistics centre operations across all regions where Westwing operates.

For the Westwing Collection, the company promotes sustainable materials by using recycled synthetic fabrics and is actively exploring increased recycled plastic content in furniture items. In its packaging strategy, Westwing is working towards 100% recyclable packaging and adheres to Extended Product Responsibility principles. Additionally, the company is shifting from virgin plastics to recycled alternatives and supports sustainable packaging efforts focused on enhancing recyclability and reducing single-use plastics.

To further extend product lifespans and minimize waste, Westwing incorporates circular design principles where applicable and has established a small-scale repair and restoration service within its logistics centre for returned products. This not only helps prevent waste but also provides valuable insights into product durability and repair needs. Westwing's focus on premiumisation aligns with its efforts to enhance product durability.

Collaboration is central to these efforts. For its Westwing Collection, the company seeks to identify and collaborate with other businesses on innovative products that integrate circular design principles and sustainable materials, contributing its own experience and expertise to these initiatives. Westwing also participates in an informal industry group to exchange ideas and best practices with peers.

SUMMARY TABLE OF WESTWING ACTIONS

The outlined actions cover all operation geographies unless stated otherwise. As there were no instances of harm related to actual material impacts, no specific remedial actions were required or implemented. The identified key actions cover multiple stakeholder groups, including suppliers, employees, and customers. Suppliers are engaged through sustainable material requirements and packaging guidelines, employees are encouraged to integrate environmental considerations in decision-making, and customers benefit from products designed with circular principles, durability, and recyclability in mind.

Goal: Promote product longevity and circular design
Value chain: Upstream/ own operations

Action and Description	Expected outcome	Progress in 2024	Time Horizon	Scope	Related target	Impact, risk and/or opportunity addressed
Premiumisation of Westwing Collection by investing in high-quality materials and design	Increasing the product durability and lifespan	Using high quality materials in products such as durable stainless steel, Alpi veneer Using mould technology for better precision in products	2024 – 2027	Westwing Collection Products	–	Opportunity
Publishing comprehensive care instructions detailing how customers can care for their products to last longer	Increasing the product durability and lifespan	Drafted care instructions for our main materials and categories.	2024 – 2025	Westwing Collection Products	–	Opportunity
Developing products with innovative recycled materials by collaborating with suppliers	Creating innovative products that reduce virgin material consumption by incorporating recycled materials	**Launch of Keani lamp –** Lighting solution utilising modern 3D printing technology and recycled plastic as the primary material **Development of Danilo Tables and Stools –** Innovative table and stool family using fabric veneer made from recycled textile waste combined with a biodegradable binder. Expected to launch in 2025 **Switching Chair family Claire** to plastic recyclates Planned for 2025	2024 – 2025	Westwing Collection Products	–	Opportunity
Introduction of extended warranty to customers: Offering customers extended warranty on Westwing Collection furniture	Increasing the product durability and lifespan		Planned for 2025 – 2027	Westwing Collection Products	–	Opportunity/ Risk

Goal: Reduction of waste, improved waste management, and increased resource efficiency
Value chain: Upstream / own operations

Action and Description	Expected outcome	Progress in 2024	Time Horizon	Scope	Related target	Impact, risk and/or opportunity addressed
Reduce the amount of plastic packaging used per item shipped	Reducing the amount of virgin materials used	Switched to thinner stretching foil resulting in less plastic weight per pallet shipped. Purchased second Ergopack machine so that more pallets are strapped with banding tape and not wrapped with stretching foil. From June 2024 inbound cosmetics are no longer packed in transparent bags. Fully replaced string bags with paper envelopes	2024 – 2027	Logistics centre	Reduce the amount of plastic packaging used per item shipped by 25% by 2027	Opportunity/ Risk/Actual negative impact
Eliminate foam in packaging	Reducing the amount of virgin materials used	Replaced all foams used in packaging with internally repurposed shredded cardboard.	2024 – 2025	Logistics centre	Eliminate foam in packaging by 2025	Opportunity/ Risk/Actual negative impact
Increase the use of recycled plastics	Reducing the amount of virgin materials used	At the logistics centre packaging inbound plastic bags and plastic used for the automatic bagging machine is now made with more than 60% recycled content	2022 – 2024	Logistics centre and Westwing Collection packaging	Replace more than 90% of packaging with alternatives made of at least 60% recycled plastic by 2025	Opportunity/ Risk/Actual negative impact
Eliminate single-use plastics in packaging	Reducing the amount of virgin materials used	Reduced single-use plastics in the logistics centre packaging except for tape. For Westwing Collection replaced single-use plastic materials with paper alternatives for bags, ribbons, and tape.	2024 – 2030	Logistics centre and Westwing Collection	Eliminate single-use plastics in packaging by 2030	Opportunity/ Risk/Actual negative impact
Increase recycled paper use in packaging	Reducing the amount of virgin materials	Cushioning paper: switched from 100% virgin fibre paper to 100% recycled paper.	2024 – 2025	Logistics centre	Achieve 100% recycled paper use in packaging by 2025	Opportunity/ Risk/Actual negative impact

Goal: Source sustainable materials
Value chain: Upstream

Action and Description	Expected outcome	Progress in 2024	Time Horizon	Scope	Related target	Impact, risk and/or opportunity addressed
Increase traceability of key raw materials sourced for Westwing Collection	Improved data on raw material footprint and more resilient supply chains	Started tracking raw material supply chain for wood in the framework of EUTR[5], expanding the scope under EUDR[6].	Planned: 2024 – 2028	Westwing Collection Products		Risk
Sourcing certified raw materials	Reducing environmental footprint of raw material consumption, improving animal welfare	Collaborated closely with suppliers to transition their procurement of raw materials to certified sources, collaborated with suppliers to secure FSC licensed products. Identified animal by-products in our portfolio and explored responsible sourcing certifications for each relevant material.	2022 – 2026	Westwing Collection Products	Use more than 90% certified sustainable wood Use more than 90% of certified, organic, recycled, and/or responsibly sourced cotton Use more than 90% of responsibly sourced animal by-products by 2026	Opportunity/ Risk

The implementation of the climate action plan does not require significant capital expenditures (CapEx) or operational expenditures (OpEx).

Despite Westwing's commitment to reducing resource use and embracing circularity, the successful implementation of these actions depends on certain preconditions. These include availability and access to quality and reasonably-priced sustainable materials and waste reduction technologies, market demand, and availability of supporting regulatory frameworks.

E5-3 – Targets related to resource use and circular economy

Westwing has adopted voluntary targets aimed at addressing its material impacts, risks, and opportunities (IROs) related to resource use and the circular economy. Although specific ecological thresholds were not considered, the disclosed targets are grounded in scientific evidence of the global impacts of increasing waste and plastic pollution on marine ecosystems, wildlife, and human health. The targets are absolute and account for various lifecycle stages such as production, use, and end-of-life, as well as biodiversity impacts. They focus on virgin renewable resources and select product lines, aligning with Westwing's commitment to sustainable sourcing.

Westwing's targets include increasing the percentage of recycled materials in product manufacturing and reducing overall waste generation through recycling and reuse practices across the supply chain. Additionally, the company is committed to minimizing the use of primary raw materials by prioritizing secondary and recycled inputs where feasible. Targets are also set to improve product durability and repairability, extending product lifespans through circular design principles. To enhance circular material use, Westwing aims to increase the proportion of recycled plastics in its products. The company is also working towards sourcing wood, cotton, and animal byproducts from certified sources to ensure responsible management of renewable resources. Waste management targets include introducing recyclable, biodegradable, or compostable packaging, as well as reusing, recovering, or recycling all packaging waste from Westwing's own sites. Resource targets also address reducing virgin plastics in packaging and achieving fully recyclable packaging, aligning with the broader goal of reducing environmental impacts in resource inflows and outflows.

In setting these targets, the Corporate Sustainability team leveraged their expertise, performed benchmarking, and analyzed current and upcoming policies and regulations. While no formal scenario analysis was conducted, feedback received from stakeholders such as suppliers and customers during target implementation was considered to ensure alignment with sustainability standards and market expectations. The proposed targets were reviewed by subject matter experts on resource use and circularity and refined by the Sustainability Steering Committee before presentation to the Supervisory Board. Relevant feedback is evaluated to incorporate lessons and adjustments, continually enhancing the target-setting and implementation process.

Performance against these targets is tracked through specific KPIs, available in the Sustainability dashboard, and monitored quarterly by the Sustainability Steering Committee. Progress is also communicated to the Executive Team on select KPIs and actions on a quarterly basis. The Quality and Sustainability teams, along with logistics centre teams, collect the underlying data. In collaboration with the Corporate Sustainability team, they monitor progress and assess the effectiveness of the initiatives.

Westwing's targets encompass both its internal operations and the upstream and downstream segments of its value chain, promoting a holistic approach to resource efficiency and circularity.

Target 1: Reduce the amount of plastic packaging used per item shipped by 40% by 2027 (logistics centre)

Contribution to Policy objectives	Reduction of waste, improved waste management, and increased resource efficiency: Supports our sustainability policy objectives of reducing our reliance on virgin resources by prioritising the use of secondary (recycled) resources, promoting resource efficiency throughout our operations and minimising environmental impact of our packaging.
Target value	40%
Unit	%
Absolute or relative target	Relative
Scope	Logistics centre
Value Chain	Own operations
Baseline year	2022
Baseline value	26.2 grams
Time horizon of achievement	2027
Consideration of the wider context of sustainable development and/or local situation	Plastics contribute significantly to ocean pollution, harming marine life and ecosystems, and to greenhouse gas emissions during their production and disposal. Eliminating single-use plastic packaging, increasing recyclability conserves resources and promotes a circular economy by reducing the demand for virgin plastic production.
Target is related to	Minimisation of primary raw material
Layer of waste hierarchy	Prevention
Performance 2024	35%
Milestones or interim targets	NA
Data sources	Logistics centre management system
Methodology/assumptions	**1) Packaging material includes materials used:** a) to protect and ship products to our customers (outbound), b) within the logistics centre to protect/store the products, c) for dropshipping provided by the logistics centre. **2) Plastic material excludes:** a) All single-use plastics (plastic tapes, cable ties, all plastic stickers etc) b) All plastic foams.
EU/national/international policies or initiatives	NA

Target 2: Eliminate foams in packaging by 2025 (logistics centre)

Contribution to Policy objectives	Reduction of waste, improved waste management, and increased resource efficiency: Supports our sustainability policy objectives of reducing our reliance on virgin resources by prioritising the use of secondary (recycled) resources, promoting resource efficiency throughout our operations and minimising environmental impact of our packaging.
Target value	0
Unit	%
Absolute or relative target	Absolute
Scope	Logistic centre
Value Chain	Own operations
Baseline year	2022
Time horizon of achievement	2025
Consideration of the wider context of sustainable development and/or local situation	Plastics contribute significantly to ocean pollution, harming marine life and ecosystems and to greenhouse gas emissions during their production and disposal. Eliminating single-use plastic packaging, increasing recyclability conserves resources and promotes a circular economy by reducing the demand for virgin plastic production.
Target is related to	Minimisation of primary raw material
Layer of waste hierarchy	Prevention
Performance 2024	Share of foam packaging material in plastic packaging material: 0.2%
Milestones or interim targets	NA
Data sources	Logistics centre management system
Methodology/assumptions	1) **Packaging material includes materials used:** a) to protect and ship products to our customers (outbound), b) within the logistics centre to protect/store the products, c) for dropshipping provided by the logistics centre. 2) **Foam material** includes spongy plastics (e.g., corners/fleece) and excludes single use plastics.
EU/national/international policies or initiatives	NA

Target 3: Increase to more than 90% the share of plastics with more than 60% recycled content by 2025 (logistics centre)

Contribution to Policy objectives	Reduction of waste, improved waste management, and increased resource efficiency: Supports our sustainability policy objectives of reducing our reliance on virgin resources by prioritising the use of secondary (recycled) resources, promoting resource efficiency throughout our operations and minimising environmental impact of our packaging.
Target value	More than 90%
Unit	%
Absolute or relative target	Relative
Scope	Logistic centre
Value Chain	Own operations
Baseline year	2022
Time horizon of achievement	2025
Consideration of the wider context of sustainable development and/or local situation	Plastics contribute significantly to ocean pollution, harming marine life and ecosystems and to greenhouse gas emissions during their production and disposal. Eliminating single-use plastic packaging, increasing recyclability conserves resources and promotes a circular economy by reducing the demand for virgin plastic production.
Target is related to	Minimisation of primary raw material
Layer of waste hierarchy	Prevention
Performance 2024	98% – Achieved
Milestones or interim targets	NA
Data sources	Logistics centre management system
Methodology/assumptions	**1) Packaging material Includes materials used:** a) to protect and ship products to our customers (outbound), and b) within the logistics centre to protect/store the products c) for dropshipping provided by the logistics centre (e.g. branded stickers). **2) Plastic material Excludes:** a) All single-use plastics (plastic tapes, cable ties, fitting bags/polybags smaller than A4, all plastic stickers, truck seals, silica bags (with non-woven outer bag)) b) All foams. **3) Recycled material Includes: materials that have proof of at least 60% recycled content via:** a) declaration of conformity, b) certificate or, c) company signed declaration.
EU/national/international policies or initiatives	NA

Target 4: Reduce the amount of single-use plastic packaging material by 100% by 2030 (logistics centre)

Contribution to Policy objectives	Reduction of waste, improved waste management, and increased resource efficiency: Supports our sustainability policy objectives of reducing our reliance on virgin resources by prioritising the use of secondary (recycled) resources, promoting resource efficiency throughout our operations and minimising environmental impact of our packaging.
Target value	100
Unit	%
Absolute or relative target	Relative
Scope	Logistic centre and Westwing Collection packaging
Value Chain	Own operations
Baseline year	2023
Baseline value	2.59 grams
Time horizon of achievement	2030
Consideration of the wider context of sustainable development and/or local situation	Plastics contribute significantly to ocean pollution, harming marine life and ecosystems and to greenhouse gas emissions during their production and disposal. Eliminating single-use plastic packaging, increasing recyclability conserves resources and promotes a circular economy by reducing the demand for virgin plastic production.
Target is related to	Minimisation of primary raw material
Layer of waste hierarchy	Prevention
Performance 2024	30%
Milestones or interim targets	NA
Data sources	Logistics centre management system
Methodology/assumptions	**1) Packaging material includes materials used:** a) to protect and ship products to our customers (outbound), b) within the logistics centre to protect/store the products, c) for dropshipping provided by the logistics centre. **2) Single-use plastics includes:** a) Plastic tapes b) Cable Ties c) Fitting bags smaller than A4 d) Polybags smaller than A4 e) All plastic stickers f) Truck seals g) Silica bags
EU/national/international policies or initiatives	NA

Target 5: Achieve 100% recycled paper use in packaging by 2025

Contribution to Policy objectives	Reduction of waste, improved waste management, and increased resource efficiency: Supports our sustainability policy objectives of reducing our reliance on virgin resources by prioritising the use of secondary (recycled) resources, promoting resource efficiency throughout our operations and minimising environmental impact of our packaging.
Target value	100%
Unit	%
Absolute or relative target	Absolute
Scope	Logistic centre
Value Chain	Own operations
Baseline year	2022
Baseline value	77%
Time horizon of achievement	2025
Consideration of the wider context of sustainable development and/or local situation	Focusing on recycled materials contributes to waste reduction and resource efficiency, which are key to circular economy.
Target is related to	Increase of circular material use rate and the minimisation of primary raw material
Layer of waste hierarchy	Recycling
Performance 2024	99%
Milestones or interim targets	NA
Data sources	Logistics centre management system
Methodology/assumptions	**1) Packaging material includes materials used:** a) to protect and ship products to our customers (outbound), b) within the logistics centre to protect/store the products, c) for dropshipping provided by the logistics centre. **2) Recycled material includes materials that have proof of 100% recycled content via:** a) declaration of conformity, b) certificate or, c) company signed declaration. **3) Paper** includes all types of paper.
EU/national/international policies or initiatives	NA

Target 6: Use more than 90% of certified responsibly sourced materials

- Use more than 90% certified responsibly sourced wood
- Use more than 90% of certified responsibly sourced cotton
- Use more than 90% of responsibly sourced animal by-products by 2026

Contribution to Policy objectives	Sourcing Sustainable Materials: Supports our sustainability policy objectives of reducing our reliance on virgin resources promoting the use of secondary (recycled) resources, exploring sustainable alternatives for our Westwing Collection products and increasing the traceability of raw materials used.
Target value	More than 90%
Unit	%
Absolute or relative target	Relative
Scope	Westwing Collection Products
Value Chain	Upstream
Baseline year	2022
Time horizon of achievement	2026
Consideration of the wider context of sustainable development and/or local situation	Increasing the use of organic or responsibly sourced raw materials by prioritising materials with lower environmental impact and ensuring the ethical treatment of workers
Target is related to	Waste management, including preparation for proper treatment
Layer of waste hierarchy	Preparing for reuse, recycling, other recovery
Performance 2024	Share of certified responsibly sourced wood: 94% Share of certified responsibly sourced cotton: 85% Share of responsibly sourced animal by-products: 92%
Milestones or interim targets	NA
Data sources	Certifications obtained from suppliers
Methodology/assumptions	**1)** Certified wood includes those with a certification from the Forest Stewardship Council (FSC) or the Endorsement of Forest Certification (PEFC). **2)** Certified cotton includes the following certifications or frameworks: Fairtrade, GOTS, BCI, OCS, GRS-certified, and RCS-certified. **3)** Animal by-products include leather, feathers, down, fur, wool, cashmere wool (added in October 24). The accepted certifications are: • Leather Working Group • Natural Leather IVN • GRS recycled leather • Non-certified recycled leather • Global Traceable Down Standard • Responsible Down Standard • Downpass
EU/national/international policies or initiatives	NA

E5-4 – Resource Inflows

Westwing's upstream value chain resource inflows include essential materials such as wood, cotton, metal, and various other natural or synthetic materials. These materials are used in producing both Westwing Collection and third-party products. In our operations, material resource inflows encompass the packaging materials used at our logistics centre facilities for safely storing and shipping products to our customers such as paper, plastic, metal, and wood. In addition, Westwing's trade goods, including final products sourced from third-party suppliers for direct sale, are also part of our resource inflows. These trade goods primarily include home and living items such as furniture, decor, and textiles, which are procured and delivered to customers as part of our operations. Westwing considers packaging materials as a resource inflow which is material for the company.

Westwing's operational resource inflows include equipment used in warehousing and packaging processes. For warehousing this includes forklifts, pallet trucks, conveyor systems, and for packaging the automated packaging machine, paper cushioning packaging stations, and the waffle machine, which is used to produce cushioning material from packaging waste. Other equipment includes scanners, computers, pallet strapping and wrapping machines, parcel sorters and a welding machine. Water use is minimal and primarily limited to cleaning and facility maintenance.

In the upstream value chain, suppliers also utilise various machinery to produce Westwing Collection and third-party products. This machinery includes woodworking equipment such as saws, lathes, and computer numerical control (CNC) machines for shaping and assembling wooden furniture; textile machinery such as spinning, weaving, and knitting machines for processing cotton and other fabrics; metalworking machinery such as presses, cutters, and welders for creating metal components; and moulding and extrusion equipment for producing synthetic materials like plastics and acrylics. Other resource inflows include materials such as wood, which is primarily sourced for furniture and decor items; cotton, which is used in textiles and soft furnishings; metals such as steel and aluminium, commonly used for structural components and decor accents; synthetic materials like polyester and acrylic for upholstery and decor; as well as animal by-products such as leather and wool, utilized in furniture, textiles, and decorative items. The upstream value chain also has a much greater reliance on water for manufacturing processes essential to producing materials and finished goods. Water use in Westwing's operations is limited to activities like cleaning, facility maintenance, employee welfare (e.g., sanitation and hydration), and other minor operational needs.

Details regarding the resources used in our own operations can be found below:

WEIGHT OF PACKAGING

Metric	Methodology	2024
Overall total weight of products and technical and biological materials used (tonnes)	1. Technical materials include materials made of non-organic, synthetic substances. 2. Biological materials include materials made of organic, renewable substances derived from living organisms. 3. The packaging process that is part of Westwing's operational activities is included and involves materials which Westwing directly handles and uses to store and ship products to customers. 4. All packaging materials used during the reporting period at our logistic centre to store, protect, and ship products is included. 5. All packaging materials used at our offline stores purchased by Westwing (e.g. Westwing bag) is included. 6. The materials used in the production and manufacturing of the products sold by Westwing are not included. These products are not manufactured or produced by Westwing therefore do not fit within the scope of our own operations. 7. Paper use excluded due to immateriality (less than 1% of total weight)	2,959
Percentage of biological materials (and biofuels used for non-energy purposes) used to manufacture the products (including packaging) that is sustainably sourced	Sustainably sourced materials include: a) Paper with greater than 0% recycled content b) Paper with certifications such as FSC Mix, FSC recycled, PEFC c) Pallets made with recycled wood Types of proof accepted: a) declaration of conformity, b) certificate or, c) company signed declaration	93%
Absolute weight of secondary reused or recycled components or secondary intermediary products (tonnes)	Inclusions a) All recycled packaging materials (paper and plastic) with greater than 0% recycled content b) All re-used/repurposed packaging materials (e.g. supplier packaging) c) All pallets that are reused Types of proof accepted: a) declaration of conformity, b) certificate or, c) company signed declaration	1,583
Percentage of secondary reused or recycled components or secondary intermediary products	Inclusions a) All recycled packaging materials (paper and plastic) with greater than 0% recycled content b) All re-used/repurposed packaging materials (e.g. supplier packaging) c) All pallets that are reused Types of proof accepted: a) declaration of conformity, b) certificate or, c) company signed declaration	54%

The data provided comes from direct measurements and estimations are used in cases where the information is not available from the supplier. In this case, the weight is estimated using an average. These metrics are not validated by an external body other than the assurance provider.

Westwing aims to ensure that a significant part of its resource inflows with respect to packaging material are covered by the Forest Stewardship Council (FSC) and Blue Angel Certification. Adhering to these standards not only demonstrates our commitment to environmental stewardship and ethical sourcing but also enhances our brand reputation, fosters consumer trust, and supports our long-term sustainability goals. Resource inflow data is primarily derived from purchase order reports and Westwing's internal order management system (OMS), supplemented by estimations where necessary. These estimations are based on material handling processes in Westwing's logistics centre, where workers conduct weight-based assessments to generate proxy estimates when direct data is unavailable. In cases where reused and recycled materials may overlap, categorisation is based on primary usage to avoid double-counting.

Total resource inflows for direct operational activities during the reporting period amount to 2,959 tonnes. Of this, sustainably sourced biological materials (certified by FSC and Blue Angel) make up 93%. Secondary materials account for 1,583 kg, representing 54% of resource inflows.

E5-5 – Resource Outflows

PRODUCTS AND MATERIALS

Westwing acknowledges the importance of designing products based on circular principles to improve resource efficiency and reduce waste. While the company does not currently offer products specifically defined as circular, considerations such as durability and material selection reflect circular principles in its product design. Westwing does not manufacture or produce the products it sells and does not currently collect data on product durability, repairability, or rates of recyclable content.

Westwing focuses on product durability through its premiumisation strategy, which prioritizes high-quality materials and craftsmanship. Additionally, the company is exploring options for warranties and repairability to ensure products remain functional and valued over time, reinforcing its commitment to longevity and reduced environmental impact.

During the reporting period, the recyclable content in Westwing Group's product packaging materials amounted to 98.6%, calculated using the total weight of packaging materials as the denominator. This metric is not validated by an external body other than the assurance provider.

Metric	Methodology/Assumptions	2024
The rates of recyclable content in products packaging	**Recyclable packaging material includes:** a) the following plastics: LDPE, HDPE, PP, PE b) all paper that is not covered in wax, foil or plastic **Product packaging includes:** a) Packaging used at Westwing logistic centre b) Westwing Collection inbound packaging (from supplier) c) Third-party products packaging (from partners)	98.6%

In terms of packaging, all materials used are reported to the relevant authorities to comply with the EU Extended Producer Responsibility scheme, which addresses end-of-life waste management.

The data disclosed under E5-5 is primarily derived from supplier reports on material content, supplemented by estimations based on the types of packaging materials used in Westwing's operations. In cases where supplier data is not available, assumptions are made by using available data as proxies. Specifically, it is assumed that products within the same category use similar packaging materials.

Westwing's packaging materials are evaluated based on recyclability, with the EU Extended Producer Responsibility scheme serving as the primary criterion for circular design. Assumptions include the compatibility of materials with existing recycling systems and adherence to sustainability standards.

4.3 SOCIAL INFORMATION
ESRS S1 | Own workforce

4.3.1 INTRODUCTION

Westwing's team members are the foundation of the company's success. Their performance enables us to realise our objectives, drive innovation, and fulfil our commitments towards our customers and our stakeholders. Our workforce includes both employees directly employed by Westwing and non-employee workers engaged through contractual arrangements as defined by ESRS. This section describes how we strive to ensure that our team members benefit from fair and appropriate employment standards in areas that are material to Westwing's business.

4.3.2 STRATEGY

ESRS 2 SBM-2 – Interests and views of stakeholders

Please see ESRS 2 SBM-2 – Interests and views of stakeholders.

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

In this disclosure, we consider all individuals in Westwing's workforce who could be materially impacted by the company, whether through our operations or value chain. This includes employees engaged in our operations across 12 European countries, such as full-time, part-time, interns, working students, and temporary positions, as well as self-employed individuals (freelancers working on specific projects or tasks) and third-party workers provided by employment agencies (contractors and temporary workers).

Westwing has not identified any material opportunities or impacts on its own workforce resulting from its strategy or business model. However, certain aspects of the business model, such as reliance on logistics operations and on occasion on temporary workforce structures, create dependencies that may lead to a risk related to health and safety, particularly for employees in logistics roles ('blue collar'). This risk includes legal liabilities, reputational damage, and potential litigation arising from poor working conditions. Operational expectations, such as high-speed delivery and cost efficiencies, are managed with attention to fair and safe working conditions across workforce groups to address these dependencies. Workforce management practices, including regular monitoring of working conditions are designed to mitigate these risks and support operational stability.

Westwing's strategy considers dependencies on its workforce by assessing areas where adjustments may be needed, such as restructuring, job losses, or opportunities for job creation, reskilling, and upskilling. Strategic changes, such as new product introductions, expansion efforts, logistical adjustments, or operational shifts, are evaluated for their potential effects on the workforce. Feedback from employees informs targeted actions to manage workforce dependencies effectively and support strategic objectives. These dependencies, particularly on logistics roles, are integrated into strategic planning to maintain workforce stability and reduce operational risks.

The material risk identified—legal liabilities, reputational damage, and litigation linked to poor working conditions—highlights the importance of aligning business practices with workforce needs. To mitigate this risk, Westwing focuses on enhancing working conditions, offering targeted training programs, and fostering a workplace environment that supports professional development and employee well-being. By addressing this risk through operational practices and aligning them with the business model, Westwing aims to balance workforce well-being, business continuity, and operational efficiency.

Currently, no actual or potential material negative impacts have been identified within the workforce. However, through employee feedback surveys, regular consultations with Westwing's worker's council known as the Westwing Group SE Consultation Body (SE consultation body), and expert assessments of working conditions, it has been identified that logistics centre workers engaged in more physically demanding tasks and temporary roles may face greater exposure to risks compared to other employee groups. This higher exposure is attributed to the specific context of warehouse environments, which involve physical labour and repetitive tasks.

While no material positive impacts on the workforce were identified, certain aspects of operations contribute positively to employee well-being. These include enhancing health, offering tailored growth opportunities, and providing challenging tasks that support retention, productivity, and development. Initiatives such as partnerships with mental health providers and the provision of benefits align with Westwing's strategic goals of fostering a resilient, sustainable, and high-performing workforce. These benefits are more accessible to full-time employees and those on long-term contracts compared to temporary workers or contractors, reflecting variations in how these initiatives are experienced. This focus on employee development and well-being supports broader strategic objectives, such as adapting workforce skills to evolving business needs, aligning with Westwing's commitment to its workforce.

There were no material opportunities identified linked to our workforce and the only material risk is linked to working conditions if these were to ever fall short of industry best practices, leading to potential legal liabilities, reputational damage, reduced employee productivity, and labour disputes. These risks are tied to our operational practices and workforce management and are most pertinent for our logistics centre employees who are exposed to relatively greater health and safety hazards. To date, no operations or geographical areas within Westwing are at risk of forced, compulsory, or child labour. Our regular audits confirm that measures to protect our employees are in place and indicate no significant risk of forced or child labour, particularly in warehousing and logistics activities.

To develop an understanding of which teams may be at greater risk of harm, we regularly conduct employee feedback surveys and also rely on expert judgement. Furthermore, through our regular engagement with the SE consultation body, worker representatives, team members, and third-party contractors, we continuously refine our strategic objectives to align business practices more closely with workforce needs, particularly by adapting our approach to support specific groups, as needed.

4.3.3 IMPACTS, RISKS AND OPPORTUNITIES MANAGEMENT

S1-1 – Policies related to own workforce

OVERVIEW OF WORKFORCE POLICIES

Westwing manages its workforce through a combination of its Human Rights Policy, Sustainability Policy, Environment, Health and Safety (EHS) Policy, and Code of Conduct, which cover material IROs related to the workforce. These policies and Code of Conduct apply to all regions and Westwing employees. The policies provide a foundation for addressing key risks such as employee disengagement, discrimination, forced labour, and workplace safety, while also identifying opportunities such as professional and skill development, diversity, and inclusion.

The Management Board is the most senior level accountable for the implementation of Westwing's sustainability relevant policies. This board is directly responsible for embedding the policy's commitments into Westwing's operations and ensuring their effective execution throughout the organisation. The Corporate Sustainability team, along with other company experts, leads day-to-day implementation of sustainability-related policies and the P&C department is in the lead for all requirements and policies related to human resources. Benchmarking against industry best practices, assessment of relevant regulations and input from Westwing's internal experts and the Sustainability Steering Committee informed the policies' development.

Westwing's workforce-related policies are aligned with internationally recognized frameworks, including the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the International Labour Organization's (ILO) core conventions, and the OECD Guidelines for Multinational Enterprises. Our policies explicitly address the prohibition of trafficking in human beings, forced labour, compulsory labour, and child labour, and they incorporate due diligence and risk assessments to align with international standards. We regularly review these global standards to ensure our policies reflect the latest developments in labour and human rights. While we do not actively monitor compliance with these policies, we track any reported incidents submitted through our whistleblower tool.

The Sustainability and Human Rights policies were launched in 2024; no changes were made to any other workforce-related policies in 2024. Westwing's Human Rights Policy reflects its commitment to international frameworks, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. The policy explicitly prohibits child labour, forced labour, and human trafficking. In terms of labour rights, Westwing is committed to ensuring fair wages, safe working conditions, and the right to collective bargaining. The Code of Conduct upholds employees' rights to form or join trade unions and engage in collective bargaining without fear of retaliation, ensuring full respect for labour rights in compliance with local laws.

These commitments are further reinforced in Westwing's Sustainability Policy, which outlines the company's dedication to fostering a high-performance culture, promoting diversity and inclusion, providing tailored learning and development opportunities, and ensuring a safe and healthy workplace.

Westwing's EHS Policy outlines the company's commitment to providing a safe and healthy working environment, focusing on identifying, assessing, and mitigating environmental, health, and safety risks. Westwing supports a zero-accident culture through regular safety training and EHS performance reviews at its warehouses, as well as implementing health and safety measures at its headquarters, in line with applicable laws and regulations. Westwing's workforce is supported by an internal health and safety management system.

NON-DISCRIMINATION, INCLUSIVITY AND EQUAL EMPLOYMENT PRACTICES

Westwing is committed to fostering a diverse and inclusive workplace, with this commitment embedded in its broader workforce-related policies, including the Human Rights Policy and Code of Conduct, which require that provisions in respective laws, regulations, or rules, be it local, national or international be observed and complied with. These policies also specifically prohibit discrimination on grounds such as racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, national extraction, political views and social origin. In developing and updating these policies, Westwing considers stakeholder interests by monitoring legal and regulatory developments, and reviewing best practices, and integrating any feedback received from employee engagement initiatives. These policies guide Westwing in promoting inclusivity, fair treatment, and equal opportunities for all employees and cover all aspects of employment, including recruitment, promotion, training, remuneration, and working conditions. They also serve as a framework for managing material sustainability matters by addressing workforce-related risks and opportunities, ensuring that diversity and inclusion efforts support employee well-being, engagement, and compliance with regulatory and ethical standards.

To support fair treatment and prevent and mitigate discrimination in line with its policies and Code of Conduct, Westwing has implemented specific procedures, including mandatory reporting mechanisms, investigation protocols, and disciplinary actions for violations as appropriate. Team members are required to read the policies on human rights, non-discrimination, health and safety, and workplace conduct to prevent discrimination and harassment. Additionally, ‘white collar’ team members must demonstrate their understanding by completing a final quiz through the Policy Manager.

Top management is responsible for ensuring equal treatment and opportunities and for ensuring that company policies guide fair employment practices. The SE Consultation Body, comprising employee representatives, facilitates open communication between management and the workforce, helping to identify and address workplace concerns.

Westwing's recruitment, training, and advancement policies are based on qualifications, skills, and experience. The company maintains up-to-date records on recruitment, training, and promotion to ensure equal opportunities across the organisation, implementing unbiased recruitment processes and offering targeted training and development programs to support employee growth.

To support aspiring employees independent of gender or their role, Westwing provides leadership development programs and adjusts work environments, as necessary, to meet specific needs. Skills development is promoted through programs like Insight Learning Sessions, the Leadership Training Curriculum, and the Key Talent Program, all aimed at fostering continuous professional growth and equal advancement opportunities. Diversity and inclusion are further advanced through targeted initiatives, such as calibration meetings during the Performance Review process, where cross-team leaders review promotion decisions into leadership roles, and regular assessments of workplace practices.

Westwing also uses a 'train the trainer' approach to leverage leaders as multipliers of knowledge at HQ. At both the HQ and the logistics centre in Poland, internal recruitment prioritises equally qualified internal candidates over external ones, with defined development paths that motivate employees and enhance competence. Programs like the "Leader’s Academy" are designed to nurture leadership skills and provide clear pathways for progression.

REMUNERATION, WORKING HOURS, AND EMPLOYMENT CONDITIONS

Westwing compensates its employees with wages that meet or exceed national minimum wage standards, with all relevant employment terms clearly outlined in their contracts. Westwing complies with laws governing working hours and allows trust-based working times whenever possible.

WORKPLACE ACCESSIBILITY AND JOB REQUIREMENTS

At our logistics centre in Robakowo, we have made adjustments to the physical environment to ensure health and safety for workers, customers, and visitors with disabilities, ensuring accessibility. Although similar adjustments have not been made in office environments, we are committed to promoting inclusive access wherever feasible. Job requirements are regularly evaluated, with each job description for recruiting reviewed before publication, which helps reduce the risk of disadvantaging certain groups.

GRIEVANCE MECHANISMS AND ACCESS TO REMEDY

Westwing provides multiple channels for employees to raise concerns, including a whistleblower tool for confidential, or if so chosen, anonymous, reporting of human rights violations and workplace issues. We encourage open feedback to respective leaders and support this through the People & Culture (P&C) team. Any grievances are investigated thoroughly, with corrective actions taken where necessary. Employees are regularly reminded of the availability of these tools through the intranet and Group All-hands meetings.

COMMUNICATION AND TRAINING

Westwing makes its workforce-related policies available to both potentially affected stakeholders and those responsible for their implementation. These policies are easily accessible to employees, contractors, suppliers, and other stakeholders. For employees and internal stakeholders involved in implementation, policies are hosted on internal platforms, such as the company intranet and the Policy Manager, which also serves training purposes and includes quizzes to help employees understand the content of the policies. These policies are also available on the corporate website, ensuring accessibility to external stakeholders, including suppliers and potentially affected groups. Westwing further communicates relevant policies through supplier onboarding processes and contractual agreements, reinforcing expectations and compliance obligations.

S1-2 – Processes for engaging with own workforce and workers' representatives about impacts

Westwing actively engages with its employees on a regular basis through various direct and representative mechanisms, integrating employee perspectives consistently into both strategic and operational decisions. Engagement involves multiple levels of participation, including surveys, direct communication, and collaboration through the SE Consultation Body and local trade unions offering diverse opportunities for employees to share their views. The engagement frequency depends on the method and the stage of decision-making, whether it is identifying impacts, developing mitigation strategies, or implementing and monitoring actions.

Westwing's primary employee engagement tools and platforms are tailored to various roles and regions to support inclusive and effective communication, fostering freedom of expression and providing multiple channels for employees to share their perspectives and/or concerns:

- **Regular surveys:** Regular surveys assess workplace culture, satisfaction, and team engagement at HQ. Results are reviewed by leaders, the P&C team, and senior leadership to identify optimization areas and align on action steps.

- **eNPS Tool (Poland):** A monthly survey in Warsaw gathers feedback on job satisfaction, with follow-up actions managed by the P&C team to address identified issues.

- **Group Allhands Meetings:** Regularly scheduled meetings update employees on important business topics and performance, and offer opportunities for Q&A. At the logistics centre in Poland, in addition to live discussions, key information is displayed on multiple screens to keep operational staff continuously informed.

- **Upward Feedback and 360° Feedback:** Annual feedback processes allow employees to evaluate their leaders and receive multi-perspective feedback from peers, managers, and direct reports. This supports leadership development and personal growth for employees across the organisation.

- **Whistleblower Tool:** A confidential platform for reporting (also anonymously) potential violations of laws, policies, or unethical behaviour is implemented for all employees. This tool is managed by the Legal team with GRC and selected P&C team members, ensuring that any concerns are handled discreetly and professionally.

- **Intranet:** Westwing’s central hub for internal communication, where employees can also access business updates, sustainability information, and policies and comment.

- **Open-door policy:** Employees can request in-person meetings with the management and ask questions directly or they can ask questions through contacting the P&C team. This is especially helpful on a team and department level as it allows concrete insights into specific teams.

Feedback is also gathered during internal P&C processes such as exit interviews. The SE Consultation Body also mediates workforce concerns with management, as necessary, to ensure that all voices are heard. These mechanisms, alongside performance reviews, upward feedback systems, and dedicated email boxes for sustainability and compliance, help us identify and manage conflicts.

While Westwing does not currently have a Global Framework Agreement with workers' representatives related to human rights, the SE Consultation Body and the local trade unions provide structured platforms for employees to discuss and address workforce rights, health, and safety concerns with management. This structure allows the company to gain insights into workforce perspectives, respect human rights within the workplace, and integrate employee feedback into the company’s decision-making processes.

- **SE Consultation Body:** The SE Consultation Body facilitates an open dialogue between management and team members, focusing on feedback related to employee rights and organisational changes. Members, elected by respective employee groups of Westwing, meet twice annually with the Management Board and regularly with the P&C team. Feedback is gathered and acted upon, with meeting minutes documented, including next steps and actions taken.

- **Trade unions** (logistic centre Poland): Westwing maintains regular communication with unions, focusing on employee rights, health and safety, labour regulations, and remuneration. Weekly one-on-one meetings are held between union leaders and management, along with quarterly meetings between union representatives and employer representatives. All team members at our logistics centre have the option to join the unions, with union members selecting a speaker every two years. Actions are followed up and addressed by the P&C team, with official meeting minutes prepared after each quarterly session.

Westwing is committed to safeguarding privacy and upholding freedom of expression, thus all feedback collected is strictly confidential. Depending on the communication channel, anonymous feedback is also possible (e.g., through the whistleblower tool). The P&C team is responsible for overseeing the company's engagement processes, collecting all relevant feedback and communicating it effectively to senior leadership. The Chief People Officer (CPO) holds the most senior role in managing employee engagement and integrating feedback into the company's strategies. While this responsibility is part of a broader leadership role, the P&C team also conducts training within their team to enhance their skills or effective employee engagement or integrating feedback. Senior management regularly reviews feedback to address concerns and ensure alignment with company goals. To keep the workforce informed about how their feedback has influenced decisions, Westwing maintains feedback loops through Group Allhands meetings and updates via the company intranet, fostering transparency and employee engagement in the decision-making process. For example, based on feedback from regular surveys highlighting the need for stronger alignment between team and company purpose, Westwing continued its bi-weekly Group Allhands meetings. During these meetings, the CEO communicates updates and insights to ensure employees remain informed about the company's overall objectives and performance.

ENGAGEMENT WITH VULNERABLE AND MARGINALISED EMPLOYEES

Confidential feedback channels, including anonymous surveys and contact with the P&C team, help us identify and address specific needs and challenges related to vulnerable or marginalised employees. Additionally, the SE Consultation Body and unions in the logistic centre act as advocates. Tailored support for at-risk individuals prioritises their wellbeing and career development opportunities. To address potential barriers for vulnerable or marginalised groups, Westwing strives to make information accessible in relevant languages, and always aims to respect cultural sensitivities.

COMMUNICATION AND ACCESSIBILITY

For overall communication with our workforce, we use a multi-channel approach, including internal newsletters, the company intranet, and direct executive communications. We use clear, jargon-free language and have made British English our official company language to help ensure information is accessible to all employees. Our corporate intranet serves as a central hub where employees can access information on working conditions and other relevant topics. Westwing is committed to treat feedback, including that collected from at-risk or vulnerable individuals, confidentially, and to respect employees' privacy throughout the process.

ASSESSING ENGAGEMENT EFFECTIVENESS

The effectiveness of workforce engagement at Westwing is tracked through regular reviews by the P&C team and the Executive Team. A key metric on job satisfaction is included in the sustainability dashboard, where progress against targets and KPIs is tracked, and reviewed by the Sustainability Steering Committee. Feedback from various engagement mechanisms is regularly aggregated and reviewed by senior management to inform strategic decisions. Turnover rates and exit interviews are also tracked through the P&C team. Structured dialogues, such as those with the SE Consultation Body and unions, are documented with official minutes and follow-up actions.

Westwing currently does not have formal internal or external auditing or benchmarking systems in place to assess the effectiveness of its engagement processes. However, the company is evaluating whether additional mechanisms are needed to systematically improve workforce engagement practices. This review is based on recent reporting periods and aims to determine whether further measures are required to enhance engagement effectiveness.

S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns

In the event of negative impacts on Westwing's workforce identified through the whistleblower tool, the process involves identifying the impact, conducting investigations to determine cause and responsibility, implementing remedial actions, and introducing preventative measures as appropriate. Remedies are assessed for effectiveness as necessary. Tailored actions may include changes to workplace policies, additional support, or other corrective measures.

Westwing provides multiple channels for employees to raise concerns, including the whistleblower tool, an open-door policy, direct communications, employee surveys, focus groups, Group Allhands Q&A, the SE Consultation Body, and local trade unions. These channels are accessible to employees, with information about their use communicated through onboarding, internal communications, and the company intranet.

Clear procedures, including timeframes for addressing concerns, are established across all grievance channels to ensure issues are addressed promptly. These channels are structured to be accessible, transparent, and legitimate, with indicative timelines communicated to employees during onboarding and through regular reminders. Feedback is systematically reviewed, and resolutions are communicated to employees. Westwing supports these channels with confidentiality, anonymity, and timely feedback, aligned with best practices in responsible business conduct. Policies are also in place to protect employees and their representatives from retaliation when using these mechanisms. Employees have access to third-party grievance channels, such as those provided by government and NGO initiatives, if they choose to raise concerns outside of Westwing's internal processes.

While formal assessments of trust in grievance mechanisms are not conducted, policies ensure confidentiality and protection are maintained. In the absence of formal satisfaction metrics, assessments rely on consistent engagement, internal feedback, and employee participation rates to gauge effectiveness and trust. Stakeholders, including employees and their representatives, are involved to ensure transparency and accountability. IInsights are used for continuous improvement to prevent future impacts. Westwing prioritizes dialogue with complainants to reach mutually agreed solutions.

Regular data collection, analysis, and management reviews are conducted to monitor the effectiveness of these mechanisms, ensuring the process is responsive and contributes to Westwing's commitment to continuous improvement.

S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

MATERIAL NEGATIVE AND POSITIVE IMPACTS ON THE WORKFORCE

In situations where material impacts may arise and adversely affect employees, measures are implemented to identify, prevent, and mitigate these potential negative impacts. To date, Westwing has not had to take action to provide or enable remedy in relation to an actual material impact.

Initiatives to deliver positive impacts for the workforce include flexible work arrangements, paid time off, wellbeing initiatives, childcare support, training and development programs, mentorship, leadership development programs, and employee recognition programs. These initiatives address the key material impacts identified, focusing on employees' health, safety, and overall well-being. Westwing monitors the progress of these initiatives during each reporting period, disclosing the advancements made and outlining aims for continued improvement. During the reporting period, Westwing has advanced its wellness and work-life balance initiatives, including workshops and activities focused on various health and safety aspects in its logistics centre, with specific targets set for improving employee engagement and health.

TRACKING AND ASSESSING EFFECTIVENESS

Westwing tracks and assesses the effectiveness of these actions and initiatives through various methods. Feedback mechanisms, such as regular surveys conducted on a per-need basis, are used to gather employee input on the initiatives. Key performance indicators (KPIs), such as employee satisfaction rates, see also the calculation on page 141, which consistently remain above 80%, are monitored.

Effectiveness tracking also includes internal audits, external performance ratings, and benchmarking against industry standards. Feedback from stakeholders and the use of grievance mechanisms further help Westwing evaluate the impact of its actions. Metrics such as decreases in turnover rates and improved satisfaction scores serve as indicators of progress.

PROCESSES FOR IDENTIFYING ACTIONS AND MANAGING IMPACTS

Westwing follows a structured process to determine necessary and appropriate actions in response to actual or potential negative impacts. This process includes prioritisation and evaluation, action planning, implementation, monitoring, and continuous improvement. Various feedback mechanisms, such as regular surveys, direct communication channels, the elected SE Consultation Body, and local trade unions, are used to gather information on workforce concerns and potential impacts. Once an issue is identified, Westwing assesses its involvement—whether the company has caused, contributed to, or is directly linked to the impact through its operations or business relationships. This approach recognises that different levels of responsibility require tailored responses. Additionally, Westwing monitors industry trends and regulatory changes to proactively adjust workforce management practices and address potential dependencies or risks. Dialogue with affected employees and relevant stakeholders is conducted to understand root causes and potential solutions. Actions taken are monitored through continuous feedback and follow-up surveys, with adjustments made as necessary.

MANAGING MATERIAL RISKS AND OPPORTUNITIES

Westwing discloses risks related to workforce dependencies, such as potential disruption to business operations caused by significant employee turnover or a lack of skills or training. To manage and mitigate material risks related to workforce impacts and dependencies, the company improves working conditions through regular assessments and upgrades, enhancing safety and comfort. Employee feedback channels are maintained to gather relevant insights. These actions are tracked through a combination of metrics, data analysis, qualitative feedback, benchmarking, and target setting. Effectiveness is measured through employee surveys, KPIs such as turnover rates and sickness rates, and continuous feedback mechanisms. Senior management regularly reviews these metrics and feedback to evaluate progress.

ADDRESSING NEGATIVE IMPACTS FROM BUSINESS PRACTICES

Westwing monitors its practices to prevent contributions to material negative impacts on the workforce. Surveys, audits, and assessments are conducted to identify potential risks. Policies are in place to uphold fair labour standards and protect workers' rights. Open communication channels allow employees to report concerns anonymously, aiding in the identification and mitigation of negative impacts. In cases where business relationships may be terminated, Westwing considers the potential negative impacts on its workforce and aims to address them through measures such as redeployment or providing additional support where appropriate.

Westwing does not have specific measures in place to ensure that its practices in relation to procurement, sales, or data use do not cause or contribute to material negative impacts on its own workforce. However, its overall governance framework, policies, and reporting mechanisms are designed to identify and address potential impacts if and where they arise.

RESOURCES ALLOCATED FOR WORKFORCE MANAGEMENT

A dedicated budget is allocated for health and safety programs and employee wellbeing initiatives. Investments in training and development enable employees to enhance their skills and performance, ensuring they can contribute effectively to the company’s success and continuous improvement. Employees responsible for monitoring and addressing workforce impacts include key internal functions such as the P&C team and senior management, who are tasked with managing material workforce impacts. Westwing tracks and reports on the outcomes of its training and wellbeing initiatives, such as the number of training sessions delivered, but is not yet able to track the actual outcomes.

Table 1: Summary table of Westwing actions

In 2024, no actual material negative impacts were identified, hence no actions were needed to remedy their effects. There are no new actions planned at the moment, but many ongoing actions will continue in 2025. The implementation of Westwing's action plan does not require significant OpEx or CapEx.

Goal: Ensure the health, safety and wellbeing of employees
Value chain: Own Operations

Action and Description	Expected outcome	Progress in 2024	Time Horizon	Scope	Related target	Impact, risk and/or opportunity addressed
Implement health initiatives in our logistics centre comprising workshops and activities focused on various health aspects, including stress management, health screenings, workplace ergonomics, and overall wellbeing	Improved health and wellbeing of employees	Health week, Safety week and mental health workshop have been completed in 2024.	2024	Robakowo logistics centre	Maintain Westwing employee satisfaction rate above 80%	Risk
Provide Health and Safety Trainings which includes initiatives such as the Safety Academy for supervisors and drivers, fire prevention and first aid trainings, periodic OHS training for all job positions, safe work at height training for the maintenance team, and targeted information campaigns on topics like safe holidays, winter safety, and hot weather precautions	Preventing workplace accidents and improving worker safety	The trainings are completed in 2024 and scheduled to be repeated annually.	2024	Robakowo logistics centre	Maintain a Lost Time Injury Frequency Rate (LTIFR) below 1 in our logistics centre	Risk

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

MANAGING MATERIAL RISKS AND OPPORTUNITIES RELATED TO THE WORKFORCE

Westwing has set two targets related to managing material risks and opportunities within its workforce. These targets were developed based on benchmarking and taking into consideration the employee responses received during Westwing's materiality assessment. While the workforce was not directly engaged in setting these targets, the Chief People Officer (CPO) was consulted to further refine them. The final targets were reviewed and approved by the Executive Team, the Management Board, and endorsed by the Supervisory Board.

MONITORING AND PERFORMANCE TRACKING

Performance against these targets is tracked through specific KPIs which are available in the Sustainability dashboard and are monitored quarterly by the Sustainability Steering Committee.This tracking serves as a primary mechanism to evaluate the effectiveness of Westwing's policies in managing material risks and opportunities related to the workforce by assessing whether the established policies lead to the intended workforce outcomes. Progress is also communicated to the Executive Team. The P&C team collects the underlying data and, in collaboration with the Corporate Sustainability team, monitor progress and assess whether existing policies remain effective or require revision.

Westwing also assesses the effectiveness of its actions in managing material risks and opportunities by reviewing workforce-related KPIs, such as job satisfaction and health and safety indicators, against target expectations. If KPIs indicate that actions are not leading to the expected improvements, the Corporate Sustainability and P&C teams assess whether corrective actions or adjustments to the approach are required.

Westwing does not actively collaborate with its workforce or workers' representatives to identify lessons learned or potential improvements when evaluating target performance. However, adjustments to workforce policies and initiatives are informed by continuous engagement with the workforce and regular review meetings. Feedback from employees is gathered through regular surveys, the P&C team, Group Allhands Q&A sessions, and the SE Consultation Body. This feedback is analysed to assess the impact of initiatives and inform potential adjustments.

TARGETS AND STANDARDS

Westwing's targets aim to monitor whether employees are satisfied with their work environment and whether there are any health and safety issues that need to be addressed. These targets also function as a basis for measuring the effectiveness of policies and actions taken to address workforce-related material risks and opportunities. The approach aligns with frameworks and industry codes that promote best practices in human resources and workplace safety.

Target 1: Maintain Westwing employee satisfaction rate above 80%

Contribution to Policy objectives	Ensure the health, safety and wellbeing of our teams and ensure open communication, feedback and employee engagement
Target value	above 80%
Unit	%
Absolute or relative target	Relative
Scope	1) The metric includes the following employees from the headquarters who have rated their satisfaction in our regular surveys: • full-time • part-time • interns • working students • minijob • temporary employment
Value Chain	Own Operations
Time horizon of achievement	Annually
Consideration of the wider context of sustainable development and/or local situation	Fostering employee satisfaction and well-being contributes to a motivated and engaged workforce, which is essential for driving the company's sustainable growth. This approach aligns with sustainable development goals by promoting decent work, economic growth, and employee welfare.
Performance 2024	87.4%
Milestones or interim targets	NA
Data sources	Survey tool
Methodology/assumptions	Share of employees who provided a "satisfactory" rating for job satisfaction. Satisfactory includes a rating of: • neutral • favourable or • strongly favourable
EU/national/international policies or initiatives	NA

Target 2: Achieve a Lost Time Injury Frequency Rate (LTIFR) rate below 1 for our logistics centre

Policies' objectives contribution	Ensure the health, safety and wellbeing of our teams
Target value	Below 1
Unit	Rate
Absolute or relative target	Relative
Scope	**Logistics centre own employees** (Due to warehouse closures, covering Italy, Spain, and Warsaw until June)
Value Chain	Own operations
Time horizon of achievement	Annually
Consideration of the wider context of sustainable development and/or local situation	Investing in employee safety fosters a culture of care and responsibility, reducing downtime and supporting long-term operational efficiency. It aligns with the sustainable development goals of promoting decent work and employee wellbeing.
Performance 2024	14.23
Milestones or interim targets	NA
Data sources	Logistics centre records
Methodology/ assumptions	(Number of lost time injuries in the reporting period) x 1,000,000/Total hours worked in the reporting period
EU/national/international policies or initiatives	NA

S1-6 – Characteristics of employees within the company's workforce

Table 1: Employee headcounts by gender

Gender	Number of employees (headcount)
Male	532
Female	860
Other	na
Not reported	–
Total employees	1,392

Table 2: Employee headcount in countries where Westwing has at least 50 employees representing at least 10% of its total number of employees

Country	Number of employees (headcount)
Germany	660
Poland	667
Other	65

Table 3: Employees by contract type, broken down by gender (FTE)

Reporting period	Female	Male	Other	Not Disclosed	Total
Number of employees (FTE)	788	503	na	–	1,291
Number of permanent employees (FTE)	682	397	na	–	1,079
Number of temporary permanent employees (FTE)	94	105	na	–	199
Number of non-guaranteed hours employees (FTE)	12.5	0.5	na	–	13
Number of full-time employees (FTE)	733	499	na	–	1,232
Number of part-time employees (FTE)	55	4	na	–	59

Table 4: Employees by contract type, broken down by region (FTE)

Reporting period	Germany	Poland	Other	Total
Number of employees (FTE)	573	654	64	1,291
Number of permanent employees (FTE)	507	517	267	1,079
Number of temporary permanent employees (FTE)	52	138	9	199
Number of non-guaranteed hours employees (FTE)	13	–	–	13
Number of full-time employees (FTE)	521	647	64	1,232
Number of part-time employees (FTE)	51	7	–	58

Table 5: Employee turnover (headcount)

Number of employees left	314
Employee turnover rate	20%

S1-14 – Health and safety metrics

Westwing believes that all employees are entitled to a healthy work environment without accidents. We thus aim to prevent all work-related accidents and diseases and create an environment that is safe to work in for all employees. Westwing's workforce is supported by an internal health and safety management system and covers 100% of employees. This system includes comprehensive documentation (procedures, instructions, risk assessments), structured processes (e.g., reporting of accidents, near misses, and hazards), regular audits (safety walks, legal compliance assessments), and a strong safety culture (e.g., organising a Safety Academy and a Health and Safety week, implementing the 10 Safety Golden Rules [13]) in our logistics centre.

At our headquarters, we comply with legal regulations according to occupational health and safety. We focus on the following three pillars:

1. Occupational safety, ensuring a healthy work environment. Here we work together with an agency that conducts risk & hazard assessment. Furthermore, we have designated occupational safety specialists (with training) who flag possible risks. Additionally, four times a year an occupational health and safety meeting is conducted including our company doctor to discuss occupational health topics. On top team members are required to perform an online safety training once a year via the Policy Manager.

2. Accident management, that tracks and identifies any occurred accidents. For this, the reception team owns an accident catalogue, where incidents are tracked. Furthermore, ongoing communication and alignment with our company doctor and Employer's Liability Insurance Association takes place for individual cases.

3. Health initiatives, which are regularly offered. For example, regular health sessions like back checks or vaccinations in cooperation with the company doctor. Furthermore, we offer individual possibilities like yoga classes or Mental Health Day.

While we strive towards creating a zero-accident workplace, in Westwing's operations, there is a risk of accidents and injuries for employees. For the year 2024, there were 0 fatalities, 22 cases of recordable work-related accidents and 0 cases of recordable work-related ill health. The LTIFR for the Westwing Group was 4.6 and the accident rate 6.8. These accidents and illnesses resulted in 239 days lost.

13 A set of fundamental safety principles designed to prevent accidents, promote safe behaviours, and ensure a safe working environment by guiding employees' actions and decisions in the workplace.

S1-17 – Incidents, complaints and severe human rights impacts

In 2024, Westwing received a total of nine cases through its whistleblower tool, seven of which were related to discrimination and harassment. There were no fines, penalties, or compensation for damages associated with these cases.

In the reporting year, Westwing has not encountered any severe human rights incidents.

S1–6

METHODOLOGY

Cross-reference to the financial statements according to ESRS S1-6.50 (f): The metrics are based on end-of-year values. The total number of employees disclosed in the financial statements is 1,291 FTE, while the headcount reported in the sustainability statement is 1,392. The financial statement figure is based on full-time equivalents (FTE).

The reported employee KPIs reflect values at the end of the reporting period. Tables 1 and 2 are based on headcount, while Tables 3 and 4 use full-time equivalent (FTE). Full-time equivalent is calculated by standardising employees' total working hours to a full-time workload. Employee turnover is calculated as the voluntary number of employees who left the company during the reporting period divided by the average number of employees (headcount) in the same period.

S1–14

Work-related injury or ill health that results in any of the following:

i. death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or

ii. significant injury or ill health diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

LTIFR: (Number of lost time injuries in the reporting period) x 1,000,000 / Total hours worked in the reporting period

Workplace accident rate: (Number of workplace accidents) x 1,000,000 / Total hours worked in the reporting period

The working hours were estimated based on the number of FTEs per month. For simplicity, an average of 30 days per month was assumed.

ESRS S2 | Workers in the value chain

4.3.4 INTRODUCTION

Workers in the value chain are essential to the success and sustainability of our operations. This term includes all employees and contractors involved in the production and delivery processes, from raw material sourcing to end-product distribution. Ensuring fair labour practices, safe working conditions, and equitable treatment of value chain workers is crucial for promoting social responsibility and operational excellence.

In this context, Westwing is committed to upholding high standards for labour practices throughout our value chain. This section provides an overview of our policies, actions, and targets related to workers' rights and conditions in our value chain and highlights our initiatives to improve working conditions, promote worker well-being, and ensure adherence to ethical labour practices across all levels of our value chain.

4.3.5 STRATEGY

ESRS 2 – SBM-2 Interests and view of stakeholders

Please see ESRS 2 SBM-2 - Interests and views of stakeholders.

ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

As an e-commerce home and living company designing products manufactured in Europe and Asia, while also selling products from reputable brand partners, Westwing's business model depends on a global supply chain with multiple tiers of suppliers and value chain workers. While this structure provides flexibility and scalability, it also creates a material risk, as Westwing does not control working conditions but remains exposed to reputational damage, supply chain disruptions, and legal liabilities if labour rights violations occur.

This dependency on third-party manufacturers makes supply chain due diligence a critical part of Westwing's business model and strategy. The company's potential positive impact on value chain workers stems from its role in shaping fair and ethical labour practices, promoting social responsibility, and improving working conditions. However, its reliance on suppliers, particularly in high-risk sourcing regions, increases exposure to potential labour rights violations. This risk influences strategic decisions on supplier selection, resource allocation, and Westwing's broader approach to maintaining a resilient and ethical supply chain.

Westwing's disclosures in this section cover all materially impacted value chain workers in the Westwing Collection, as well as those across brand partners, service providers, and other suppliers, including vulnerable groups. These workers are part of the upstream and downstream value chain, including those particularly vulnerable to negative impacts. Nonetheless, Westwing's influence on working conditions is strongest within the Westwing Collection supply chain, where there is a more direct relationship with suppliers compared to other brand partners and service providers governed by the Business Partner Code of Conduct.

Westwing is committed to the fair and ethical treatment of workers to promote social responsibility, uphold human rights, and improve labour conditions across its supply chain, focusing on short-term upstream impacts. Aligned with this commitment, the company partners with suppliers in the Westwing Collection who adhere to international labour standards, particularly in higher-risk regions such as China and India. While Westwing does not manage manufacturing directly, its model emphasizes ethical compliance and adherence to international labour standards, including the prevention of child and forced labour. By prioritising these standards, Westwing mitigates risks such as reputational damage, supply chain disruptions, and legal liabilities related to labour rights violations. This approach not only contributes to a stable and resilient supply chain but also aligns with consumer expectations for responsibly sourced products.

The responsible sourcing strategy for the Westwing Collection prioritises suppliers who uphold safe and fair working practices. To support this commitment, Westwing conducts ongoing assessments of working conditions that inform sourcing decisions and strengthen supplier relationships, especially within the Westwing Collection. These assessments incorporate supplier selection criteria tailored to higher-risk geographies, alongside reinforced auditing and monitoring measures. While worker characteristics or specific roles are not systematically analysed, the approach focuses on addressing potential vulnerabilities in regions identified as higher-risk due to socio-economic factors or regulatory gaps. Insights from these assessments, including site audits and supplier self-evaluations, provide a general understanding of contexts where workers may face increased risks. Through this approach, Westwing creates opportunities for positive impacts on the workers of its Westwing Collection suppliers by promoting fair working conditions and supporting capacity-building initiatives within the upstream supply chain.

If specific risks are identified for certain groups of workers, supplier criteria and contractual requirements are further refined to address these risks. Enhanced oversight is applied particularly in vulnerable regions where issues such as labour exploitation may occur.

TYPES OF VALUE CHAIN WORKERS

Westwing focuses on all value chain workers outside its own workforce most likely to be materially impacted by its operations, particularly those employed by Tier 1 manufacturers producing the Westwing Collection. Governed by our Private Label Supplier Code of Conduct, these workers are regularly audited to mitigate risks like child labour, forced labour, and substandard working conditions. Our Business Partner Code of Conduct, meanwhile, covers ethical practices for:

- **Workers in third-party brands:** Employed by companies producing products we sell alongside the Westwing Collection.

- **Upstream workers in our supply chain (non-Tier 1):** Involved in activities like extraction or processing of raw materials (e.g., cotton, wood).

- **Downstream workers:** Employed by logistics partners responsible for delivering Westwing products to customers.

Westwing recognises that certain groups within our value chain, such as migrant workers, young workers and women may face higher risks of negative impacts, particularly in higher-risk regions. While formal assessments for vulnerable categories have not been conducted, our Codes of Conduct and ongoing monitoring aim to mitigate these risks.

GEOGRAPHIES AND COMMODITIES AT RISK

Our supply chain sources products and material from regions in Asia which could be more prone to facing systemic challenges due to socio-economic and regulatory gaps which in turn elevate risks of labour rights violations. In particular, China and India are identified as higher-risk regions concerning labour rights issues like child and forced labour. These risks are especially relevant in sectors such as textiles, furniture, and decor and for key commodities such as cotton and wood which are considered material for Westwing. We mitigate such risks through close engagement, regular monitoring and auditing of our suppliers and the procurement of certified raw materials. Material risks may also arise from individual incidents, such as industrial accidents, which could affect worker safety. We are committed to managing risks thoughtfully to ensure that any potential negative impacts on workers are minimised.

POSITIVE IMPACT AND CAPACITY BUILDING

Westwing's efforts to promote sustainable and ethical practices yield a positive impact on the value chain. By updating purchasing practices and conducting regular audits focused on social standards, working conditions, health, and safety, we monitor and can improve working conditions. By strengthening capacity-building among key and strategic suppliers through training programs provided by amfori—a global business association supporting sustainable trade, responsible resource use, and human prosperity—and initiatives aimed at developing a comprehensive social management system, we support fair wages, safe working environments, and regulatory compliance.

As members of amfori, Westwing also encourages key and strategic suppliers, where possible, to participate in local programs aimed at improving working conditions, such as the amfori program Speak for Change, which empowers workers to actively raise improvement needs through established grievance mechanisms.

MATERIAL RISKS

Westwing's material risk related to value chain workers is reputational damage, supply chain disruptions, and legal liabilities due to labour rights violations. This risk is managed through policies and codes of conduct that set supplier expectations and govern ethical sourcing practices.

Westwing incorporates this risk into its broader risk management framework, which includes monitoring external dependencies such as global supply chain disruptions. Strengthening supplier relationships, particularly in high-risk regions, supports due diligence efforts and reduces exposure to potential violations.

While this risk applies across the value chain, Westwing's materiality analysis indicates that it is most relevant for workers employed by its direct Westwing Collection suppliers. Although Westwing does not control working conditions, it seeks to mitigate this risk through supplier engagement, compliance monitoring, and ethical sourcing commitments.

4.3.6 3. IMPACT, RISK AND OPPORTUNITY MANAGEMENT

S2-1 – Policies related to value chain workers

Westwing manages material impacts, risks, and opportunities (IROs) related to value chain workers through its Sustainability Policy, Human Rights Policy, Environment, Health, and Safety (EHS) Policy, Business Partner Code of Conduct, and Private Label Supplier Code of Conduct. During the reporting year, there were no significant changes in the policies for value chain workers; however, the Sustainability Policy and the Human Rights Policy were newly drafted. These policies and Codes of Conduct apply to workers in the upstream and downstream value chain, including brand partners, subcontractors, and other suppliers. They also account for vulnerable groups, such as migrant and young workers, with safeguards to uphold their rights and welfare. There are no exclusions in terms of geographies or stakeholder groups.

Each policy contains specific objectives related to the fair and ethical treatment of workers in the value chain, promoting social responsibility, human rights, and improving labour conditions. Westwing's policies and Codes of Conduct explicitly address trafficking in human beings, forced labour, compulsory labour, and child labour, prohibiting these practices across its workforce and the wider value chain. The Private Label Supplier Code of Conduct and Business Partner Code of Conduct reflect these commitments, ensuring alignment with ILO standards.

Westwing's sustainability-related policies are guided by and reflect international frameworks, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises, and the International Bill of Rights, which includes the Universal Declaration of Human Rights and its two covenants. To date, no cases of non-respect involving value chain workers under the UN Guiding Principles on Business and Human Rights, the ILO Declaration, or the OECD Guidelines have been reported in the upstream or downstream value chain.

Specifically for its direct Westwing Collection suppliers, Westwing monitors compliance with these international frameworks through regular social and environmental audits, risk assessments, and corrective action plans. Identified issues are followed up with specific actions to ensure suppliers adhere to these standards. Auditing includes both Westwing's own internal teams and third-party audits when necessary. As a member of amfori, Westwing actively engages in industry discourse on ethical trade and current global challenges related to human rights in global value chains. This membership helps Westwing stay up to date on the latest developments and best practices in the industry. The company´s whistleblower tool can be also used for reporting alleged incompliance of our brand partners and all other suppliers and service providers.

The Management Board is the most senior level accountable for the implementation of Westwing's policies. This board is directly responsible for embedding the policy's commitments into Westwing's operations and ensuring their effective execution throughout the organisation. The Corporate Sustainability team, along with other company experts, leads day-to-day implementation for sustainability-related policies. Benchmarking against industry best practices, assessment of applicable regulations, input from Westwing's internal experts, and the Sustainability Steering Committee informed the policies' development. These policies are accessible through Westwing's corporate website, can be made part of the contractual agreements, and/or shared with relevant stakeholders during face-to-face meetings. These channels, along with translations where necessary, help remove any barriers to understanding among diverse value chain partners.

S2-2 – Processes for engaging with value chain workers about impacts

While Westwing acknowledges the need for direct engagement with value chain workers, it currently engages with Westwing Collection value chain workers indirectly, primarily through communication with suppliers, who act as proxies. While direct worker engagement is not routine, selected worker interviews are conducted periodically as part of externally led audits, which follow established cycles, and Westwing's internal social assessment protocol, allowing for some direct engagement. Supplier visits, which take place regularly as part of supplier management, also provide opportunities to observe working conditions, although direct interaction with workers during these visits is limited. Through its Private Label Supplier Code of Conduct, Westwing supports worker representation and unions. Workers can additionally raise concerns through the whistleblower tool, which allows for confidential reporting without retaliation.

Westwing assesses the effectiveness of these engagements through audits, monitoring compliance with labour and human rights standards, and tracking corrective actions for continuous improvement. Examples include improvements in worker conditions resulting from audits and supplier feedback. These audits include assessments of vulnerable groups, such as young or migrant workers, focusing on health, safety, and employment practices.

Engagement with Westwing Collection suppliers occurs at key stages, including the selection and onboarding process. During the selection phase, Westwing conducts technical factory audits and requests external social audit reports from non-EU suppliers. After onboarding, ongoing engagements continue through quarterly supplier calls, regular supplier visits, and audits and follow-ups on corrective actions. These interactions also take place as needed during materiality assessments and in response to legal requirements or stakeholder requests. The focus of these engagements is on addressing actual and potential impacts on workers by improving working conditions and ensuring risk mitigation through corrective actions.

Responsibility for these engagements is shared between the Quality and Sustainability Team, headed by the Director of Quality and Sustainability, and the Buying Teams under the VP of Buying. The Corporate Sustainability team, led by the Director of Corporate Sustainability, supports these efforts. While these roles cover broader responsibilities, they ensure that supplier engagement informs Westwing's approach to managing worker-related impacts. Capacity-building activities are provided to relevant employees to develop the necessary skills and knowledge for these engagements, including training on social and environmental requirements and product quality aspects.

Westwing does not have Global Framework Agreements or agreements with global union federations regarding human rights in the value chain but is a member of the UN Global Compact and amfori. These memberships provide guidance on key worker-related issues and support Westwing's understanding of topics relevant to its suppliers, such as pricing, materials, and environmental and social requirements.

At present, beyond the Westwing Collection Tier 1 suppliers, Westwing does not have a process for direct engagement with workers of any other partners or suppliers in its value chain.

S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

Westwing provides all value chain workers with access to a publicly available whistleblower tool, which serves as the primary channel for reporting material negative impacts. This tool allows workers to raise concerns confidentially and, if they choose, anonymously, regardless of their employer within the value chain. The details of the whistleblower tool are included in Section G1-1 Business Conduct Policies. Designated teams handle follow-ups on issues raised, implement corrective actions, and maintain continuous monitoring to ensure effective resolution. The whistleblower tool is referenced in Westwing's Codes of Conduct and is communicated during supplier onboarding.

At present, Westwing does not have formal measures to assess whether value chain workers are fully aware of or trust the whistleblower tool, nor are there additional formal actions to ensure its accessibility within the workplaces of value chain workers. However, Westwing is exploring initiatives to enhance awareness and accessibility of the tool, including leveraging programs like amfori's Speak for Change, which provides shared supply chain workers a platform for raising concerns and seeking independent remediation.

In the reporting year, Westwing has not been made aware of any negative impacts on its value chain workers. If negative impacts on value chain workers were confirmed through the whistleblower tool, a remediation process would be initiated. This process would involve identifying the impact, investigating root causes, assigning responsibility, implementing corrective actions, and introducing preventative measures as appropriate. The effectiveness of these remedies would be evaluated through audits, including compliance and social audits, which help identify any unresolved or recurring issues related to worker concerns.

All issues raised via the whistleblower tool are monitored to ensure concerns are addressed promptly and fairly, with clear procedures and timeframes guiding the case handling. The whistleblower tool follows established procedures designed to ensure fair conduct. Westwing continuously reviews the effectiveness of its whistleblower tool and explores ways to improve engagement with complainants, using insights from grievances to refine future strategies and enhance the process.

S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

PREVENTING, MITIGATING, AND REMEDIATING NEGATIVE IMPACTS AND ADDRESSING RISKS

Westwing manages risks linked to value chain workers with a tailored approach for different types of supplier relationships. For Westwing Collection suppliers, Westwing enforces compliance through social audits, corrective action plans, and regular supplier feedback to uphold labour standards across the supply chain. To further mitigate risks for workers involved in raw material production for these suppliers, Westwing prioritises sourcing certified materials, such as BCI cotton, RWS, European Flax™, and FSC-certified materials, supporting responsible practices at the source.

For other upstream and downstream brand partners, suppliers, and service providers, compliance expectations are outlined in the Business Partner Code of Conduct, which is communicated during the onboarding process.

PROCESSES TO IDENTIFY AND ADDRESS POTENTIAL IMPACTS

Westwing's approach to addressing potential negative impacts on the workers of its Westwing Collection suppliers starts with regular audits, risk assessments, and due diligence. These processes help identify areas requiring action. In case of a validated report on material negative impacts, corrective actions are requested from the respective supplier(s) or, depending on the severity of the issue, orders may be put on hold and/or the business relationship may be terminated. This approach aims to ensure that Westwing's procurement, sales, and operational practices are aligned with ethical standards. In cases where business pressures and preventing negative impacts come into conflict, Westwing prioritises worker rights. For example, corrective actions are prioritised over continuing with unsatisfactory supplier performance.

For all other value chain workers, potential negative impacts are identified if reported by relevant authorities or those directly affected. In such cases, Westwing would decide on relevant action depending on the facts and the severity of the incident. Westwing retains the right to terminate business relationships if any of its suppliers does not respect the conditions set in the respective Code of Conduct.

For non-Westwing Collection suppliers, brand partners, and service providers, Westwing relies on the Business Partner Code of Conduct to outline expectations for ethical practices. However, given the nature of these relationships, Westwing's direct involvement in monitoring or enforcing compliance is limited. Our influence with these partners is primarily exercised during onboarding, and our governance relies on the standards set forth in their own business practices.

No severe human rights incidents were reported in 2024.

DELIVERING POSITIVE IMPACTS

Westwing's efforts also focus on achieving positive material impacts for its Westwing Collection value chain workers. This includes capacity-building initiatives, such as training through the amfori academy, to improve labour practices across the supply chain. The company actively collaborates with industry peers through multi-stakeholder initiatives, including amfori, to further ethical labour standards. These initiatives have led to positive outcomes, including safer working environments, fairer wages, and reduced working hours in key supplier factories.

No specific initiatives are undertaken with respect to any other value chain workers. However, the whistleblower tool is accessible to all external stakeholders, including the workforce within the supply chain.

TRACKING EFFECTIVENESS AND RESOURCE ALLOCATION

Westwing tracks the effectiveness of its policies and actions with respect to the material IROs relevant to the Westwing Collection value chain workers through internal and external audits, supplier feedback, and grievance mechanisms. The outcomes of audits, such as the resolution of corrective actions and reduced non-compliance, are key indicators used to assess effectiveness. The effectiveness of corrective actions is reviewed with follow-up audits, with comparisons made between current and previous assessments. Feedback from suppliers and workers, such as improvements in working conditions measured through audit findings, is integral to this process.

Additionally, Westwing evaluates the effectiveness of its policies and actions in managing material IROs related to value chain workers by reviewing KPIs linked to social management systems, audit outcomes, and working conditions. Progress in establishing robust social management systems and improving working conditions is considered a key factor in reducing material IROs. Therefore, if progress in these KPIs is insufficient, the Corporate Sustainability team, together with the Buying team, assesses whether adjustments to supplier engagement are required.

The Buying and Sustainability teams are responsible for ensuring compliance with labour standards, implementing corrective action plans, and engaging suppliers to promote ethical practices.

The implementation of Westwing's actions related to Westwing Collection value chain workers depends on certain preconditions. As a relatively small player, Westwing's influence over suppliers, particularly in Europe and Asia, is limited by its business volume and the absence of owned manufacturing facilities. Suppliers often prioritise larger clients, which can affect their willingness and pace in adopting Westwing's worker-related actions. The company's ability to promote adherence to labour standards and ethical practices across regions depends significantly on supplier cooperation, alignment with local labour laws, and its negotiating power within the supply chain. While Westwing sets clear expectations for workers' rights and ethical behaviour, successful implementation relies heavily on suppliers' responsiveness and commitment to these principles.

In the reporting year, the implementation of the action plan did not require significant CapEx or OpEx.

Table 1: Summary table of Westwing actions

In 2024, no actual material negative impacts were identified, hence no actions were needed to remedy their effects. Westwing actions cover suppliers in all geographies.

Goal: Fair and ethical treatment of workers in the value chain, promoting social responsibility, human rights and improving labour conditions
Value chain: Upstream

Action and Description	Expected outcome	Progress in 2024	Time Horizon	Scope	Related target	Impact, risk and/or opportunity addressed
Engage with key and strategic suppliers to establish social management systems	Enhanced processes to ensure compliance with social standards and health and safety protocols	Key and strategic suppliers, representing 10% of purchase order value (Westwing Collection), from China, India, and Lithuania are participating in the implementation of Social Management Systems (SMS). They have received the SMS implementation handbook, toolkit, and self-assessment checklist from the World Bank Corporation. Initial training calls have been conducted, and regular follow-ups on key milestones are in place. Suppliers are expected to submit deliverables demonstrating alignment of their SMS with SA8000 requirements.	2024 – 2028	Key and strategic Westwing Collection suppliers	50% of Westwing Collection suppliers by purchase order volume to have established social management systems by 2028	Risk/ Potential positive impact
Auditing suppliers on social topics, developing corrective action plans, and identifying key areas for improvement to design targeted supplier training programs	Ensure compliance with social standards including human rights	Since 2022, 100% of non-EU suppliers have undergone external social audits. In 2024, most key and strategic EU suppliers were audited either through external audit reports or in-house audits Additionally, third-party social audit reports were collected from complementary suppliers.	Ongoing since 2022	Westwing Collection suppliers in all geographies	100% of Westwing Collection suppliers to be evaluated regularly on social topics by 2025	Risk

Action and Description	Expected outcome	Progress in 2024	Time Horizon	Scope	Related target	Impact, risk and/or opportunity addressed
Engage with key and strategic suppliers to take part in programs to improve working conditions	Improve working conditions by increasing worker involvement	Five key and strategic suppliers in India and Vietnam, audited under BSCI, are actively participating in the 'Speak for Change' initiative in 2024. Deployment guides, posters, and flyers were provided to the suppliers, and meetings were held to guide suppliers through the process.	2024 – 2028	Key and strategic Westwing Collection suppliers	50% of Westwing Collection suppliers by POV to establish programs to measure and improve working conditions by 2028	Potential positive impact
Participation of key and strategic suppliers in the amfori training academy which offers training on a range of social topics	Enhanced supplier knowledge of social standards	As part of Westwing's amfori membership, suppliers were encouraged and supported by Westwing to participate in at least one of the offered amfori Academy training sessions.	2024 – 2028	Key and strategic Westwing Collection suppliers	50% of Westwing Collection suppliers by POV to establish programs to measure and improve working conditions by 2028	Potential positive impact
Acceptance of Westwing's Code of Conduct by all permanent brand partners and third-party suppliers (TPS)	Enhanced compliance with Westwing's Code of Conduct	All permanent brand partners accepted Westwing CoC, for non permanent brand partners the process is ongoing.	2023 – 2027	All TPS suppliers/brand partners	All third party brands to be aligned with our Business Partner CoC by 2027	Risk

S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Westwing has established four time-bound and outcome-oriented targets aimed at addressing material IROs related to value chain workers of its Tier 1 Westwing Collection suppliers. The information of these targets can be found below:

Target 1: 100% of Westwing Collection suppliers to be evaluated regularly on social topics by 2025

Contribution to Policy objectives	Fair and ethical treatment of workers in the value chain, promoting social responsibility, human rights and improving labour conditions
Target value	100
Unit	%
Absolute or relative target	Absolute
Scope	Westwing Collection suppliers in all geographies
Value Chain	Upstream
Baseline year	2022
Baseline value	–
Time horizon of achievement	2025
Consideration of the wider context of sustainable development and/or local situation	It contributes to ensuring fair and ethical treatment of workers within the value chain, improving labour conditions and supporting human rights.
Performance 2024	Share of Westwing Collection suppliers by purchase order volume (POV) evaluated regularly on social matters: 98%
Milestones or interim targets	NA
Data sources	Supplier management tool
Methodology/assumptions	Methodology is based on the following KPIs: • Share of Westwing Collection suppliers by POV evaluated regularly on social matters The evaluation includes reviewing valid social audits or self-assessments. The validity of each audit system and initiative varies, and the assessment period is adjusted accordingly, ensuring they are checked before their expiry date. Accepted social audit systems and initiatives: • Amfori Business Social Compliance Initiative • SEDEX/SMETA • SA 8000
EU / national / international policies or initiatives	NA

Target 2: 50% of Westwing Collection suppliers by POV to have established social management systems by 2028

Contribution to Policy objectives	Fair and ethical treatment of workers in the value chain, promoting social responsibility, human rights and improving labour conditions
Target value	50
Unit	%
Absolute or relative target	Relative
Scope	Westwing Collection suppliers in all geographies
Value Chain	Upstream
Baseline year	2022
Time horizon of achievement	2028
Consideration of the wider context of sustainable development and/or local situation	It contributes to ensuring fair and ethical treatment of workers within the value chain, improving labour conditions and supporting human rights.
Performance 2024	Share of Westwing Collection suppliers by POV with SMS: 10%
Milestones or interim targets	NA
Data sources	Supplier management tool
Methodology/assumptions	Purchasing volume of total active Westwing Collection suppliers with social management system (SMS) certification / Purchasing volume of total active Westwing Collection suppliers Accepted SMS include: • SA8000 • Westwing Protocol (defined by Westwing based on SA 8000)
EU / national / international policies or initiatives	NA

Target 3: 50% of Westwing Collection suppliers by POV to establish programs to measure and improve working conditions by 2028

Contribution to Policy objectives	Fair and ethical treatment of workers in the value chain, promoting social responsibility, human rights and improving labour conditions
Target value	50
Unit	%
Absolute or relative target	Relative
Scope	Westwing Collection suppliers in all geographies
Value Chain	Upstream
Baseline year	2022
Time horizon of achievement	2028
Consideration of the wider context of sustainable development and/or local situation	It contributes to ensuring fair and ethical treatment of workers within the value chain, improving labour conditions and supporting human rights.
Performance 2024	76%
Milestones or interim targets	NA
Data sources	amfori academy training records
Methodology/assumptions	Participation in amfori academy trainings and/or amfori speak for change program
EU / national / international policies or initiatives	NA

Target 4: All third-party brands to be aligned with our Business Partner Code of Conduct (CoC) by 2027

Contribution to Policy objectives	Fair and ethical treatment of workers in the value chain, promoting social responsibility, human rights and improving labour conditions
Target value	100
Unit	%
Absolute or relative target	Absolute
Scope	Third party brands in all geographies
Value Chain	Upstream
Baseline year	2022
Time horizon of achievement	2027
Consideration of the wider context of sustainable development and/or local situation	It contributes to ensuring fair and ethical treatment of workers within the value chain, improving labour conditions and supporting human rights.
Performance 2024	66%
Milestones or interim targets	NA
Data sources	Signed CoC documents by brand partners
Methodology/assumptions	Methodology is based on the following KPI: • Share of third party brands sold in Shop who signed Business Partner Code of Conduct • Share of third party brands sold in Club who signed Business Partner Code of Conduct
EU / national / international policies or initiatives	NA

PROCESS FOR SETTING AND TRACKING TARGETS

In setting these targets, the Corporate Sustainability team considered the identified potential impact – fair and ethical treatment of value chain workers – and the risk of reputational damage, supply chain disruptions, and legal liabilities due to labour rights violations. To inform this process, the team leveraged its expertise, conducted benchmarking, and analysed current and upcoming policies and regulations.Although direct engagement with value chain workers did not occur, feedback collected from suppliers and brand partners during the materiality assessment provided insights into key issues. The Sustainability team analyses this feedback as part of the target implementation process to understand supplier experiences and identify areas for improvement. The proposed targets were reviewed by subject matter experts on supplier-related topics and approved by the Executive team before presentation to the Supervisory Board. Lessons and adjustments are incorporated by evaluating this supplier feedback to further enhance the target-setting and implementation process.

Westwing tracks performance against these targets by regularly monitoring the relevant KPIs and reviewing audit reports. Although value chain workers are not directly involved in tracking performance, audits are conducted to assess suppliers' adherence to social and environmental standards.

IDENTIFYING LESSONS AND IMPROVING TARGET-SETTING

Westwing identifies lessons and overall improvements by reviewing audit reports and observations during Westwing Collection supplier visits. These lessons are discussed with the relevant supplier after the review of the audit reports or directly during the visit. If the learnings might be beneficial for other suppliers as well, best practice sharing is conducted via internal teams or agents to amplify the learning effect. These lessons are continuously used to refine strategies and enhance the target-setting process. By engaging in this ongoing review and improvement, Westwing aims to maintain a robust approach to managing Westwing Collection value chain worker-related targets.

No specific actions are taken with respect to other suppliers, brand partners or service providers.

ESRS S4 | Consumers and End-users

4.3.7 INTRODUCTION

Westwing has established policies that prioritise customer well-being, health and safety. This section provides insights into Westwing’s approach to identifying, assessing, managing, and, where necessary, remediating material impacts on consumers and end-users. The objective is to provide a clear view of Westwing's influence on consumers, outlining the company’s commitment to upholding high standards in its interactions with end-users of its products and services.

4.3.8 STRATEGY

ESRS2 SBM-2 – Interests and views of stakeholders

Please see ESRS 2 SBM-2 - Interests and views of stakeholders.

ESRS2 SBM-3 – Material impacts, risks, and opportunities

This disclosure includes all consumers and end-users materially impacted by Westwing’s operations and value chain. These would be, for the most part, consumers who depend on accurate and accessible information, such as product labels or manuals, to prevent misuse, and those particularly vulnerable to health impacts.

Westwing’s impact on its consumers and end-users stems from its strategy and business model. By promoting responsible consumption and providing clear sustainability information, Westwing aims to support consumers in adopting more sustainable lifestyles. This positive impact aligns with the company’s value proposition and drives continuous improvements in how sustainability information is presented across digital platforms to ensure accessibility and transparency.

At the same time, a negative impact may arise from consumer harm or dissatisfaction caused by supplying unsafe or unreliable products. This impact is linked to the breadth of Westwing's product offerings and its reliance on a diverse supplier base, including third-party brands. To mitigate this, Westwing implements quality control measures, including supplier audits, product testing, and enhanced monitoring systems for the Westwing Collection to ensure alignment with safety standards and consumer expectations. These processes inform regular evaluations of product development practices, supporting ongoing strategy adaptations.

Linked to this impact, Westwing faces a material financial risk: reduced customer trust, increased costs, and potential legal liabilities arising from product quality issues. This risk has driven investment in supplier oversight and quality assurance processes for the Westwing Collection, which are integral to safeguarding trust and ensuring long-term resilience.

Westwing's business model relies heavily on consumer trust and engagement, particularly among customers who prioritise premium and sustainable products. While the company's target demographic is less sensitive to economic instability, events such as significant geopolitical tensions could alter purchasing behaviour or consumer confidence. This underscores the importance of monitoring consumer trends and maintaining agility in product offerings and pricing strategies to mitigate potential risks. This approach helps maintain customer trust and supports Westwing's sustainability commitments as part of its broader corporate governance strategy.

MATERIAL NEGATIVE AND POSITIVE IMPACTS

Westwing does not offer products that are inherently harmful or that increase the risk of chronic diseases, nor does it provide services that could negatively impact privacy, freedom of expression, or non-discrimination rights. In the case of material negative impacts, these are typically handled as individual incidents rather than widespread or systemic issues. For example, if a product defect is identified, it is addressed swiftly to limit any effect on consumers. Instances such as misinformation are also managed promptly to avoid broader consequences. Additionally, specific business relationships, such as third-party brands failing to meet ethical standards or using inappropriate marketing practices, may result in corrective action, including the termination of business relationships, to prevent further negative impacts on consumers.

Regarding positive impacts, Westwing's activities include providing safe, reliable, and durable products. Products marked with the WE CARE label on our website are made from sustainable materials that either hold a sustainability certification or possess sustainable attributes (e.g., recycled materials) that meet our internal thresholds. Depending on the certification behind the label, some products may also meet additional criteria, such as ensuring safety by excluding hazardous materials. Westwing is committed to removing hazardous substances from its products in line with the EU REACH Directive, which safeguards consumer health. Westwing provides its products and services equally to all customers without discrimination. Although no formal process is in place to review accessibility, the design and availability of our offerings inherently support inclusivity and equitable access. Additionally, communication and marketing initiatives aim to offer truthful information, to enable consumers to make informed choices.

UNDERSTANDING CONSUMERS AT GREATER RISK OF HARM

Westwing has developed an understanding of how certain consumer groups are at greater risk of harm during the double materiality assessment, informed by discussions with the marketing, customer service, information technology and quality teams. While there is no specific group consistently at higher risk, it has been noted that younger customers (in their early 20s) present both a risk and an opportunity due to their evolving preferences for digital channels and durable products with low environmental and social impacts, as well as their susceptibility to marketing practices, especially on social media. Marginalised groups, such as those based on sexual orientation, disability, or ethnicity, may be disproportionately affected by certain marketing practices due to societal biases or unequal access to information.

As a result, Westwing tailors its marketing strategies to be inclusive and to accurately represent its products. The WECARE label also provides sustainability-related information for products, enabling customers to make more informed decisions.

4.3.9 IMPACT, RISK AND OPPORTUNITY MANAGEMENT

S4-1 – Policies related to consumers and end-users

Westwing's consumer-related policies address key IROs such as promoting sustainable lifestyles through responsible consumption and clear sustainability information, strengthening market differentiation and customer appeal through privacy-respecting services and high customer service standards, and managing impacts as well as reputational, cost, and legal risks tied to product quality, reliability, and safety. These policies apply to all regions and Westwing employees.

- **Sustainability Policy:** This policy extends to consumers and end-users by outlining Westwing's commitment to their health, safety, privacy, and accessibility of products and services.

- **Responsible Marketing and Communication Policy:** Prevents misleading advertising and regulates marketing to vulnerable groups, including children. This policy aims to ensure that Westwing's marketing practices are ethical, transparent, and aligned with consumer protection standards.

- **Product Safety Policy (GPSR Policy):** Outlines our commitment and guidelines for ensuring that products sold to our customers meet safety standards and regulations to protect consumers. It includes product safety risk assessment, internal procedures for monitoring, testing and quality control. Additionally, it covers mechanisms to react to potential incidents and corrective actions for defective products.

- **Human Rights Policy:** Emphasises non-discrimination, privacy, and product safety, ensuring that all products meet strict safety standards and that information is transparent and accessible. This policy is aligned among others with the UN Guiding Principles on Business and Human Rights, the International Covenant on Civil and Political Rights, and the OECD Guidelines for Multinational Enterprises, and is designed to protect the rights of consumers and end-users through robust processes and mechanisms.

Westwing addresses human rights concerns primarily through reports received from consumers and end-users via feedback channels, as the company does not conduct independent monitoring or assessments. We periodically review our policies to identify necessary updates. Compliance with international standards is supported through guidance from a group of international advisors, desk research and exchange with other experts. During the reporting year, there were no reported instances of non-compliance with the UN Guiding Principles on Business and Human Rights or related instruments in Westwing's downstream value chain. However, should alleged non-compliance occur, it would be investigated by the relevant internal teams, in cooperation with external experts and bodies as necessary and appropriate remediation actions would be taken.

Some of Westwing's policies are relevant to consumer and end-user groups and take into consideration vulnerable groups as they address key areas of interest for consumers such as product safety, privacy, responsible marketing, inclusivity. They apply in general across all Westwing entities, with no geographical exclusions, and it is expected that Westwing suppliers and business partners also adhere to similar principles as those underpinning our policies.

During the reporting year, the sustainability policy was newly drafted, and the Human Rights Policy was adopted. To safeguard human rights, remediation measures shall be implemented in the event of violations. Policies are periodically reviewed to ensure alignment with new regulations, support continuous improvement, and address business needs. Additionally, we are guided by and reflect internationally recognized instruments, including the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

Westwing's policies and handling guidelines are published on the intranet for internal stakeholders. Additionally, relevant policies are embedded in the internal Policy Manager. This system ensures that employees review and complete quizzes on key policies, thereby enhancing comprehension and accountability. For the Information Security Policy, data protection training is provided through new starter onboarding and reinforced with ongoing initiatives such as security awareness campaigns and phishing simulations. Some policies are also accessible to stakeholders through the corporate website.

Adherence to policies is individually monitored when concerns are identified internally or reported through external channels, including customer service, social media, and the whistleblower tool. The Management Board holds the highest level of accountability for implementing Westwing's policies and Code of Conduct, ensuring these commitments are effectively integrated into operations. The Corporate Sustainability team, alongside other company experts, leads the day-to-day implementation of sustainability-related policies.

The development of sustainability-related policies is informed by benchmarking against industry best practices, assessment of applicable regulations, input from internal experts, stakeholder views expressed during materiality assessment, and guidance from the Sustainability Steering Committee. Westwing actively engages with consumers and end-users through various channels, such as customer feedback surveys, social media interactions, and direct customer service communications. This engagement ensures that consumer insights inform product development and service improvements, fostering a responsive approach to their needs.

S4-2 – Processes for engaging with consumers and end-users about impacts

Westwing engages with consumers and end-users through various communication channels, collecting feedback across multiple touchpoints to manage actual and potential impacts. These channels include customer satisfaction surveys, product ratings, reviews, direct communication methods such as email, phone, and social media, as well as online forms for product returns. Engagement primarily occurs after each product purchase or customer service interaction through customer feedback surveys or product rating requests, allowing our customers to provide feedback on delivery, products, payments, technical issues, and returns.

Customer concerns are addressed promptly. Customer engagement is also fostered through social media by providing regular updates about products and services, creating ongoing interaction with customers. In addition, Westwing supports dialogue on social media platforms, facilitating two-way communication that enhances customer relationships and brand loyalty. Real-time interaction and feedback analysis enable Westwing to integrate customer concerns into decision-making processes and improvement efforts. Feedback is regularly reviewed to address customer concerns and enhance products and services.

Engagement effectiveness is tracked using key KPIs, including customer satisfaction metrics, response times, social media engagement rates, and survey results. Insights from both feedback and engagement effectiveness metrics are evaluated monthly by the Executive Team and integrated into decision-making processes. Bi-weekly feedback loops ensure insights are communicated across relevant departments, where Quality Managers assess feedback and take necessary actions. Additional insights are gathered from weekly customer satisfaction reports and ad-hoc surveys conducted during brand initiatives. All engagement with our customers is conducted through either Westwing's own channels or, for brand campaigns, third-party agencies, ensuring feedback reflects direct consumer experiences across various platforms.

The Chief Sourcing & Operations Officer (CSOO) oversees direct communication with our customers, supported by a dedicated Customer Care team, and is accountable for managing this engagement and integrating customer feedback into business strategies. Additionally, the CEO leads teams responsible for direct interactions with commercial (B2B) and offline customers. The Chief Marketing Officer (CMO) manages marketing and social media engagement through a dedicated social media team, ensuring that customer feedback informs marketing strategies. The Customer Care team handles customer issues and collaborates with other departments, such as marketing, product development, and sales, to ensure insights drive product and service improvements. To enhance effective engagement, capacity-building activities, such as customer service training, are provided to ensure that staff are equipped with the skills necessary to respond effectively to consumer feedback.

Currently, Westwing does not have a dedicated process for engaging vulnerable or marginalised customers, such as individuals with disabilities or children, and thus does not provide specific disclosures for these groups. Westwing will consider whether it would be necessary to establish such a dedicated process in the future.

S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Westwing commits to address and remediate negative impacts on our consumers and end-users if any arise. This would include identifying and reporting issues, conducting investigations to determine the cause and responsibility, implementing appropriate remedial actions, and/or offering compensation as appropriate. The effectiveness of remedies would be assessed through internal controls or reviews of feedback data, ensuring that the actions taken lead to measurable improvements in customer satisfaction.

The channels available to consumers and end-users to raise concerns or express needs directly include email, phone, social media, and the whistleblower tool. The whistleblower tool allows individuals to report violations or unethical conduct - if so chosen - anonymously, with confidentiality maintained throughout the process. Designated personnel from the Legal, GRC, or P&C teams review the report, and updates are provided to the reporter. Westwing’s policies clearly outline protection against retaliation for consumers and end-users using the whistleblower tool. Reporters can choose to report fully anonymously, ensuring their identity is fully protected, and have the option to select specific departments or team members to review their case. In all instances, the process is confidential, and no adverse actions are taken against those who report in good faith. Relevant information provided through other channels such as shared CRM systems, partner collaboration and/or vendor agreements are also taken into consideration, if and as applicable, to streamline issue resolution. This approach fosters trust and provides a reliable way to address concerns within the company. Assurance regarding the effectiveness of the whistleblower tool is based on the achieved outcomes and any feedback received.

Westwing builds awareness and trust in its feedback channels by making them publicly available. Feedback is monitored and tracked through defined processes, including data collection, issue categorisation, trend analysis, and reporting. Insights are regularly reviewed and shared with key teams for continuous improvement. All feedback receives a response through established processes.

Westwing evaluates consumer awareness and trust in these channels by assessing the feedback received. Their effectiveness is assessed via regular reviews and impact assessments, alongside KPIs focused on customer satisfaction. The number of complaints received through the whistleblower tool is tracked and reported to the management board and Audit Committee, and insights from these reports are used to improve processes and address concerns more effectively if appropriate.

In addition to Westwing's whistleblower tool and other internal channels, consumers and end-users in regions where Westwing operates can also access third-party mechanisms provided by governments, NGOs, or industry associations to raise concerns. Westwing does not currently require the availability of such channels by its business relationships, however, it does require through the Business Partner and Private Label Supplier Codes of Conduct that its business relationships adhere to similar sustainability principles as Westwing.

S4-4 – Taking action on material impacts on consumers and end-users

IDENTIFICATION OF ACTIONS

Westwing applies a structured process to determine necessary actions in response to potential negative impacts on consumers and end-users. This process includes regular risk assessments to identify potential negative impacts related to product safety, and marketing practices. Consumer feedback is collected through surveys, direct interactions, and focus groups to identify emerging issues. Reported incidents from customer service channels and the whistleblower tool are analysed to determine root causes and required corrective actions. When an impact is linked to business relationships, suppliers and partners are engaged to address the issue through contractual obligations and agreed-upon measures. The findings from these assessments inform decisions on whether mitigation, remediation, or policy adjustments are required.

MANAGING MATERIAL IMPACTS ON CONSUMERS

Westwing follows a structured process for identifying, assessing, and addressing material negative impacts related to unsafe or unreliable products. If a product-related issue is identified, Westwing investigates the cause, determines corrective measures, and ensures appropriate resolution. In the event of an identified impact, Westwing maintains open communication with affected consumers through customer support channels, ensuring transparency and tracking resolution progress until the issue is resolved.

To ensure remedy processes are available, Westwing provides consumers with multiple channels to raise product-related concerns, including customer support, social media, and direct contact via email. In cases of product defects or delivery errors, Westwing evaluates claims individually and provides appropriate compensation, including refunds, replacements, or other corrective actions where necessary. When a material impact occurs, the issue is logged and reviewed to determine whether systemic improvements are needed to prevent recurrence.

Westwing has not yet conducted a formal assessment of whether these processes are effective in their implementation and outcomes. However, customer feedback and resolution timelines are monitored to evaluate whether remedies adequately address consumer concerns related to product safety and reliability.

ADDRESSING MATERIAL IMPACTS THROUGH BUSINESS RELATIONSHIPS

Westwing leverages commercial influence and enforces strict contractual requirements with suppliers to manage risks related to unsafe or unreliable products. To prevent such impacts, suppliers must comply with quality and safety standards, which are verified through supplier audits and performance metrics. Westwing participates in industry initiatives, such as the amfori BSCI framework, to strengthen oversight and drive continuous improvements in product safety and compliance.

To further mitigate risks, Westwing engages in collaborative efforts, including the German retailer's Cyber Defence Cooperation, to share knowledge on emerging risks and best practices related to product safety.

RESOURCES ALLOCATED TO MANAGING MATERIAL IMPACTS

Westwing dedicates significant resources across various teams to manage material impacts on consumers. The Corporate Sustainability team, along with other departments such as Product Development, Customer Service, Marketing and Information Security, plays a key role in integrating sustainability, and responsible marketing practices into business operations. These resources include dedicated budget allocations, personnel for compliance and oversight, technological systems like the Product Lifecycle Management (PLM) system and the Information Security Management Systems (ISMS), and training programs for staff. These teams collaborate to address consumer needs, protect data, and maintain product safety, while training and awareness programs help employees support these efforts. KPIs are used to track the effectiveness of these allocated resources, focusing on product safety, and consumer satisfaction.

MITIGATING MATERIAL RISKS

In relation to the material risk of reduced customer trust, increased costs, and potential legal liabilities due to product quality issues, Westwing has implemented actions to mitigate this risk for the Westwing Collection and, where applicable, for third-party products.

For Westwing Collection products, compliance with safety and quality standards is ensured through rigorous physical and chemical testing procedures conducted during product development and initial bulk production, in line with relevant safety regulations and product standards. Westwing Collection suppliers are subject to quality and safety audits, ongoing compliance monitoring, and corrective action plans where necessary. For third-party products, Westwing does not conduct its own product testing or audits but requires that its brand partners meet applicable regulatory and safety standards. If product defects are identified, appropriate corrective actions, including recalls, are implemented to protect consumers and limit potential liabilities.

To track the effectiveness of these actions in practice, Westwing monitors return data, customer feedback, and issue resolution rates to identify recurring quality concerns and drive continuous product improvement. Additionally, supplier performance for the Westwing Collection is assessed through audits and corrective action plans to ensure sustained compliance with quality and safety standards.

SEVERE HUMAN RIGHTS ISSUES CONNECTED TO CONSUMERS

Westwing has not identified any severe human rights issues connected to its consumers and end-users during the reporting period. If such incidents were to arise, Westwing reserves the right to terminate relationships with any business partners involved.

SUMMARY OF ACTIONS

The outlined actions are related to consumers and end-users and cover all operation geographies.

Product Safety and Quality Control

For its Westwing Collection, Westwing takes action to avoid causing or contributing to material negative impacts on consumers and end-users related to product defects by applying stringent quality control measures. These measures include regular product testing, compliance checks, and the implementation of a Product Lifecycle Management (PLM) system to manage product information and ensure safety and sustainability requirements are met. Quality control processes are designed to prevent incidents that could harm consumers and maintain product integrity throughout the product lifecycle. The effectiveness of these actions is measured by tracking product defect rates, recalls, and customer complaints, allowing Westwing to adjust its strategies when necessary.

Responsible Marketing and Communications

Westwing takes action to avoid causing or contributing to material negative impacts on consumers and end-users in relation to marketing by ensuring its marketing initiatives are designed to provide truthful information about products, including sustainability features, and to avoid misleading claims. Currently, there is no standardised process in place to ensure full compliance with the Responsible Marketing and Communication Policy, but Westwing plans to develop such measures in the future. Westwing evaluates any feedback it receives on marketing practices to identify potential improvements.

Sales Practices

Westwing takes action to avoid causing or contributing to material negative impacts on consumers and end-users in relation to sales by ensuring transparency in product descriptions, pricing, and return policies. Sales practices are aligned with consumer protection regulations to minimise potential risks related to misleading information or unfair business practices. Effectiveness is tracked through customer feedback, complaint monitoring, and review of return reasons.

SUMMARY TABLE OF WESTWING ACTIONS

In 2024, no actual material negative impacts were identified, hence no actions were needed to remedy their effects. The implementation of Westwing's action plan does not require significant OpEx or CapEx.

Goal: Ensure the health and safety of our customers
Value chain: Own Operations

Action and Description	Expected outcome	Progress in 2024	Time Horizon	Scope	Related target	Impact, risk and/or opportunity addressed
Implement rigorous health and safety standards for the Westwing Collection	Enhancing safety and quality of products	Collaboration with third-party laboratories for physical and chemical testing to ensure compliance of Westwing Collection products with regulations.	Ongoing	Westwing Collection Products	-	Risk/ Potential negative impact
Implement a risk analysis for Westwing Collection products in accordance with the Global Product Safety Regulation, evaluating potential risks throughout the product life cycle before market launch	Enhancing safety and quality of products	Established risk analysis format for all product types.	December 2024 onwards	Westwing Collection Products	-	Risk/ Potential negative impact

Goal: Provide access to quality information enabling users to make informed decisions
Value chain: Downstream

Action and Description	Expected outcome	Progress in 2024	Time Horizon	Scope	Related target	Impact, risk and/or opportunity addressed
Implement Sustainable Communications Plan	Increased awareness for sustainability initiatives and more informed choices for customers	The strategy was developed in 2023, with the roll-out initiated in 2024 and scheduled to continue through 2025.	2024 – 2025	Consumers in selected markets	-	Potential positive impact
Improving product sustainability information on online product page	More transparency of product sustainability information	Enhanced the display of 'WE CARE' sustainability information on the new shopping platform. In 2025, the focus will be on providing more detailed content and customizing each product's information.	2024 – 2025	Consumers in all markets	-	Potential positive impact
Increase the share of Westwing Collection products labelled as "WE CARE"	Promote sustainable choices for consumers	Increased the share of materials such as wood, cotton, animal by products and recycled plastics. As a result, the share of Westwing Collection products with sustainability certifications increased to 66%.		Consumers in all markets	Increase the share of Westwing Collection products labelled as "WE CARE" to 50% by 2027	Potential positive impact

TRACKING THE EFFECTIVENESS OF ACTIONS

Westwing tracks the effectiveness of its policies and actions in addressing consumer harm from unsafe or unreliable products and the risk of reduced customer trust, increased costs, and potential legal liabilities. This is done through customer satisfaction levels, complaint resolution times, product defect reports, and compliance assessments. Feedback is gathered via customer service interactions, surveys, and the whistleblower tool to monitor trends and adjust strategies as needed. Effectiveness is further assessed through rigorous physical and chemical testing during product development and bulk production, ensuring compliance with safety and quality standards. Findings from these tests, along with consumer feedback and performance data, support ongoing refinements to policies and actions.

Westwing's level of ambition is to minimise consumer harm and mitigate risks by continuously improving product quality and consumer trust. Progress is evaluated through qualitative indicators such as customer feedback trends and complaint case studies, alongside quantitative indicators.

S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Westwing has set a time-bound, outcome-oriented target to promote responsible consumption by increasing the share of Westwing Collection products labelled as "WE CARE" to 50% by 2027. In addition, Westwing aims to dedicate a significant share of its communication to sustainability topics, ensuring consumers have the information needed to make informed choices.

Westwing has already surpassed this target, with 66% of Westwing Collection products now carrying the "WE CARE" label. This progress reflects strong supplier engagement, expanded certification coverage, and rigorous material assessments in line with the Sustainability Labelling guidelines. By increasing access to responsibly sourced materials and enhancing sustainability communication, Westwing aims to support consumers in adopting more sustainable lifestyles, making it easier to choose products with a lower environmental footprint.

Target 1: : Increase the share of Westwing Collection products labelled as "WE CARE" to 50% by 2027

Contribution to Policy objectives	Ensure fair marketing practices and the promotion of sustainable choices
Target value	50
Unit	%
Absolute or relative target	Relative
Scope	Westwing Collection products
Value Chain	**Own Operations**
Baseline year	2022
Time horizon of achievement	2027
Consideration of the wider context of sustainable development and/or local situation	To provide consumers responsibly sourced products with less environmental impact. This aims to reduce the environmental footprint of consumers.
Performance 2024	66%
Milestones or interim targets	NA
Data sources	Certifications obtained from suppliers
Methodology/assumptions	The WE CARE label indicates that our products meet specific criteria outlined in Sustainability Labelling guidelines. These criteria include holding one or more of over 50 widely recognised sustainability certifications (e.g. Global Organic Textile Standard, European Flax, Responsible Wool Standard, Downpass, CertiPUR, FSC) or, in cases where certifications are not available, meeting a defined minimum sustainability attribute (e.g. at least 30% recycled metal). To ensure compliance with the Sustainability Labelling guideline regular assessments of product materials against recognised certifications like FSC®, GOTS, and the Global Recycled Standard are conducted.
EU / national / international policies or initiatives	NA

TARGET SETTING, MONITORING, AND EVALUATING

When setting targets, Westwing relies on benchmarking, the expertise of the Sustainability team, and input from internal experts who work closely with consumer data and insights, as well as guidance from the Executive Team and the Sustainability Steering Committee. The Supervisory Board also reviews targets, as appropriate. Westwing does not engage directly with consumers, their legitimate representatives, or credible proxies in either tracking performance against consumer-related targets or identifying lessons and improvements based on performance. Instead, customer service feedback and customer satisfaction ratings are analysed to provide indirect insights into consumer experiences. These insights help refine strategies and enhance the target-setting process.

4.4 Governance Information
ESRS G1 | Business Conduct

4.4.1 INTRODUCTION

Recognising the critical role of business conduct in fostering trust and integrity, Westwing has introduced a structured framework of policies, guidelines, and practices to guide ethical behaviour and foster also responsible decision-making at all levels of the company. This section on business conduct provides an overview of Westwing's governance framework, highlighting its commitment to ethical standards, accountability, and stakeholder trust.

ESRS2 GOV-1 – The role of the management and supervisory bodies

Adherence to ethical business conduct, focusing on maintaining corporate integrity and transparency is an important topic for Westwing. The Supervisory Board's Audit Committee regularly monitors matters related to sustainability, compliance, risk management, and internal controls. It also oversees whistleblower cases, which provide valuable insight into the tool's acceptance and highlight any corporate ethics issues that may need addressing. In its non-executive supervisory function, the Audit Committee and Supervisory Board members advise and monitor the Management Board, which holds overall accountability for the day-to-day business management. This is done in alignment with these standards, ensuring that all legal provisions and internal policies are followed.

Members of both the Supervisory and Management Boards possess relevant expertise in compliance and corporate governance matters. For example, the Audit Committee Chair, an independent financial expert, not only holds relevant expertise in financial oversight but is also well-versed in auditing sustainability reporting and compliance reviews, making him well-suited to supervise Westwing's business conduct policies. Similarly, the Management Board comprises individuals with direct experience in managing compliance and corporate governance, reinforcing a culture of ethical practice and integrity throughout the organisation.

4.4.2 IMPACT, RISK AND OPPORTUNITY MANAGEMENT

IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities

Please see ESRS 2 IRO 1 - Business Conduct IROs.

G1-1 – Business Conduct Policies and Corporate Culture

OVERVIEW OF CORPORATE CULTURE

Westwing defines its corporate culture through its Employer Value Proposition, outlining the values and behaviour expected from all employees, centred around key themes of accountability, integrity, collaboration, creativity, growth mindset and shared ambition. These values are communicated across the company through leadership practices and internal channels such as insight sessions, group allhands and the company intranet. They are further integrated into Westwing's hiring, onboarding, and performance management systems. As part of efforts to further embed corporate culture into HR processes, Westwing integrated the Employer Value Proposition into the hiring process and scorecards and conducted a review in 2024 to assess its relevance and identify opportunities for deeper integration.

The Management Board promotes Westwing's corporate culture by setting clear expectations and embedding these values in key performance indicators, goals, and decision-making processes, while the Supervisory Board ensures alignment through oversight and feedback. Key aspects, such as employee engagement, adherence to values, and ethical behaviour, are reviewed regularly by the Management and Supervisory Boards either annually or as part of ongoing compliance and governance meetings.

To reinforce its corporate culture, Westwing tracks KPIs and provides tools and incentives, such as recognition initiatives, leadership development opportunities, and employee surveys. These mechanisms not only encourage the alignment of employees with the company's values but also provide regular feedback to help Westwing adjust its corporate culture as needed.

POLICY OVERVIEW

Third-party trust in the integrity of our company is a significant prerequisite for our success. In support of its corporate culture, Westwing has established the following Codes of Conduct and policies which outline expected behaviour in business conduct, compliance, anti-corruption, human rights, and more, forming an important part of Westwing's governance strategy to address the main material risk of reputational damage and regulatory penalties arising from ethical and business conduct failures.

- **Codes of Conduct (Westwing Code of Conduct, Private Label Suppliers Code of Conduct, Business Partner Code of Conduct):** Provide guidance on legally correct, ethical, and socially responsible behaviour. They address issues such as corruption and bribery and compliance with laws and regulations.

- **Anti-Corruption Policy:** Aligns with several principles of the United Nations Convention against Corruption (UNCAC), setting standards for acceptable conduct to comply with relevant laws. It provides managers and employees with guidance on avoiding improper payments, gifts, invitations, and inducements, supported by internal controls and a whistleblower mechanism.

- **Sustainability Policy:** Links ESG considerations directly to business decisions, guiding the company in managing its environmental and social impacts and embedding sustainability in everyday business conduct.

- **Human Rights Policy:** Aims to reinforce ethical business practices and respect for human rights across Westwing's value chain. It underpins responsible business conduct, setting out expectations for non-discrimination, fair labour, and stakeholder engagement.

These policies and the Westwing Code of Conduct apply across all Westwing entities and there are no exclusions in terms of geographies. It is expected that our suppliers and business partners who maintain business relations with Westwing also adhere to similar principles as the ones set out in these policies. The Private Label Suppliers code of conduct applies to all Private label suppliers across our value chain. The Business partner code of conduct applies to any company, organisation, entity or person that sells or seeks to sell any kind of product or service to Westwing or any individual or organisation that works or transacts with Westwing, including consultants, agents, business associates, contractors, service providers, who work for and on behalf of, or otherwise transact with, Westwing (this excludes our Private Label Suppliers who are covered by our Private Label Supplier Code of Conduct).

Westwing's monitoring is centred on regular audits of private-label suppliers, which help assess compliance with the respective Code of Conduct. For all other policies and codes of conduct, any concerns related to policy adherence may be reviewed if reported, but there is no formal tracking of adherence across all policies. Westwing aims to adhere to international standards such as the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises. These standards guide the implementation of the company's policies, particularly in areas related to human rights, labour, environment, and anti-corruption.

The Management Board is the most senior level accountable for the implementation of Westwing's policies and Code of Conduct. This board is directly responsible for embedding the policy's commitments into Westwing's operations and ensuring their effective execution throughout the organisation. The Corporate Sustainability team, along with other company experts, leads day-to-day implementation of sustainability-related policies while responsibility for the remainder of the policies, depending on their content, lies with other Westwing departments. Benchmarking against industry best practices, input from Westwing's internal experts, assessment of applicable regulations and the Sustainability Steering Committee informed the policies' development.

The development and implementation of policies consider the interests of a broad group of stakeholders including employees, customers, suppliers, and local communities. The views of stakeholders are also considered during the double materiality analysis. After review, policies are signed off by the Management Board, which aims to ensure their alignment with Westwing's vision and strategy. Policies and Codes of Conduct are accessible to internal stakeholders through Westwing's intranet, Policy Manager and to all stakeholders through Westwing's corporate website. Additionally, Codes of Conduct can also be referenced through contractual agreements or presented in in-person meetings and onboarding sessions.

MECHANISMS FOR IDENTIFYING, REPORTING, AND INVESTIGATING UNLAWFUL BEHAVIOUR

Westwing has developed secure and confidential reporting mechanisms for identifying, reporting, and investigating concerns related to unlawful behaviour or violations of our Code of Conduct. The whistleblower tool allows internal and external stakeholders such as employees and third parties to submit tip-offs about potential unlawful activity at the Company with the option for anonymous reporting. This complies in particular with the recommendation and suggestion contained in section A.4 of the 2022 version of the German Corporate Governance Code, and with the Whistleblower Directive and its implementation in national law. The whistleblower tool is publicly available through our corporate website.

The reporting process includes multiple accessible channels such as online forms, and/or in-person reporting. These reports are handled by members of the Legal, Governance and Risk Management, Compliance, and P&C teams. An initial assessment is conducted to determine the severity and potential impact of the reported issue. Serious concerns, such as allegations of corruption or fraud, are escalated to senior management or external legal counsel for further investigation. The system aims to ensure traceability and transparency throughout the investigation, with regular updates provided to the whistleblower when possible. To safeguard against retaliation, Westwing prioritises maintaining the confidentiality of whistleblowers' identities and ensures that all reporting channels remain secure. Any allegations of retaliation are promptly investigated, and whistleblowers are protected from penalties for raising concerns.

Currently, staff responsible for managing whistleblower reports have only basic training and do not receive comprehensive instruction., but Westwing plans to introduce such training in the upcoming reporting year to enhance the effectiveness of the framework. Westwing's team members receive information on the whistleblower tool as part of the onboarding process but also when completing the policy-related trainings through the Policy Manager.

INVESTIGATION PROCEDURES

Beyond the procedures to follow-up on reports by whistleblowers, Westwing has procedures for investigating any business conduct incidents, such as bribery, fraud, discrimination, or workplace violence. Investigations are aimed to be conducted promptly, independently, and without bias, involving external legal advisors where necessary, with investigators separate from the management chain involved in the matter.

The investigation process begins with an initial fact-finding phase where the reported incident is assessed for credibility and scope. This phase involves interviews with involved parties, reviews of documentation, and, where applicable, examination of financial records. The Legal team leads the process, aiming to ensure that all findings are documented and aligned with legal standards. If the investigation confirms a breach of business conduct, corrective actions are taken, which may include disciplinary actions, policy revisions, or legal steps. Any employees requiring support can consult their supervisors and the legal team.

TRAINING

Westwing uses the Policy Manager that makes compliance rules and corporate governance practices available to employees at Westwing Germany at all times, in addition to their ability to access these via the Company's intranet. The tool is also used for online training and final compliance testing. All office-based employees and the members of the Management Board are required to read all relevant policies and the Code of Conduct and complete a quiz through the Policy Manager to confirm their understanding of the policy. Manual labour employees receive live training sessions periodically and are provided with printed copies of the relevant policies. When there is a change in either of these documents, they are required to re-read and comply.

The Legal department, which is also responsible for content-related compliance topics, monitors implementation of the final tests. The VP Legal reports on the compliance ratios to the Management Board, as well as submitting quarterly reports to the Supervisory Board's Audit Committee. To enhance awareness and reinforce adherence to Westwing's business conduct principles, a compliance awareness campaign was conducted, featuring a dedicated week of activities designed to increase employee engagement and completion rates for online Code of Conduct training.

Westwing considers all functions in the company to be at risk in respect of corruption and bribery, hence all functions receive relevant training.

MDR-A – Actions and resources in relation to material sustainability matters

Westwing does not have specific targets on business conduct because its approach prioritises continuous compliance, governance oversight, and embedding ethical standards into daily operations. Westwing has implemented the following actions related to business conduct and corporate culture to strengthen ethical standards and responsible business practices. The implementation of Westwing's action plan did not require significant OpEx or CapEx.

Action and Description	Expected outcome	Progress in 2024	Time Horizon	Scope	Related target	Impact, risk and/or opportunity addressed
Conducting compliance awareness campaign	Increasing employee awareness on Westwing´s business conduct	A week with diverse activities was implemented to increase awareness and motivate employees to complete online CoC training.	Started in 2024 and planned to be implemented annually.	Own operations: HQ employees	–	Risk
Communicate and sharpen our Employer Value Proposition (EVP)	Promoting corporate culture	Integrated EVP into the hiring process and scorecards. Conducted a review in 2024 to assess its current relevance and explore opportunities for deeper integration into HR processes.	Ongoing	Own operations: All office employees	–	Risk

5. REPORT ON POST-BALANCE SHEET DATE EVENTS

ECP 2022 was extended by up to one year. Please refer to section 19 of the notes. There were no further events.

6. REPORT ON OPPORTUNITIES AND RISKS

Westwing's philosophy is to generate profitable growth and create shareholder value while managing risks and opportunities in a due and proper manner. It considers risk management to be an integral way of creating transparency about risks and opportunities, and hence of improving decision-making processes. The Company promotes a risk-conscious corporate culture in all its departments. Westwing carefully weighs the risks and opportunities associated with the Company´s decisions and business activities from a well-informed perspective. This includes consciously accepting calculated risks that match the Company's risk appetite and mitigating those that do not.

6.1 Risk Management System

Westwing Group SE's Management Board has overall responsibility for the appropriateness and effectiveness of the risk management system. Risk management is an integral part of how the management achieves the Company's strategic objectives and contributes to long-term business growth.

The Management Board has assigned responsibilities for governance, risk and compliance (GRC) across Westwing, ensuring effective oversight. Risk management is overseen by the Head of Group Accounting, while compliance is managed by the VP Legal. The GRC Manager is responsible for the internal control environment, coordinating internal audit activities and training on GRC processes. The risk owners are the employees in the Company's operating and corporate functions. Their main responsibility with respect to GRC is to continuously report operational risks in their areas to management.

Westwing performs full risk assessments twice a year. End-of-year workshops are held with the operating and corporate functions to gather information on existing and potential risks that have been identified locally and globally. This information is then analysed to determine whether the risks identified still exist and have been assessed correctly. Risk documentation is continuously updated and summarised.

A consolidated risk report is presented to the Management Board twice a year. The Management Board regularly informs the Supervisory Board of Westwing's current risk situation.

6.2 Internal Control System for Financial Reporting

Westwing implemented internal financial reporting controls in previous years as part of its internal control system.

These controls consist of preventive and detective measures in the accounting and operating functions that ensure a consistent process for preparing the financial and sustainability statements and managing operational risks. Mechanisms include identifying and defining processes and risks, introducing layers of approval and the principle of the segregation of duties.

6.3 Risk Methodology

Westwing has a detailed risk manual that ensures a transparent risk identification and assessment process. The manual is reviewed and updated on a regular basis by Westwing's Head of Group Accounting.

Risks that Westwing identifies are quantified based on their likelihood of occurrence and potential impact. Likelihood is assessed for a time horizon of one year as from the assessment date. All risks listed in the risk report are presented on a net basis (i.e. after mitigation measures have been taken).

The likelihood of occurrence refers to the statistical or estimated probability of a risk occurring during the time horizon under review and is expressed in per cent. Likelihoods are defined by selecting a range from the table below:

Likelihood	Assessment
Very high	(75% – 99%)
High	(50% – 74.9%)
Medium	(25% – 49.9%)
Low	(5% – 24.9%)
Very low	(1% – 4.9%)

Westwing uses qualitative and quantitative assessments to evaluate the impact of identified risks. Quantitative assessments are used in those cases in which risks can be easily estimated. Quantitative impacts are measured using revenue, adjusted EBITDA or cash flow as a reference, depending on the nature of the risk. The financial impact of the risk classes has been adjusted following a reassessment; net risks with a financial impact of more than EUR 10m now appear unrealistic. Risks whose financial impact could exceed EUR 10m would be subject to individual assessment. A qualitative assessment is performed in cases in which no quantitative assessment is possible – for example because reputational risk or shareholder trust is involved.

Score	Quantitative assessment (preferred) Financial impact	
Very high	**EUR 7.0 – 10.0m**	A **severely damaging negative effect** on the Company's business activities, financial position, profitability or cash flows
High	**EUR 4.0 – 6.9m**	A **substantial negative effect** on the Company's business activities, financial position, profitability or cash flows
Medium	**EUR 1.0 – 3.9m**	A **certain negative effect** on the Company's business activities, financial position, profitability or cash flows
Low	**EUR 0.3 – 0.9m**	A **limited negative effect** on the Company's business activities, financial position, profitability or cash flows
Very low	**EUR 0.1 – 0.29m**	An **insignificant negative effect** on the Company's business activities, financial position, profitability or cash flows

All risks are evaluated before and after applying mitigation measures, i.e. gross and net. In addition, an aggregated risk assessment is performed to evaluate the combined impact of the full risk register for the most important risks. The final risk rating is determined as a combination of the estimated likelihood and the impact, and ranges from "low" to "extreme". All identified risks are classified and visualised using the following risk matrix:

Likelihood	Very low (1% – 4.9%)	Low (5% – 24.9%)	Medium (25% – 49.9%)	High (50% – 74.9%)	Very high (75% – 99%)
Impact					
Very high (EUR 7.0 – 10.0m)	MODERATE	HIGH	HIGH	VERY HIGH	EXTREME
High (EUR 4.0 – 6.9m)	LOW	MODERATE	HIGH	VERY HIGH	VERY HIGH
Medium (EUR 1.0 – 3.9m)	LOW	MODERATE	MODERATE	HIGH	HIGH
Low (EUR 0.3 – 0.9m)	LOW	LOW	MODERATE	MODERATE	HIGH
Very low (EUR 0.1 – 0.29m)	LOW	LOW	LOW	LOW	MODERATE

This risk matrix allows comparisons to be made between relative risk priorities and enhances transparency on Westwing's total risk exposure. In addition, the risk categories – which range from "low" to "extreme" – are used to determine the detailed risk information that needs to be provided to the Management Board and Supervisory Board. Any risks that could impact the Company's ability to continue as a going concern are reported immediately they are identified.

Westwing has defined the following risk categories within the Company:

- strategic risks
- financial risks
- capital market risks
- operational risks
- IT risks
- regulatory and compliance risks

6.4 Significant Characteristics of the Internal Control and Risk Management System[14]

The Group´s internal control system (ICS) and risk management system (RMS) cover the management of risks and opportunities relating to achieving business goals, the correctness and reliability of internal and external accounting, and compliance with the laws and regulations relevant to the Westwing Group. Sustainability aspects are also covered and are updated continuously on the basis of the regulatory requirements.

Westwing's ICS and RMS are based on the globally accepted COSO framework (Committee of Sponsoring Organizations of the Treadway Commission). This framework defines the elements of a control system and sets the standard for assessing the adequacy and effectiveness of the ICS and RMS.

Overall responsibility for the ICS and RMS lies with the Management Board. The GRC Manager is responsible for coordinating and integrating the ICS processes and supports the Management Board in designing, implementing, monitoring and reporting on ICS activities. Similarly, the Head of Group Accounting oversees the RMS processes, supporting the Management Board in ensuring adequate and effective risk management processes. Additional information on the risk management system is provided in section 6.1.

Nevertheless, there are inherent limitations to the effectiveness of any risk management and control system. No system – even if it is deemed to be adequate and effective – can guarantee that all risks will be identified in advance or that process violations or misstatements will be prevented or detected in all circumstances.

The Audit Committee established by Westwing Group SE's Supervisory Board also forms part of the Group's control system. It oversees the effectiveness of the ICS, the RMS and the Internal Audit function. The Audit Committee is provided with two separate reports: the ICS report submitted by the GRC Manager and the RMS report submitted by the Head of Group Accounting. These reports ensure that the Audit Committee is fully informed about the effectiveness of the ICS and RMS.

14 The disclosures in this section are not part of the management report and have not been audited by PWC.

6.5 Risk Report

There were no significant structural changes year-over-year in the Group's assessment of the likelihood of occurrence and potential financial impact of the company's risks and opportunities. Based on the current assessment, no risks have been identified that could threaten the Westwing Group's status as a going concern.

The report below summarizes and presents the key risks for Westwing, based on the most recent risk management assessments. All risks are presented on a net basis, i.e., after the application of all mitigation measures. Currently, no risks are assessed as "extreme." This assessment applies to both the DACH (Germany, Austria, and Switzerland) and International segments.

STRATEGIC RISKS

External Geopolitical Risks (2024: High; 2023: Very High)

The escalation of global geopolitical uncertainty continues to pose significant risks to Westwing's operations. The primary sources of these uncertainties include:

Russia-Ukraine War: Ongoing since 2022, the conflict has created persistent instability in Eastern Europe. As Westwing operates its main warehouses in Poland and relies on several suppliers within Eastern Europe, any potential escalation of the conflict into neighboring countries could significantly disrupt logistics, supply chains, and overall business continuity.

China-Taiwan Tensions: Heightened tensions between China and Taiwan pose material risks to Westwing's supply chain operations. Given that a substantial portion of Westwing's sourcing activities is based in Asia, any escalation into an active conflict could result in severe supply chain disruptions, leading to potential inventory shortages and revenue impacts.

Israel-Hamas Conflict: The conflict in the Middle East has the potential to escalate further, posing risks such as increased energy prices due to regional instability and potential disruptions to critical maritime freight routes, particularly through the Red Sea. These factors could adversely affect shipping costs and delivery timelines.

Westwing has conducted a comprehensive reassessment of geopolitical risks compared to the previous reporting period. The current evaluation indicates a slightly lower probability of these conflicts expanding further. Consequently, the overall risk rating has been adjusted from Very High to High.

Westwing's management team, in close collaboration with the Group's Risk Manager, continuously monitors the evolving global political landscape. This includes regular analysis of geopolitical developments in affected regions, assessment of potential impacts on supply chains, operational continuity, and financial performance as well as the implementation of proactive risk mitigation strategies, including supplier diversification, inventory buffer management, and contingency planning.

This vigilant monitoring framework enables Westwing to respond swiftly and effectively to emerging risks, ensuring the resilience and stability of the Company's operations in the face of global uncertainties.

Weaker Consumer Sentiment in Home & Living (2024: High; 2023: High)

Weak overall consumer sentiment continued to negatively impact spending on Home & Living throughout 2024. Although there are early signs of a gradual economic rebound in several European countries, economic conditions in Westwing's key markets remain mixed. As a result, Westwing maintains a cautious outlook for consumer sentiment in 2025.

The European Commission projects modest GDP growth ranging between 0.3 and 0.8 percentage points for Germany, the Netherlands, Poland, and Italy. While inflation rates are expected to decline, the recovery in consumer demand remains fragile and uneven across these markets, reflecting ongoing economic uncertainties and subdued purchasing power.

Westwing's Management Board actively addresses these economic risks through continuous monitoring of key macroeconomic indicators, implementation of efficiency measures to enhance the Group's competitiveness, as well as strategic marketing investments to strengthen market presence, offsetting the effects of subdued consumer spending.

Brand and Reputation Risk (2024: High; 2023: Moderate)

As a premium design brand with a strong and growing private label business, the Westwing Collection, the company's reputation is a vital intangible asset. Potential risks to Westwing's brand image and customer perception may arise from quality issues, negative publicity, associations with unethical business practices, or involvement in socially or environmentally controversial activities. Any damage to the brand's reputation could weaken Westwing's competitive position in the premium market segment, resulting in adverse impacts on sales, profit margins, and overall business performance.

This risk has increased following Westwing's strategic rebranding and repositioning initiatives in 2023 and 2024, which placed a clear focus on the premium market segment. These changes were accompanied by significant investments in brand awareness and brand perception, amplifying the importance of maintaining a strong, positive brand image. Consequently, the overall risk rating has been adjusted from Moderate to High.

Westwing's management proactively addresses brand and reputation risks through various measures. These include implementation of stringent quality control measures to maintain high product standards, adoption of comprehensive policies to ensure ethical operations across all business activities, initiatives designed to promote sustainability, social responsibility, and environmental stewardship as well as active monitoring and management of Westwing's online presence to swiftly address potential reputational threats. In addition, the company provides training for employees aimed at raising awareness of brand-related risks.

6.6 High Impact, Low Probability Risks

Warehouse Incidents

Westwing's centralisation strategy resulted in the consolidation of all warehouse operations at its main logistics centre in Poznań, Poland, in 2024. This has led to an increased cluster risk, as both the permanent and non-permanent assortments are now stored at a single location. Consequently, there is a greater potential for material inventory and financial loss in the event of incidents such as fires or other disruptions that cause warehouse downtime.

Westwing mitigates this risk through comprehensive insurance coverage, targeted investments to enhance warehouse safety measures, and continuous improvements to operational processes. Additionally, the Company leverages drop shipment models, enabling direct deliveries from suppliers to customers, which helps reduce dependency on centralised inventory.

6.7 Changes in the Risk Situation

Overall, Westwing reduced its risk exposure in 2024 through the implementation of additional mitigation measures and the enhancement of existing Group-wide processes.

The table below provides an overview of year-over-year changes in key risks, highlighting areas where risk assessments have shifted compared to the 2023 Annual Report. Reductions in key risks are primarily attributed to the transition to a new, predominantly software-as-a-service (SaaS)-based technology platform and the strategic focus on permanent assortment sales, which has decreased reliance on daily themes. Furthermore, the introduction of more effective mitigation strategies has contributed to a reduction in the total number of identified risks.

Risk	2024	2023
OPERATIONAL RISKS		
Execution of technology changes	Moderate	High
Acquisition of Brands for Club Sales (Daily Themes)	Moderate	High
Cyber risk - IT system and security standards	Moderate	High
Cyber risk - Central monitoring & Incident response	Moderate	High
STRATEGIC RISKS		
External political influences	High	Very High
Brand and reputation risk	High	Moderate

Overall Risk Assessment by the Management Board

The Management Board confirms that no risks existed in 2024 that could threaten the Company's status as a going concern. At present, the Board does not identify any individual risks or clusters of risks that pose a threat to the Company's continued existence as a going concern in 2025. Management remains confident that all necessary precautions have been taken to address existing risks and to mitigate their potential impact effectively.

6.8 Report on Opportunities

While Westwing faces various risks, it also benefits from numerous opportunities with significant growth and profitability potential. Opportunities are defined as positive deviations from planned expectations, offering the prospect of enhanced performance. Westwing continuously seeks new business opportunities and innovative ways to improve customer satisfaction. The following summary highlights the most significant opportunities identified by the Company, with the list expanded in 2023 to include the integration of artificial intelligence (AI).

Brand Awareness and New Customer Segments

Management views Westwing's strong premium brand, positive brand perception, and high brand awareness as critical drivers of long-term success. Unlike industries such as fashion, where supplier brands dominate, retailer brands are pivotal in Home & Living. Westwing positions itself as a premium brand that embodies quality, style, and inspiration, fostering customer trust, confidence, and loyalty.

This brand positioning is supported through organic marketing strategies, including a strong social media presence, high-quality content creation, and targeted marketing initiatives. In 2023, Westwing unveiled a new corporate identity and has since launched multiple brand awareness campaigns. Additionally, the Company executed several high-profile VIP campaigns and collaborations to reinforce its position as a leading design brand.

Westwing is confident that its strong brand, combined with enhanced visibility, will attract new customer segments, driving sustainable growth.

Country Expansion and New Sales Channels

In 2024, Westwing expanded its Shop business to Portugal, marking its first international expansion in several years and unlocking new revenue opportunities. The Company plans to continue its geographic growth into additional Central European markets in 2025, further supporting business growth.

Additional growth opportunities may arise from Westwing's increasing offline presence. Following the opening of its first permanent store on Hamburg's prestigious Jungfernstieg boulevard in 2022, the Company launched its first store-in-store concept in Stuttgart in 2024. Expansion into other major German cities, including Munich and Berlin, is planned for 2025. These stores provide unique customer experiences, expert advice, and curated selections of the Westwing Collection and partner brands, effectively bridging the gap between the digital and physical retail environments.

Furthermore, Westwing is exploring growth potential through business-to-business (B2B) sales and strategic partnerships with other retailers.

Westwing Collection

In recent years, Westwing substantially expanded its Westwing Collection, with the share of our product offering reaching an all-time high of 55% of Group GMV in 2024. These internally designed products enable us to present a curated and well-rounded assortment on our website that perfectly matches both our premium brand and our customers' tastes. Together with the higher margins that it offers, the Westwing Collection also serves as a competitive advantage. We are planning to substantially expand our Westwing Collection once again in 2025.

Improved Negotiating Position with Suppliers

The current environment of weakened consumer demand has led to reduced order volumes for many factories globally. This situation strengthens Westwing's negotiating position with suppliers, particularly for its rapidly growing Westwing Collection. Additionally, as Westwing's sales volume increases, the purchasing team can secure better pricing, especially for proprietary products.

Use of Artificial Intelligence (AI) and Automation

The integration of AI is transforming industries across the board. AI-driven tools can generate high-quality visuals and content, optimize product management, and enhance decision-making processes. These innovations lead to cost savings and operational efficiencies, as tasks can be performed more quickly, with greater accuracy, and often with fewer resources.

Westwing actively reviews its business processes to identify automation opportunities that enhance efficiency, accelerate operations, and reduce costs. The adoption of AI technologies is expected to play a significant role in driving productivity and supporting sustainable growth in the coming years.

7. OUTLOOK

7.1 Future Macroeconomic and Sector-specific Environment

The global economy remained under pressure in 2024, and the outlook for 2025 does not imply a rapid recovery. Geopolitical crises such as the ongoing war in Ukraine are likely to continue destabilising key global markets.[15]

On a positive note, inflation rates, which peaked at their highest levels in a decade over the past two years, are expected to ease further in 2025. Similarly, the currently stringent monetary policies implemented by central banks globally are anticipated to become less restrictive in 2025.[16]

According to the IMF, global headline inflation is projected to decline to 4.2% in 2025 and further to 3.5% in 2026 (2024: 5.7%). Inflation in advanced economies is expected to moderate even further, reaching 2.1% in 2025.[17]

Global growth is projected to be 3.3% in both 2025 and 2026, below the historical average for the last two decades of 3.7%.[18] Eurozone growth is expected to remain weak, with overall GDP growth expected to be only 1.0% in 2025. Germany, Westwing's largest market, continues to face a slow recovery, with the IMF forecasting annual GDP growth of only 0.3% for 2025 (2024: –0.2%).[19]

15 International Monetary Fund: World Economic Outlook Update, January 2025; pp.2 and 7.
16 International Monetary Fund: World Economic Outlook Update, January 2025; p.4.
17 International Monetary Fund: World Economic Outlook Update, January 2025; pp.2 and 9.
18 International Monetary Fund: World Economic Outlook Update, January 2025; p.2.
19 International Monetary Fund: World Economic Outlook Update, January 2025; p.9.

7.2 Future Development of the Westwing Group

Westwing's business development forecast for the coming year is based on the assumptions described in the Company's Report on Economic Position, the Risk Report and the Report on Opportunities and Risks.

Westwing's outlook reflects the limited predictability of consumer demand given the high macro-economic uncertainties. Independent from this, Westwing remains confident in the structural progress of its business model based on its three-step transformation plan to unlock Westwing's full value potential.

For 2025, Westwing plans to complete the second phase of its three-step plan by finalising the transition of remaining legacy systems to its predominantly SaaS-based technology platform and further optimising business processes following the complexity reductions implemented in 2024. At the same time Westwing will start to work on the last phase of its three-step plan. While cost consciousness, continued efficiency gains, increase of the Westwing Collection share, and the strengthening of the premium brand positioning will remain central, the Company will introduce new growth levers. These include expansion into additional European markets and the opening of new physical stores.

Westwing is forecasting total revenue for 2025 of between EUR 425m and EUR 455m, with growth of −4% to +2% and an Adjusted EBITDA of between EUR 25m and EUR 35m. The Adjusted EBITDA margin will be in the range of 6% to 8%.

This forecast has been prepared amid ongoing uncertainty surrounding consumer sentiment, inflation, and geopolitical developments. It assumes no further deterioration compared to 2024. The forecast also assumes that the switch to a higher-quality and largely global product range will continue to have a negative impact on sales growth in 2025.

8. SUPPLEMENTARY MANAGEMENT REPORT FOR WESTWING GROUP SE (IN ACCORDANCE WITH THE HGB)

Westwing Group SE's annual financial statements were prepared in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch – HGB). Westwing Group SE is the parent company of the Westwing Group and acts as the holding company for the Group's various operating entities. It does not generate revenue with third parties itself; rather, its income comes from providing internal Group services that are reported as revenue. Key performance indicators for Westwing Group SE are revenue and operating result, which is defined as earnings before the financial result, depreciation, amortisation and taxes.

8.1 Westwing Group SE's Financial Performance

EURm	2024	2023
Revenue	**99.6**	**86.2**
Own work capitalised	6.3	3.7
Other operating income	0.6	0.7
Gross profit	**106.5**	**90.6**
Cost of materials	−49.4	−35.3
Personnel expenses	−27.1	−28.6
Depreciation, amortisation and write-downs of tangible fixed assets and intangible assets	−10.6	−7.9
Other operating expenses	−26.3	−73.2
Operating result	**−7.0**	**−54.3**
Income from loans held as financial assets	2.2	2.6
Interest and similar income	1.2	1.0
Write-downs on long-term financial assets	–	−79.4
Write-ups of long-term financial assets	–	68.4
Income (expenses) from profit transfer (loss transfer)	−0.5	0.7
Interest and similar expenses	−0.1	−0.1
Financial result	**2.8**	**−6.8**
Taxes on income	0.3	−0.2
Result after tax	**−3.9**	**−61.3**

Revenue at Westwing Group SE increased from EUR 86.2m in 2023 to EUR 99.6m in 2024, a year-over-year revenue growth rate of 15.5%. This was mainly due to an increase in marketing services being provided by Westwing Group SE.

Own work capitalised increased by 70.3% to EUR 6.3m (2023: EUR 3.7m). This development was driven by the migration from a proprietary technology ecosystem to a SaaS-based platform. Other operating income decreased slightly in 2024 to EUR 0.6m (2023: EUR 0.7m).

Personnel expenses declined by EUR 1.4m, primarily because of the smaller number of employees. Share-based payment expenses fell to EUR 0.3m (2023: EUR 0.8m) due to the changes in personnel and the lower share price.

The cost of materials, which comprises the cost of purchased services only, was EUR 49.4m (2023: EUR 35.3m). This year-over-year increase was driven by the higher marketing spend caused by the Group's continued investments in this area.

The increase in depreciation and amortisation to EUR 10.6m in 2024 from EUR 7.9m in 2023 is mainly due to the reduction in the useful life of intangible assets in connection with Westwing's revised technology strategy.

Other operating expenses declined by EUR 46.9m to EUR 26.3m in 2024 (2023: EUR 73.2m). This year-over-year decrease is mainly due to a capital increase of EUR 44.2m at a subsidiary in 2023. A write-up on loans of nearly the same amount was recognised in this context, meaning that the figure was not included when determining the 2023 operating result for management purposes.

All in all, an operating profit of EUR 3.6m before financial result, depreciation, amortisation and taxes was reported in 2024 (2023: adjusted operating loss of EUR −2.3m).

The financial result of EUR 2.8m (2023: EUR −6.8m) primarily consists of income from loans held as financial assets of EUR 2.2m (2023: EUR 2.6m), interest and similar income of EUR 1.2m (2023: EUR 1.0m) and expenses from loss transfer of EUR −0.5m (2023: income from profit transfer of EUR 0.7m). In addition, the prior-year financial result was impacted by impairments on long-term financial assets of EUR 79.4m, of which EUR 57.6m was driven by impairment losses due to the centralisation of several business functions. These were partly offset by a write-up of loans to affiliates of EUR 68.4m.

8.2 Changes in Westwing Group SE's Financial Position

Westwing Group SE had cash and cash equivalents of EUR 28.3m as at 31 December 2024 (31 December 2023: EUR 3.1m). This does not include a fixed-term deposit with a notice period of three months in the amount of EUR 10.0m.

The changes in the cash and cash equivalents item were as follows:

In 2024, the Company financed operations at its subsidiaries by extending loans of EUR 34.2m (2023: EUR 10.8m). These loans are deemed to be long-term from an economic perspective but are short-term for legal purposes.

In 2024, subsidiaries of Westwing Group SE repaid loans and interest granted to them in the amount of EUR 72.2m (2023: EUR 50.5m).

Investments in tangible and intangible assets amounted to EUR 6.9m in the 2024 financial year (2023: EUR 4.0m).

Cash outflows of EUR 10.8m related to the purchase of treasury shares in 2024.

Cash inflows from interest on cash investments amounted to EUR 1.2m.

Westwing Group SE ensured that sufficient liquid funds were available at all times to conduct business activities at the Company and in the Group. Westwing Group SE has issued a letter of comfort to its subsidiary Westwing GmbH and all other direct affiliates, in which it assumes liability for obligations arising up to 31 December 2026. Westwing Group SE has always met its payment obligations.

8.3 Net Assets of Westwing Group SE

EURm	31 Dec. 2024	31 Dec. 2023
Assets		
Non-current assets		
Intangible assets	16.0	19.2
Tangible fixed assets	1.5	2.0
Long-term financial assets	62.9	98.7
Total non-current assets	**80.5**	**119.9**
Current assets		
Receivables and other assets	48.7	47.1
Cash and cash equivalents	28.3	3.1
Total current assets	**77.0**	**50.2**
Prepaid expenses	1.5	1.3
Total assets	**158.9**	**171.5**
Equity and liabilities		
Equity		
Share capital	20.9	20.9
Treasury shares	– 2.1	– 0.8
Issued capital	**18.8**	**20.1**
Capital reserves	335.9	345.1
Accumulated losses	– 221.4	– 217.5
Total equity	**133.3**	**147.7**
Liabilities		
Provisions	14.2	11.8
Trade payables and other liabilities	11.3	11.9
Deferred income	0.1	0.1
Total equity and liabilities	**158.9**	**171.5**

Total assets as at 31 December 2024 amounted to EUR 158.9m, a decrease of EUR 12.6m compared to the previous year (31 December 2023: EUR 171.5m). This change was mainly driven by lower long-term financial assets, which were partially offset by increased cash and cash equivalents.

Intangible assets consisted of both purchased and internally developed software in 2024. The net carrying amount decreased by EUR 3.2m to EUR 16.0m (31 December 2023: EUR 19.2m). This was due to the fact that capitalised software development expenses of EUR 6.5m were more than offset by amortisation of EUR 9.7m. Tangible fixed assets decreased to EUR 1.5m (31 December 2023: EUR 2.0m), mainly because of depreciation.

Investments in subsidiaries were stable at EUR 13.0m in 2024 (31 December 2023: EUR 13.0m).

Loans extended to subsidiaries that are reported under long-term financial assets decreased by EUR 35.8m to EUR 49.9m (31 December 2023: EUR 85.7m). This was mainly due to repayments of loan and interest receivables totalling EUR 72.2m, which were partly offset by new loans and interest receivables to affiliates of EUR 34.2m.

Current assets amounted to EUR 77.0m as at the end of 2024 (31 December 2023: EUR 50.2m). Receivables from affiliated companies included in trade and other receivables increased to EUR 37.1m (31 December 2023: EUR 36.6m). Cash and cash equivalents were EUR 25.2m higher than in the previous year, at EUR 28.3m (31 December 2023: EUR 3.1m).

The Company's equity as at the balance sheet date fell by EUR 14.4m in 2024, from EUR 147.7m in December 2023 to EUR 133.3m in December 2024. This was mainly driven by the share buy-back programmes implemented during the year and by the loss after tax.

The equity ratio decreased slightly from 86.1% as at 31 December 2023 to 83.9% as at 31 December 2024.

Provisions increased from EUR 11.8m in December 2023 to EUR 14.2m in December 2024, primarily due to additional services provided by affiliates.

Liabilities decreased from EUR 11.9m as at the end of 2023 to EUR 11.3m as at 31 December 2024

8.4 Westwing Group SE Employees

Westwing Group SE employed 282 people including interns, temporary staff and management personnel as at the end of December 2024 (2023: 322). A total of 167 people worked in administration/IT and 115 in marketing. A total of 64.5% of Westwing Group SE's employees were female as at the end of 2024, nearly on a par with the figure for the Group as a whole.

Please see the Corporate Governance Statement for information on the percentage of, and targets for, the proportion of women on the Management Board and the Supervisory Board, and for the Company's diversity disclosures.

8.5 Risks and Opportunities Facing Westwing Group SE

The risks and opportunities facing Westwing Group SE are largely the same as for the Group as a whole. For further information, please refer to the Report on Opportunities and Risks in section 6 of this Combined Management Report. Additional risks exist in relation to the potential need to write down loans to affiliates, or to provide them with liquidity, depending on their business performance. The risk is considered low based on the situation of the subsidiaries.

8.6 Outlook for Westwing Group SE

The economic forecast and expectations for Westwing Group SE's operating business are substantially the same as for the Westwing Group. Please see section 7 of this Combined Management Report for further details.

Westwing Group SE is expecting a slightly higher level of revenue in financial year 2025 compared to the previous year. One reason for this development is the Group's marketing strategy which will lead to more marketing services provided by Westwing Group SE to its affiliates. Additionally, more licences are expected to be charged as a result of the Group's reorganisation of business functions in Central and Eastern European countries and the headquarters. Earnings before the financial result, depreciation, amortisation and taxes are also forecast to improve significantly compared to financial year 2024 with the main drivers being the Group's cost discipline as well as the expected increase in licence income.

Westwing Group SE's revenue increased by 15.5% to EUR 99.6m in 2024. This was above expectations as, due to the Group's higher overall marketing performance, Westwing Group SE provided more services for its subsidiaries than in the previous year. Earnings before the financial result, depreciation, amortisation and taxes increased significantly, rising from adjusted EUR – 2.3m in 2023 to EUR 3.6m in 2024. This trend was reinforced by the cost savings implemented by the Group in all business areas. Consequently, Westwing exceeded the guidance for the year 2024, which was for a moderate improvement only.

As for the whole group, the year 2024 was a challenging but successful year for Westwing Group SE. Westwing made good progress on its three-step plan to unlock the company's full value potential and improved revenue as well as profitability. Despite all current macroeconomic uncertainties Westwing is convinced that it has the necessary operational and financial resources to overcome the challenging market environment and to achieve its ambitious targets in the medium and long term.

9. OTHER DISCLOSURES

9.1 Corporate Governance Statement

The Corporate Governance Statement pursuant to section 289f and section 315d of the German Commercial Code (Handelsgesetzbuch – HGB), including the Compliance Declaration pursuant to section 161 of the German Stock Corporation Act (Aktiengesetz – AktG), has been made publicly available on the Investor Relations/Corporate Governance section of the Company's website. Past corporate governance statements and compliance declarations can also be found there. The current Corporate Governance Statement including the current Compliance Declaration has also been published in this annual report.

9.2 Disclosures Required under Takeover Law

The Management Board of Westwing Group SE (the "Company") has prepared the following explanatory report on the disclosures in accordance with sections 289a and 315a of the HGB that is required by section 176(1) sentence 1 of the AktG:

COMPOSITION OF SUBSCRIBED CAPITAL (SECTION 289A SENTENCE 1 NO. 1 AND SECTION 315A SENTENCE 1 NO. 1 OF THE HGB):

The share capital was unchanged as at 31 December 2024, at EUR 20,903,968.00. The share capital is composed 20,903,968 no-par value bearer shares with a notional interest in the share capital of EUR 1.00 per share. The share capital is fully paid up. All shares carry the same rights and duties. Each no-par value share entitles the holder to one vote. The right of shareholders to receive share certificates is excluded under Article 5(2) of the Company's Articles of Association.

RESTRICTIONS ON VOTING RIGHTS OR THE TRANSFER OF SHARES (SECTION 289A SENTENCE 1 NO. 2 AND SECTION 315A SENTENCE 1 NO. 1 OF THE HGB):

As of 31 December 2024, the Company held 2,081,461 treasury shares. In accordance with section 71b of the AktG, the Company is not entitled to any rights in respect of its treasury shares.

Otherwise, no basic restrictions on voting rights exist. Westwing Group SE is not aware of any agreements restricting voting rights or the transferability of shares. In addition to the statutory provisions governing insider dealing and the prohibition on trading set out in the Market Abuse Regulation, the Company provides information on "silent periods" – the 30 days before the publication of the financial results for each quarter – and recommends refraining from trading during these periods. The Company has an internal capital markets compliance policy.

DIRECT AND INDIRECT SHAREHOLDINGS EXCEEDING 10% OF THE VOTING RIGHTS (SECTION 289A SENTENCE 1 NO. 3 AND SECTION 315A SENTENCE 1 NO. 3 OF THE HGB):

According to the information made available to the Company, the following interests in the Company's share capital exceeded the threshold of 10% of the voting rights as at 31 December 2024:

- Zerena GmbH, Grünwald, to which the share in the voting rights held by Rocket Internet SE, Berlin (28.9% of the share capital) is attributed in accordance with section 34 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG).

SHARES WITH SPECIAL RIGHTS CONVEYING POWERS OF CONTROL (SECTION 289A SENTENCE 1 NO. 4 AND SECTION 315A SENTENCE 1 NO. 4 OF THE HGB):

There are no shares with special rights and in particular no shares with special rights conveying powers of control.

CONTROL OF VOTING RIGHTS IF EMPLOYEES ARE SHAREHOLDERS (SECTION 289A SENTENCE 1 NO. 5 AND SECTION 315A SENTENCE 1 OF THE HGB):

Like other shareholders, employees who hold interests in the Company's share capital exercise their voting rights directly themselves, in line with the statutory provisions and the Articles of Association.

STATUTORY REQUIREMENTS AND PROVISIONS OF THE ARTICLES OF ASSOCIATION GOVERNING THE APPOINTMENT AND REMOVAL OF MEMBERS OF THE MANAGEMENT BOARD AND CHANGES TO THE ARTICLES OF ASSOCIATION (SECTION 289A SENTENCE 1 NO. 6 AND SECTION 315A SENTENCE 1 NO. 6 OF THE HGB):

In accordance with Article 7 of the Articles of Association and section 84 of the AktG, the Supervisory Board determines the number of members of the Management Board and is responsible for appointing and dismissing them. The Supervisory Board can appoint a chairman and a deputy chairman. Appointments are made for a maximum term of five years. Reappointments or prolongations of the members' terms of office are possible for a maximum of five years in each case. Appointments may be revoked for good cause in accordance with section 84(4) of the AktG. Otherwise, the statutory provisions shall apply (sections 84 and 85 of the AktG). In accordance with section 179(1) of the AktG, all amendments to the Articles of Association require a resolution by the General Meeting. Article 20(2) of the Articles of Association states that, where no other majority is prescribed by law, amendments to the Article of Associations require a majority of two-thirds of the votes cast or, if at least half of the share capital is represented, a simple majority of the votes cast.

The Supervisory Board is authorised in accordance with section 179(1) sentence 2 of the AktG in conjunction with sections 4(3), (4) and (5) of the Articles of Association to amend the Articles of Association appropriately in the case of amendments made following the utilisation of Authorised Capital 2022/I or of Authorised Capital 2023/I; after expiration of the authorisation period; after the exercise of Conditional Capital 2023; or after expiration of all option and conversion deadlines.

Furthermore, pursuant to the authorisation to buy back treasury shares in the form granted by the Company's Annual General Meeting on 19 June 2024, no further resolution by the Annual General Meeting is needed to modify the number of shares stated in the Company's Articles of Association, provided that the shares are cancelled on the basis of this authorisation using the simplified method without reducing the Company's share capital. For further details, please see agenda item 8 of the invitation to the Company's Annual General Meeting on 19 June 2024; this is also available from the Investor Relations/Annual General Meeting section of the corporate website.

POWERS OF THE MANAGEMENT BOARD, IN PARTICULAR CONCERNING THE ABILITY TO ISSUE OR BUY BACK SHARES (SECTION 289A SENTENCE 1 NO. 7 AND SECTION 315A SENTENCE 1 NO. 7 OF THE HGB):

AUTHORISATION TO ACQUIRE TREASURY SHARES

The Company's Annual General Meeting on 5 August 2021 authorised the Management Board in the period up to the end of 4 August 2026 to acquire treasury shares in the amount of up to 10% of the share capital pursuant to article 5 of the SE-Verordnung (SE Regulation – SE-VO) in conjunction with section 71(1) no. 8 of the AktG (hereinafter referred to as the "2021 Authorisation"). The Company has acquired a total of 566,970 shares on the basis of this 2021 Authorisation, most recently via the 2023/II Share Buyback Programme, which started on 27 November 2023 and ended at the end of 30 April 2024. A total of 136,544 shares in the Company were acquired under the 2023/II Share Buyback Programme in the period up to and including 30 April 2024. Additional details of the 2022, 2023/I and 2023/II Share Buyback Programmes, including weekly transaction reports, can be found on the Investor Relations/Share/Share Buy-back 2022, 2023/I and 2023/II sections of the corporate website.

In financial year 2024, a new authorisation was granted, and the old 2021 Authorisation was rescinded:

The Company's Annual General Meeting on 19 June 2024 authorised the Management Board, with the Supervisory Board's approval, to acquire treasury shares in the amount of up to 10% of the Company's share capital at the time of the authorisation or – should this amount be lower – of the Company's share capital in existence at the time the authorisation is exercised (hereinafter referred to as the "2024 Authorisation"). The authorisation expires as at the end of 18 June 2029 (inclusive). The shares acquired on the basis of this authorisation, together with other treasury shares that are in Westwing Group SE's possession or that must be attributed to it pursuant to sections 71d and 71e of the AktG, may at no time amount to more than 10% of the share capital in existence at that time,

The authorisation can be utilised in whole or in part, on one or more occasions and in pursuit of one or more purposes by the Company, but also by companies that are dependent on or are majority-owned by the Company, or by third parties for the Company's or such companies' account. For further details, please see agenda item 8 of the invitation to the Company's Annual General Meeting on 19 June 2024; this is also available from the Investor Relations/Annual General Meeting section of the corporate website.

The 2024 Authorisation has been partially utilised:

Based on the 2024 Authorisation, Westwing Group SE's Management Board resolved on 8 November 2024, with the approval of the Supervisory Board, to issue a public share buyback offer to the shareholders of Westwing Group SE for a total of up to 1,200,000 shares at a price of EUR 8.25 per share. The public share buyback offer was also extended to US shareholders on the basis of separate offering documents. The total volume of the share buyback offer was up to EUR 9,900,000.00. The acceptance period for the offer began on 12 November 2024 and ended on 10 December 2024. A total of 1,199,866 shares were repurchased under the public share buyback offer, corresponding to approximately 5.74% of all Westwing Group SE shares. For further details, please see the Investor Relations/Share/Share Buy-back 2024 section of the corporate website.

The Company sold and transferred 10,200 treasury shares to (former) employees in the period from 1 January 2024 to 31 December 2024.

AUTHORISATION TO ACQUIRE TREASURY SHARES USING EQUITY DERIVATIVES

In addition, the Management Board was authorised by the General Meeting on 5 August 2021, to acquire, with the Supervisory Board's approval, treasury shares in the amount of up to a total of 5% of the share capital in existence at the time of the resolution in the period up to 4 August 2026, using derivatives (put or call options or a combination of the two). Any shares acquired in this way must also be counted towards the 10% limit on the authorisation to acquire treasury shares. For further details, please see agenda item 10 of the invitation to the Company's Annual General Meeting on 5 August 2021; this is also available from the Investor Relations/Annual General Meeting section of the corporate website. This authorisation was not utilised in fiscal 2024.

AUTHORISED CAPITAL AS AT 31 DECEMBER 2024

AUTHORISED CAPITAL 2022/I

The Management Board has been authorised, with the Supervisory Board's approval, to increase the Company's share capital by up to EUR 2,090,396.00 in the period up to 17 May 2027 (inclusive) by issuing up to 2,090,396 new no-par value bearer shares against cash and/or non-cash contributions on one or more occasions ("Authorised Capital 2022/I"). Shareholders' pre-emptive subscription rights have been disapplied. The details of Authorised Capital 2022/I are set out in Article 4(3) of the Company's Articles of Association.

AUTHORISED CAPITAL 2023/I

The Management Board has also been authorised, with the Supervisory Board's approval, to increase the Company's share capital by up to EUR 4,000,000.00 in the period up to 15 May 2028 (inclusive) by issuing up to 4,000,000 new no-par value bearer shares against cash and/or non-cash contributions on one or more occasions ("Authorised Capital 2023/I").

Shareholders have pre-emptive subscription rights as a matter of principle. Shareholders' pre-emptive subscription rights can be disapplied in certain circumstances and within prescribed limits, with the Supervisory Board's approval. The new shares may also be issued to one or more credit institutions or other companies named in article 5 of the SE VO in conjunction with section 186(5) sentence 1 of the AktG on condition that they offer them directly to shareholders (indirect subscription right) or may also be granted in part by way of a direct subscription right (e.g., to shareholders who are entitled to subscribe for them and who have previously entered into a binding subscription agreement) or otherwise by way of an indirect subscription right in accordance with article 5 of the SE VO in conjunction with section 186(5) of the AktG.

The details of Authorised Capital 2023/I are set out in Article 4(4) of the Articles of Association.

CONDITIONAL CAPITAL

The resolution of the Company's Annual General Meeting on 16 May 2023 created an authorisation to issue bonds with warrants/convertible bonds, profit participation rights, and/or participating bonds or a combination of these instruments, along with an option to disapply pre-emptive subscription rights. Consequently, the Company's share capital has been conditionally increased by up to EUR 2,000,000.00 by issuing up to 2,000,000 no-par value bearer shares ("Conditional Capital 2023").

The Management Board is authorised, with the Supervisory Board's approval, to issue, in the period up to 15 May 2028 (inclusive), bearer or registered bonds with warrants/convertible bonds, profit participation rights, and/or participating bonds (or combinations of these instruments) (hereinafter also collectively referred to as "bonds") with a total nominal amount of up to EUR 50,000,000.00 on one or more occasions and to grant the creditors (hereinafter referred to as the "holders") of the bonds in question, which shall bear equal rights among themselves, options or conversion rights to new bearer shares of the Company with a notional interest in the share capital of up to a total of EUR 2,000,000.00, as set out in greater detail in the terms and conditions for the bonds. The authorisation to issue bonds has not been utilised to date. The details of this Conditional Capital are set out in Article 4(5) of the Company's Articles of Association.

MATERIAL AGREEMENTS BY THE COMPANY THAT TAKE EFFECT IN THE EVENT OF A CHANGE OF CONTROL FOLLOWING A TAKEOVER BID, TOGETHER WITH THE RESULTING EFFECTS (SECTION 289A SENTENCE 1 NO. 8 AND SECTION 315A SENTENCE 1 NO. 8 OF THE HGB):

A EUR 10 million global credit facility entered into in September 2022 between Westwing Group SE and Norddeutsche Landesbank grants Norddeutsche Landesbank a right to terminate the facility if a single shareholder acquires a majority of the voting rights and/or an interest of at least 50% in the share capital.

There are also individual contracts (a SaaS contract with regard to front-end search and recommendation functions, a contract for services relating to the management of stock plans and rental deposit insurance) that can lead to a potential termination option for the contractual partner in the event of a change of control.

In addition, the Management Board contracts of service contain change of control clauses (see below for further details).

COMPENSATION AGREEMENTS ENTERED INTO BETWEEN THE COMPANY AND THE MEMBERS OF THE MANAGEMENT BOARD OR EMPLOYEES IN CASE OF A TAKEOVER BID (SECTION 289A SENTENCE 1 NO. 9 AND SECTION 315A SENTENCE 1 NO. 9 OF THE HGB):

The Management Board contracts of service agreed between Westwing Group SE on the one hand and CEO Dr Andreas Hoerning and CFO Sebastian Westrich on the other grant each of the two men the right to terminate their contract of service in writing within two months of a change of control occurring, giving three months' notice to the end of a calendar month ("special termination right"), and to resign their positions in line with this. Should the special termination right be exercised, the amount of any severance payment shall be limited to a maximum of two fixed annual salaries, but no more than the remuneration for the remaining term of office (severance payment cap).

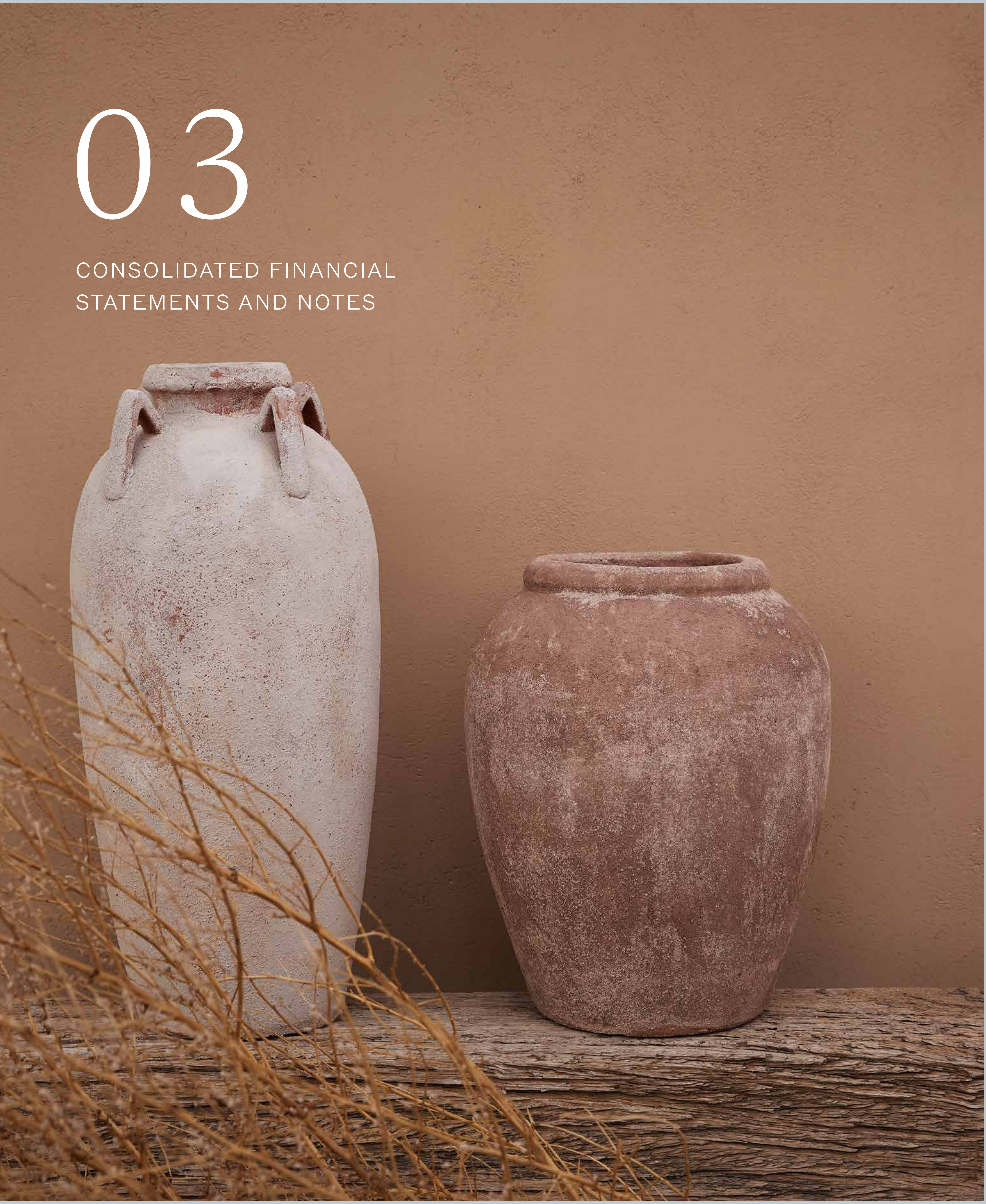
Munich, 26 March 2025

Dr Andreas Hoerning
Chief Executive Officer
Westwing Group SE

Sebastian Westrich
Chief Financial Officer
Westwing Group SE

03

CONSOLIDATED FINANCIAL
STATEMENTS AND NOTES



Consolidated Financial Statements

Notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the period from 1 January to 31 December 2024 and 2023

EURm	Note	2024	2023
Revenue	5	444.3	428.6
Cost of sales		– 218.7	– 215.7
Gross profit		**225.7**	**212.9**
Fulfilment expenses	6	– 85.2	– 90.3
Marketing expenses	6	– 57.1	– 45.6
General and administrative expenses	6	– 84.6	– 85.2
Other operating expenses	8	– 8.9	– 6.2
Other operating income	8	5.4	5.9
Operating profit		**– 4.8**	**– 8.4**
Finance costs	10	– 1.5	– 1.9
Finance income	10	1.7	1.1
Net other finance costs	10	– 0.1	0.1
Net finance costs		**0.1**	**– 0.7**
Profit/loss before tax		**– 4.8**	**– 9.1**
Income tax expense	24	– 0.2	– 3.3
Consolidated profit/loss		**-5.0**	**– 12.4**
Average number of shares in circulation; undiluted (=diluted)	11	19,986,458	20,269,477
Earnings per share (in EUR); undiluted (=diluted)	11	**– 0.25**	**– 0.61**

This profit or loss statement fulfils the requirement of ESRS E 1-6 55.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from 1 January to 31 December 2024 and 2023

EURm	2024	2023
Net profit/loss for the year	−5.0	**−12.4**
Other comprehensive income:		
Items that will be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	0.1	0.2
Other comprehensive income for the year, net of tax	0.1	**0.2**
Total comprehensive income for the year	−4.9	**−12.2**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EURm	Notes	31 Dec. 2024	31 Dec. 2023
Assets			
Non-current assets			
Property, plant and equipment	12	37.9	44.6
Intangible assets	13	16.2	19.3
Trade receivables and other financial assets[1]	14A	2.5	1.6
Non-financial receivables non-current[2]	14B	2.4	–
Deferred tax assets	24	1.1	1.5
Total non-current assets		**60.1**	**67.0**
Current assets			
Inventories[3]	15	47.5	34.9
Prepayments on inventories[3]	15	0.9	0.3
Trade receivables and other financial assets[1]	14A	10.7	12.1
Other assets	16	9.5	7.6
Non-financial receivables current[2]	14B	1.6	–
Cash and cash equivalents	17	68.8	81.5
Total current assets		**139.2**	**136.4**
Total assets		**199.3**	**203.4**

1 This includes non-current trade receivables of EUR 0.0m (2023: EUR 0.0m) and current trade receivables of EUR 2.8m (2023: EUR 5.2m).

2 In the course of the restructuring process Westwing has made long-term sublease agreements mainly in the 2024 financial year to utilize excess office and warehouse space.

3 In the annual report of 2023 inventories of EUR 28.1m and advance payments on inventories of EUR 7.1m were reported. Following the revaluation of supplier contracts, EUR 6.8m of EUR 7.1m are attributable to goods in transit. This has been reclassified for the year 2023. The power of disposal over the reclassified inventories already existed as at 31 December 2023.

EURm	Notes	31 Dec. 2024	31 Dec. 2023
Equity and liabilities			
Equity			
Share capital		20.9	20.9
Capital reserves	18	365.1	364.6
Treasury shares		–16.1	–5.3
Other reserves	18	42.0	42.4
Retained earnings	18	–353.3	–348.3
Foreign exchange reserve		0.8	0.6
Total equity		**59.4**	**75.0**
Non-current liabilities			
Lease liabilities		24.4	25.5
Other non-current financial liabilities	20	5.3	6.0
Provisions	21	2.1	2.1
Deferred tax liabilities		2.2	3.1
Total non-current liabilities		**34.0**	**36.7**
Current liabilities			
Lease liabilities		9.0	11.2
Trade payables and accruals	20	46.0	35.9
Contract liabilities	20	23.3	19.3
Refund liabilities	20	6.9	6.6
Other non-financial liabilities	20	17.0	16.3
Tax liabilities	24	2.4	0.9
Provisions	21	1.2	1.5
Total current liabilities		105.9	91.7
Total liabilities		**139.9**	**128.4**
Total equity and liabilities		**199.3**	**203.4**

STATEMENT OF CHANGES IN EQUITY

EURm	Notes	Share capital	Capital reserves
As at 1 January 2023		**20.9**	**364.5**
Profit/loss for the year		–	–
Other comprehensive income for the year		–	–
Total comprehensive income for the year		**–**	**–**
Purchase of treasury shares	18	–	–
Share-based payments	19	–	0.1
As at 31 December 2023/1 January 2024		**20.9**	**364.6**
Profit/loss for the year		–	–
Other comprehensive income for the year		–	–
Total comprehensive income for the year		**–**	**–**
Purchase of treasury shares	18	–	–
Share-based payments	19	–	0.4
As at 31 December 2024		**20.9**	**365.1**

Treasury shares	Other reserves	Retained earnings	Other comprehensive income (OCI) reserve	**Total equity**
−1.6	**41.7**	**−335.9**	**0.4**	**90.1**
–	–	−12.4	–	**−12.4**
–	–	–	0.2	**0.2**
–	**–**	**−12.4**	**0.2**	**−12.2**
−3.7	–	–	–	**−3.7**
0.0	0.7	–	–	**0.8**
−5.3	**42.4**	**−348.3**	**0.6**	**75.0**
–	–	−5.0	–	**−5.0**
–	–	–	0.1	**0.1**
–	**–**	**−5.0**	**0.1**	**−4.9**
−10.8	–	–	–	**−10.8**
0.1	−0.4	–	–	**0.1**
−16.1	**42.0**	**−353.3**	**0.8**	**59.4**

CONSOLIDATED STATEMENT OF CASH FLOWS

EURm	Notes	2024	2023
Cash flows from operating activities:			
Profit/loss before tax		– 4.8	– 9.1
Adjustments for:			
Depreciation and impairment of property, plant and equipment	12	10.6	13.2
Amortisation and impairment of intangible assets	13	9.8	6.6
Loss on disposal of property, plant and equipment		0.2	1.3
Share–based payment expenses	19	– 0.0	2.3
Financial income	10	– 1.7	– 1.1
Finance costs	10	1.5	1.9
Changes in other assets		– 0.8	– 0.7
Changes in other liabilities		– 0.0	– 0.3
Changes in provisions	21	0.0	0.5
Operating cash flows before changes in working capital		**14.7**	**14.6**
Adjustments for changes in working capital:			
Changes in trade receivables and other financial assets	14	1.4	0.5
Changes in inventories	15	– 13.3	13.7
Changes in trade and other payables		14.0	4.1
Cash flows from operating activities		**16.8**	**32.9**
Tax received		– 0.2	0.5
Net cash flows from operating activities		**16.6**	**33.3**
Investing activities:			
Proceeds from sale of property, plant and equipment		0.2	0.0
Purchase of property, plant and equipment	12	– 3.6	– 1.5
Purchase of and investments in intangible assets	13	– 6.6	– 3.9
Lease deposits		– 0.5	0.5
Interest income		1.7	1.1
Sublease Income Finance Lease[1]		1.4	–
Net cash flows from investing activities		**– 7.5**	**– 3.8**
Financing activities:			
Interest and other finance charges paid		– 1.5	– 1.7
Supplier finance arrangements		–	– 7.8
Payments of lease liabilities		– 9.8	– 10.6
Purchase of treasury shares	18	– 10.8	– 3.7
Contribution of right-of-use assets		0.3	–
Net cash flows from financing activities		**– 21.8**	**– 23.9**
Net change in cash and cash equivalents		**– 12.7**	**5.7**
Effect of exchange rate fluctuations on cash held		0.0	– 0.1
Cash and cash equivalents as at 1 January	17	81.5	76.0
Cash and cash equivalents as at 31 December		**68.8**	**81.5**

1 In the financial year 2024 Westwing received incoming payments from sublease agreements for the utilisation of excess office and warehouse space.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR 2024

1. GENERAL INFORMATION

Westwing Group SE and its subsidiaries (together referred to as "Westwing" or the "Group") are one of the leading e-commerce retailers in the premium European Home & Living sector.

The Supervisory Board approved the publication of Westwing Group SE's consolidated financial statements for the financial year ended 31 December 2024 on 26 March 2025.

The Company was incorporated in 2011 and is headquartered at Moosacher Strasse 88, 80809 Munich, Germany. It is registered at the District Court in Berlin, Germany under the number HRB 239114 B and is listed on the Frankfurt Stock Exchange (Prime Standard). As at 31 December 2024, the Group operated in 12 countries (Germany, Austria, Switzerland, Italy, Spain, Portugal, the Netherlands, France, Poland, Belgium, the Czech Republic and the Slovak Republic). The Group consisted of 20 legal entities, 9 of which are non-operating. Westwing entered the Portuguese market in the 2024 financial year.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation

The consolidated financial statements for the Group have been prepared in accordance with the International Financial Reporting Standards (IFRSs) and the IFRS Interpretations Committee interpretations (IFRICs) applicable as at the reporting date, as adopted by the European Union, plus the provisions of German commercial law required to be applied by section 315e of the German Commercial Code (Handelsgesetzbuch – HGB).

The material accounting policies applied in the preparation of these consolidated financial statements are set out below.

The consolidated financial statements have been prepared in euro and are presented in millions of euros (EURm). The figures in the consolidated financial statements have been rounded up or down to the nearest number. Consequently, the totals given for tables may not exactly match the amounts obtained by adding the individual figures together, and differences may also arise where individual amounts or percentages are added together. With respect to the financial information set out in this report, a dash ("–") signifies that no figure is available, while a zero entry ("0.0") signifies that the relevant figure is available but has been rounded to zero.

The consolidated financial statements have been prepared on a historical cost basis, with the exception of certain financial assets and financial liabilities that are measured at fair value through profit or loss.

The Company has prepared its consolidated statement of profit or loss in accordance with the cost of sales (function of expense) format.

Current and non-current assets and current and non-current liabilities are presented separately on the face of the consolidated statement of financial position. Assets that are used or settled in the normal operating cycle, or that are due to be settled within 12 months after the reporting period are classified as current. Assets not meeting these criteria are classified as non-current.

Liabilities are classified as current where they are expected to be settled in the normal operating cycle or within 12 months, or where there is no unconditional right to defer settlement for at least 12 months. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

The financial year is the calendar year. The consolidated statement of cash flows is based on the actual cash flows for the period.

The preparation of financial statements in accordance with the IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement when applying the Group's accounting policies. Areas involving a higher degree of judgement or complexity, and areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3. No material estimates have been made in relation to environmental, social and governance topics.

2.2 New Standards, Amendments, and Interpretations

The International Accounting Standards Board (IASB) has issued the following standards or amendments to standards, which were relevant for the Group and applied for the first time in the consolidated financial statements for the year ended 31 December 2024.

		Mandatory application date set by the IASB	Adopted by the EU by 31 Dec. 2024
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	1 Jan. 2024	Yes
Amendments to IAS 1	Non-current Liabilities with Covenants	1 Jan. 2024	Yes
Amendments to IFRS 8	Operating Segments	1 Jan. 2024	Yes
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	1 Jan. 2024	Yes
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	1 Jan. 2024	Yes

The application of the new or amended standards in financial year 2024 did not have a material impact on Group accounting, the presentation of the consolidated financial statements or the Group's financial position, financial performance and cash flows. The Group did not early apply standards, interpretations or amendments that have been issued but are not yet effective.

STANDARDS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE

The following new standards or amendments have been issued but are not yet effective:

		Mandatory application date set by the IASB	Adopted by the EU by 31 Dec. 2024
Amendments to IAS 21	Lack of Exchangeability	1. Jan 2025	Yes
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1. Jan 2026	No
Amendments to IAS 7, IFRS 1, IFRS 7, IFRS 9 and IFRS 10	Annual Improvements to IFRS Accounting Standards – Volume 11	1. Jan 2026	No
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1. Jan 2027	No
IFRS 18	Presentation and Disclosure in Financial Statements	1. Jan 2027	No

No new standards or amendments that are not yet effective are expected to have a material impact on the Group. Westwing plans to adopt the new standards as soon as they are required to be applied.

2.3 Consolidation

2.3.1 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of Westwing Group SE and of the entities controlled by it ("subsidiaries"). Consequently, all companies in which the Company holds a controlling interest are included in the financial statements.

As at 31 December 2024, the Company controlled 13 domestic subsidiaries (31 December 2023: 13) and exercised indirect control over six foreign subsidiaries (31 December 2023: seven). One foreign subsidiary was merged with another Group entity in 2024. The composition of and changes to the Group are detailed in Note 28.

The annual financial statements of the Company and its subsidiaries are prepared using uniform accounting standards. Where necessary, the subsidiaries' accounting policies have been changed to align them with the policies applied by the Group. The financial statements of the Company and its subsidiaries cover financial year 2024, which runs from 1 January 2024 to 31 December 2024, and are prepared as at the reporting date of these consolidated financial statements. Intercompany receivables and liabilities, profits and losses, revenues, and income and expenses are eliminated during consolidation.

2.3.2 SUBSIDIARIES

Subsidiaries are those entities over which the Group has control. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the relevant activities of the entity. Subsidiaries are fully consolidated from the date that control is obtained to the date that it ceases.

2.4 Foreign Currency Translation

Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in euro, the Group's presentation currency.

Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing as at the transaction dates, or the valuation date in those cases in which items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the revaluation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in other income in the consolidated statement of profit or loss.

Group Companies

The profit/loss and changes in financial position for all entities that have a functional currency other than the Group's presentation currency are translated into the presentation currency as shown below (no Group entities report in the currency of a hyperinflationary economy):

- Assets and liabilities of foreign operations are translated at the closing rate as at the reporting date.

- Income and expenses of foreign operations are translated at cumulative average exchange rates unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates; in this case, income and expenses are translated at the rate on the transaction dates.

All resulting exchange differences are recognised in equity in other comprehensive income. On disposal of a foreign operation, the related component of OCI is recognised in the consolidated statement of profit or loss.

The most significant currencies for the Group were translated at the following exchange rates:

	Assets and liabilities: spot rates		Income and expenses: cumulative average rates	
Exchange rate for EUR 1	31 Dec. 2024	31 Dec. 2023	2024	2023
Polish zloty	4.2750	4.3395	4.3058	4.5421
US dollar	1.0389	1.1050	1.0821	1.0816
Hong Kong dollar	8.0686	8.6314	8.4430	8.4676
Chinese yuan renminbi	7.5833	7.8509	7.7863	7.6591

Only the Polish, Hong Kong and Chinese entities had a functional currency other than the euro as at 31 December 2024 and 31 December 2023.

2.5 Revenue Recognition and Contract Balances

Westwing generates revenue primarily by selling goods via its retail websites; some products are also sold offline via its store or the store-in-store business. A much smaller share of revenue is attributable to services (i.e. the interior design services that Westwing provides to customers who want to restyle their homes, and assembly services). In most cases customers pay when placing their orders online and hence before the Group transfers goods or provides services to them. Contract liabilities are recognised when the payment is made or due (whichever is the earlier), i.e. before a related performance obligation is satisfied. These liabilities are reclassified to revenue from contracts with customers when control of the goods is transferred to the customer (generally on delivery) or the service is rendered, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services. Since the outstanding performance obligations are based on contracts with an original term of less than one year, Westwing does not report the transaction price allocated to them. Contract liabilities are reported as a separate line item on the balance sheet.

The period between an order being placed and the delivery being made to, or service performed for, the customer typically lasts between two days and six weeks, depending on the type of goods or services ordered.

Conversely, where customers pay on delivery or on the basis of an invoice, trade receivables arise when control of goods is transferred to the customer and remain outstanding until the relevant amounts are collected. The Group has concluded that the Group is the principal in all its revenue arrangements.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. warranties). Shipping is an activity that is undertaken to fulfil the promise to transfer the product and is performed before the customer obtains control of the product concerned. Therefore, shipping and the related transfer of ownership in the product are considered to be a single performance obligation. Consideration represents amounts receivable for goods supplied, which are stated net of promotional discounts, marketing vouchers, rebates and refund liabilities.

RIGHT OF RETURN

The Company grants customers a right to return the goods bought within 30 days. The Group uses the expected value method, based on its experience of return rates and times, to estimate the value of the goods that will be returned. The Group recognises refund liabilities, which are deducted from revenue, for goods that are expected to be returned. A right-of-return asset (and a corresponding adjustment to the cost of sales item) is also recognised for the right to recover products from a customer.

VOUCHERS

Westwing offers three types of vouchers to customers:

Customer Care Vouchers

In the case of delivery delays or quality issues, Westwing's Customer Care department offers customers cash vouchers for future purchases, which can be used within one year. Cash vouchers offered to customers represent a separate performance obligation for the Group. A standalone selling price is calculated and allocated for all performance obligations. In the case of vouchers issued but not used in the same period, estimated usage is calculated based on historical experience; this reduces the Group's revenue for the current period and increases the contract liabilities as at the end of the period.

Marketing Vouchers

These are vouchers that are posted on Instagram (e.g. by influencers) or that are included in newsletters, for example. They are only valid for a limited period, usually for as long as the marketing event is running, and always take the form of a percentage discount. Simply issuing these marketing vouchers does not create a binding contract with a customer. This only occurs once the customer places an order. No liabilities are recognised by the Group.

Gift Vouchers

These are vouchers which the Group sells to customers in exchange for cash. The cash vouchers offered represent a separate performance obligation and a contract liability is recognised. The revenue is recognised when the obligation is satisfied, or the voucher expires. The contract liability is released, and revenue is recognised, for vouchers that Westwing estimates will never be redeemed by customers. This estimate is based on historical data.

CONTRACT BALANCES

EURm	31 Dec. 2024	31 Dec. 2023
Trade receivables	2.8	5.2
Receivables from payment service providers	3.3	5.5
Contract liabilities	23.3	19.3

Receivables from payment service providers represent the customer payments transferred in the course of purchases on account and direct debit transactions. Where a customer uses these payment options, the Company recognises a corresponding receivable from the payment service provider until the cash is transferred to Westwing's bank account (usually within 7 days).

Nearly all contract liabilities in existence at the beginning of both 2024 and 2023 were recognised as revenue during the financial year. The only exemptions were gift vouchers with a negligible residual amount that had not been converted into revenue.

2.6 Expenditure

Cost of sales primarily consists of the purchase price of consumer products and inbound shipping charges and is recognised when the goods are sold. In the case of the interior design services, cost of sales comprises the value of the working time expended by the interior designers on the services sold and costs for services required to provide these services including hosting and maintaining of the 3D images used.

Fulfilment expenses include postage, freight, packaging and handling costs, plus fees for payment services. This item also includes personnel expenses, depreciation of right-of-use assets relating to warehouses, other depreciation and amortisation, and other expenses relating to the Logistics and Customer Care departments.

Marketing expenses consist primarily of personnel expenses and expenses for external marketing services. Consequently, this item also includes expenses for online and offline marketing and promotional activities, other operating expenses, and depreciation and amortisation relating to the Group's Marketing function.

General and administrative expenses consist of personnel expenses, ancillary expenses, depreciation of right-of-use assets, amortisation and the Group's administrative costs. The item also includes consulting and other professional and legal fees such as recruiting, tax consulting and audit fees, plus Procurement department costs and personnel expenses relating to general management functions in the logistics area.

Other operating income and expenses primarily comprise income from the reversal of provisions, insurance reimbursements and costs relating to the recognition of allowances for expected credit losses on accounts receivable.

Net finance costs consist of interest income, interest and other finance costs (including interest expenses for lease liabilities in accordance with IFRS 16) and foreign currency gains and losses reported in net other finance costs.

Where personnel expenses are described separately under expenses it should be borne in mind that these include significant expenses or income relating to share-based payments.

2.7 Property, Plant, and Equipment

Property, plant and equipment primarily comprises right-of-use assets, furniture, fittings, equipment and leasehold improvements.

Items of property, plant and equipment are recognised at cost less accumulated depreciation and impairment losses, where required. Historical cost includes expenditure directly attributable to the acquisition.

Costs of minor repairs and maintenance are expensed when incurred. Costs of replacing major parts or components of property, plant and equipment are capitalised if they lead to a major improvement in, or prolong the useful life of, the asset.

Gains and losses on disposals are determined by comparing the proceeds of sale with the carrying amount of the disposed asset. The gains and losses are recognised in the consolidated statement of profit or loss for the year in which the disposal takes place.

Depreciation on items of property, plant and equipment is calculated using the straight-line method, so as to allocate the cost of the assets to their residual values over their estimated useful lives. Gains and losses are recognised in the consolidated statement of profit or loss for the year in which the disposal takes place.

Asset	Useful life in years
Furniture, fittings and equipment	
Computers and printers	2 to 5
Telecommunications equipment (mobile phones, copiers, fax machines)	2 to 5
Hardware (servers)	5 to 7
Office furniture	10 to 13
Warehouse equipment and fixtures	10 to 15
Cars and other vehicles	3 to 8
Leasehold improvements	Shorter of the useful life or the term of the underlying lease (2 to 10)
Right-of-use assets	Shorter of the useful life or the term of the underlying lease (2 to 10)

The residual value of an asset is the estimated amount that the Company would currently obtain from the disposal of the asset less the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

Assets' residual values and useful lives are reviewed at each financial year-end.

The property, plant and equipment item also includes prepaid amounts for assets falling into this category; these are not depreciated.

2.8 Intangible Assets

2.8.1 PURCHASED TRADEMARKS, BRANDS, LICENSES AND SOFTWARE

Separately acquired trademarks, brands, software and licenses have a finite useful life and are shown at cost less accumulated amortisation and impairment losses.

Acquired computer software licenses, domains, trademarks and brands are capitalised based on the costs incurred to acquire them and bring them to use, including the cost of further developing the software for which licenses have been acquired.

Intangible assets also include prepayments on items falling into this category, which are not amortised.

2.8.2 INTERNALLY GENERATED SOFTWARE

Research and development costs are expensed as incurred, except for those development costs which must be capitalised if certain conditions are met.

Development costs that are directly attributable to the design, testing and implementation of identifiable and unique software products controlled by the Company (such as warehouse and logistics applications, mobile app projects and the development of the Company's own software in the areas of consumer apps and payment methods) are recognised as intangible assets if the following criteria are simultaneously met:

- It is technically feasible to complete the software product so that it will be available for use
- Management intends to complete the software product and use or sell it
- There is an ability to use or sell the software product
- It can be demonstrated how the software product will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available, and
- The expenditure attributable to the software product during its development can be reliably measured

Directly attributable costs that are capitalised as part of software products include employee-related expenses and the cost of external services needed to develop the software. Other development expenditures that do not meet these criteria are expensed as incurred. Development costs that were previously expensed are not recognised as an asset in subsequent periods.

2.8.3 AMORTISATION

Amortisation is calculated using the straight-line method to allocate the cost of trademarks, brands, software and licenses over their estimated useful lives:

Asset	Useful life in years
Internally generated software	3 to 8
Acquired software and licenses	2 to 5
Trademarks (licenses)	15 years or the term of the trademark agreement, if shorter

2.8.4 IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND OF INTANGIBLE ASSETS

Whenever events or changes in market conditions indicate that the carrying amount of property, plant and equipment or intangible assets may not be fully recoverable, the assets concerned are tested for impairment.

An impairment loss is recognised in the amount by which the carrying amount of the asset exceeds the asset's recoverable amount. Recoverable amount is the higher of the fair value less costs of disposal and its value in use. Impairment is assessed by grouping assets at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment losses are reviewed for possible reversal at each reporting date.

2.9 Leases

Westwing recognises a right-of-use asset and a lease liability at the commencement date for lease agreements where the Group is the lessee. Westwing's main leasing activities relate to office space and warehouses. The right-of-use assets are initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives, payments at or prior to commencement, and restoration obligations or similar requirements. Additionally, the present value of the expected cost of decommissioning an asset after use is included in the cost of the asset concerned if the recognition criteria for a provision are met.

After lease commencement, right-of-use assets are measured using a cost model that provides for measurement at cost less accumulated depreciation and accumulated impairment losses. The useful life is reviewed regularly.

Lease liabilities are initially measured at the present value of the lease payments due over the lease term, discounted at the rate implicit in the lease where this can be readily determined. If the rate cannot be readily determined, the incremental borrowing rate is used.

Lease liabilities are subsequently remeasured to reflect the following changes: changes in the lease term (using a revised discount rate), the assessment of a purchase option (using a revised discount rate), the amounts expected to be payable under residual value guarantees (using an unchanged discount rate) or future lease payments resulting from a change in an index or a rate used to determine those payments (using an unchanged discount rate).

Surplus office and warehouse-space is utilised through sublease agreements. As far as Westwing loses the right-of-use by the sublease it reverses the asset and recognises a receivable at the present value of the total amount of the lease income over the term of the contract discounted by the discount rate applied in the head-lease agreement at the commencement date for the sublease agreement. The lease liability associated with this sublease agreement remains unchanged, as well as all statements made on the recognition of lease liabilities. The effects of the revaluation are recognised in other operating expenses or income.

Any difference between the receivable from the sublease and the associated lease liability is recognised as an expense or income at the beginning of the sublease.

Short-term leases which expire within 12 months and leases based on a low-value asset (acquisition cost of less than EUR 5,000) are expensed as incurred. Income from subleasing is recognised in other operating income.

2.10 Inventories

Inventories are recorded at the lower of acquisition cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business.

The acquisition cost of inventory includes purchase costs and costs incurred to bring the inventories to their present location and condition (inbound costs). The Company's inventories are measured using the weighted average method. Slow-moving products are written down in line with their age and reach in order to arrive at the approximate net realisable value; damaged goods are written off completely.

The inventory item reported in the statement of financial position consists of finished goods purchased from suppliers plus prepayments made for future inventory deliveries.

2.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Regular way purchases or sales of financial assets are accounted for at the trade date. Initially, financial instruments are recognised at fair value and net of transaction costs, if not categorised at fair value through profit or loss (FVTPL). Subsequently, financial assets and liabilities are measured according to the category to which they have been assigned to. Financial receivables and payables are netted when they relate to the same party. However, this is only done when the Company has a legally enforceable right to set off the recognised amounts, or where it intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial Assets at Amortised Cost

Loans, receivables and other debt instruments held in a hold-to-collect business model with contractual cash flows that represent solely payments of principal and interest are measured at amortised cost using the effective interest method less valuation allowances for expected credit losses.

The Group only holds cash and cash equivalents and trade receivables as financial assets with the objective of collecting contractual cash flows; the contractual terms of the financial asset give rise to cash flows at specified dates that are solely payments of principal and interest on the principal outstanding. Therefore, these financial assets are measured at amortised cost in accordance with IFRS 9. They are reported as current assets, with the exception of assets with a maturity of more than twelve months after the end of the reporting period, which are classified as non-current assets.

Financial assets at amortised cost are initially recognised at their fair value including directly attributable transaction costs or at the transaction price, as they do not contain a material financing component. Subsequently, they are measured at amortised cost using the effective interest method, with interest income and expense being recognised in net financial costs.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired. Changes in the value of operating receivables and liabilities due to exchange rate effects are recognised in other operating income, and changes in the value of loans are recognised in other financial income/expense.

Impairment of Financial Assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all cash flows that the Group expects to receive, discounted using the effective interest rate. The valuation allowances for ECLs represent a forward-looking estimate of future credit losses and involve significant judgement. Expected credit loss is the gross carrying amount less collateral, multiplied by the probability of default and a factor reflecting the loss in the event of default. Valuation allowances are not recognised when the gross carrying amount is sufficiently collateralised. Probabilities of default are mainly derived from internal ratings. A simplified approach is used to assess expected credit losses from trade receivables by applying their lifetime expected credit losses. Expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in three stages: For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are calculated for credit losses resulting from possible default events within the next 12 months ("12-month ECLs"). In the case of credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("lifetime ECLs"). If a loss event (e.g. insolvency or bankruptcy) occurs, the asset is allocated to Stage 3 of the impairment model and is credit-impaired in full, less the expected recovery rate.

The Group applies a simplified approach to calculating ECLs in the case of trade receivables and contract assets. In line with this, it does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provisions matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset to be in default when contractual payments are 90 days past due. However, in certain cases the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the associated contractual cash flows.

Financial Liabilities at Amortised Cost

Financial liabilities are generally measured at amortised cost; this applies in particular to loan liabilities, trade payables and supplier finance arrangements. Exceptions to this are financial liabilities that are designated as at fair value through profit or loss upon initial recognition, or as derivatives and liabilities measured at fair value whose change in fair value is recognised in profit or loss. Westwing currently does not hold any derivative financial instruments. Financial liabilities are derecognised when the underlying obligation is discharged, is cancelled or expires.

The Group's other financial liabilities are classified as financial liabilities at amortised cost.

All other financial liabilities are initially recognised at fair value net of directly attributable transaction costs. The fair value at initial recognition in the Group is usually the transaction price of the financial liabilities.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Interest determined using the effective interest method is recognised in the statement of profit or loss.

2.12 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and for which the risk of changes in value is insignificant.

Cash designated for a specific purpose and therefore not available for general use by the Group is classified as restricted cash and is reclassified to current or non-current other financial assets where appropriate.

2.13 Share Capital

The share capital is fully paid up.

Costs directly attributable to a capital increase are shown in equity as a deduction from the proceeds, net of tax. Any excess of the fair value of consideration received over the par value of the shares issued is recorded as capital reserves within equity.

2.14 Treasury Shares

Treasury shares are shares which have been bought back by Westwing, reducing the number of shares outstanding on the open market. Treasury shares do not have voting rights. The possession of these shares does not give the Company the right either to receive any assets if the Company is liquidated or to exercise pre-emptive rights as a shareholder. These shares reduce the ordinary share capital. They are presented in the statement of financial position as a reduction of equity as well as the related costs of the equity transaction that were capitalised. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the capital reserves.

2.15 Provisions

Provisions are non-financial liabilities of uncertain timing or amount. They are recognised when the Company has a present legal or constructive obligation because of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

The amount recognised as a provision is the present value and best estimate of the consideration required to settle the present obligation, considering the risks and uncertainties surrounding the obligation. Short-term provisions are not discounted.

2.16 Share-based Payment

Certain eligible Group employees are entitled to receive remuneration in the form of share-based payment, under which employees receive equity instruments as consideration for their services (equity-settled transactions). In addition, certain eligible employees were granted share appreciation rights, which are settled in cash (cash-settled transactions). In 2022, an Equity-settled Compensation Programme (ECP 2022) was established. The term of the ECP 2022 is limited to three years; it starts on 1 July 2022, and the last service period ends on 30 June 2025. Shorter service periods may occur. Accounting for the programme was changed to cash-settled since the first rights exercises were settled against cash in 2023, as was intended from the beginning.

Equity-settled Transactions

The cost of equity-settled share-based transactions is determined on the basis of the fair value at the grant date, using an appropriate valuation model. The share price is used as input for the option pricing model determining the options' fair value. The fair value determined at the grant date is expensed over the vesting period of the arrangement, based on the Company's estimate of the number of equity instruments that will eventually vest subject to non-market-based vesting conditions. The corresponding amount is recognised in equity.

Westwing uses a graded vesting approach: each instalment of awards with graded vesting features is treated as a separate grant and is expensed separately over the vesting period concerned. The cumulative expense recognised for equity-settled share-based transactions as at each reporting date up to the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. Estimated forfeitures are revised if the number of awards expected to vest differs from previous estimates. Differences between the estimated and actual forfeitures are accounted for in the period in which they occur. Westwing also takes an estimated forfeiture ratio during the vesting period into account when calculating share-based payment expenses, due to the change in observed employee fluctuation rates.

The income or expense for a period recognised in the statement of profit or loss represents the change in cumulative expenses recognised as at the beginning and end of the reporting period.

Options that are exercised can be serviced in three different ways: the Company can issue new shares (case 1), treasury shares can be used to provide option holders with shares (case 2) or Westwing can settle the options in cash as provided for in the agreements (case 3). In all these cases, the amount previously recognised in the share-based payment reserve for the option holder is reclassified in full to other equity components. In case 1, the share capital is increased by the nominal amount of the shares that have been exercised, and the difference between the share-based payment reserve and the nominal amount is recognised in the capital reserves. The cash received for the exercise price also increases the capital reserves. In case 2, the amount recognised for treasury shares is reduced pro rata by the number of shares for which options have been recognised using the value of the original payment for the treasury shares, and the remaining difference is recognised in the capital reserves. In case 3, the share-based payment reserve is reduced and the difference between the settled amount and the share-based payment reserve is recognised in the capital reserves.

Cash-settled Transactions

The cost of cash-settled transactions is measured at fair value using an appropriate valuation model. Fair value is established initially at the grant date and at each reporting date thereafter until the awards are settled. During vesting, a liability is recognised representing the fair value of the award for the vesting period that has expired as at the reporting date. Changes in the carrying amount of the liability over the period are recognised as income or expense in the statement of profit or loss. When cash-settled options are exercised, the liability recorded is derecognised and the difference is recognised in profit or loss. We also apply an estimated forfeiture rate during the vesting period when calculating share-based payment expenses.

2.17 Current and Deferred Income Taxes

Income tax comprises current and deferred taxes. Income tax expense is recognised in the statement of profit or loss unless it relates to items directly recognised in equity, in which case it, too, is recognised in equity.

Current tax expense is calculated on the basis of the tax regulations applicable on the reporting date in those countries in which the subsidiaries operate and generate taxable income.

Deferred taxes are recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, in line with the initial recognition exemption, deferred taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction other than a business combination if the transaction, when initially recorded, affects neither accounting nor taxable profit. Similarly, deferred tax liabilities are not recorded for temporary differences on the initial recognition of goodwill or subsequently for goodwill that is not deductible for tax purposes.

Deferred tax balances are measured at the tax rates enacted or substantively enacted by the end of the reporting period that are expected to apply to the period in which the temporary differences will reverse, or the tax loss carryforwards will be utilised.

Deferred tax assets for deductible temporary differences and tax losses carried forward are recorded to the extent that it is probable that enough future taxable profits will be available against which the temporary difference can be utilised.

Deferred tax liabilities are recognised on taxable temporary differences arising from investments in subsidiaries unless the timing of the reversal of the temporary difference is controlled by the Group, and it is probable that the temporary difference will not reverse in the foreseeable future.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

3.1 Overview

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to be made to the carrying amount of the corresponding assets or liabilities in future periods.

Estimates and judgements are continually evaluated and are based on management's historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Management also makes certain judgements above and beyond the estimates involved in applying accounting policies. Changes in accounting estimates are recognised in the period in which the change takes place, provided that such a change exclusively affects that period.

The following sections provide an overview of those judgements that have the most significant effect on the amounts recognised in the financial statements, plus estimates that could potentially lead to significant adjustments to the carrying amounts of assets and liabilities within the next financial year.

3.2 Accounting Estimates

Westwing's accounting estimates are not particularly affected by the impact of the Russian invasion of Ukraine, the conflict in the Middle-East or the tensions between China and Taiwan. Generally speaking, however, current global political instability is leading to significant planning uncertainty.

3.2.1 REVENUE (NOTE 5)

Since final deliveries to customers cannot always be tracked precisely, a cut-off period is applied as at each reporting date. In line with this, a period that is normally between two and five days long (depending on the country concerned) is used to deduct estimated product sales made between the shipping dates and expected delivery dates occurring after the reporting date.

3.2.2 ALLOWANCE FOR OBSOLETE INVENTORIES (NOTE 15)

Inventory is measured at the lower of cost or net realisable value. The net realisable value of certain stock items is determined by recognising an allowance on inventory. This is based on management's estimate of whether losses will result from their sale less costs of disposal, or whether it will not be possible to sell certain items at all. The amount is calculated based on historical experience, and past and anticipated market performance.

3.2.3 ALLOWANCE FOR EXPECTED CREDIT LOSSES (NOTE 14)

Trade receivables are shown net of allowances for expected credit losses. Each aging category is analysed separately and Westwing applies individual allowance ratios.

3.2.4 SHARE-BASED PAYMENT (NOTE 19)

The Group measures the cost of equity- and cash-settled transactions with employees by reference to the fair value of the equity instruments at the grant date. Since Westwing is listed on the stock exchange, fair value is determined using an option pricing model that takes the share price at the grant date as an input. Additional inputs are the expected term of the share option, volatility and yield, plus the assumptions made about all of these.

At the end of each reporting period, the Group reviews its estimates of the number of awards expected to vest and recognises the impact of any revision to the original estimates in the statement of profit or loss, as well as making a corresponding adjustment to equity or liabilities, as appropriate. The forfeiture rate is based on historical experience and takes the maturity of the options into account.

3.2.5 REFUND LIABILITIES (NOTE 20)

Customers ordering products online have the right to return them within 30 days of purchase. In line with this, Westwing records a refund liability for such returns in its statement of financial position, reducing revenue. The amount recognised for this is calculated based on experience and current information on gross sales. The liability is calculated per country, and revenue is adjusted in line with this. A right-of-return asset and a corresponding adjustment to the cost of sales item are recognised for the right to recover products from a customer.

3.3 Management Judgements

3.3.1 CAPITALISATION AND IMPAIRMENT OF DEVELOPMENT COSTS

Westwing capitalises development costs for internally generated software. Initial capitalisation is based on management's judgement that the technological and economic feasibility criteria have been met. This judgement also applies if any impairment requirements are identified. Judgement takes into consideration assumptions regarding development costs or future added value or savings, as appropriate. The innovative nature of Westwing's development projects means that there is a certain degree of uncertainty as to their future benefit.

3.3.2 INCOME TAXES (NOTE 24)

The Group recognises deferred tax assets for all deductible temporary differences and unused tax loss carryforwards, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences or unused tax losses can be utilised.

The Group considers a large number of factors when assessing whether it is probable that its deferred tax assets will be realised in future. These factors include its recent earnings experience by jurisdiction, expectations of future taxable income, the carryforward periods available for tax reporting purposes and other relevant factors. The inherent complexity of the Group's business, future changes in income tax law and potential variances between actual and anticipated operating results mean that the Group uses judgements and estimates to assess the probability that its deferred tax assets will be realised in future. As a result, actual income taxes could diverge materially from these judgements and estimates.

3.3.3 DETERMINING THE TERM OF LEASES WITH EXTENSION AND TERMINATION OPTIONS

Westwing Group determines the term of leases as the non-cancellable basic term of the lease plus any periods covered by an option to extend the lease if it is reasonably certain that the Group will exercise this option, or any periods covered by an option to terminate the lease if it is reasonably certain that the Group will not exercise this option. The Group applies judgement in evaluating if it is reasonably certain whether or not it will exercise the option to renew or terminate the lease. This means that it considers all relevant factors that create an economic incentive for the Group to exercise either the renewal or the termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and that affects its ability to exercise or not exercise the option to renew or to terminate (e.g. the implementation of significant leasehold improvements or significant customisation of the leased asset).

4. OPERATING SEGMENTS

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM) and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance of the segments. The function of the CODM is performed by Westwing Group SE's Management Board.

Based on this definition, Westwing has two operating segments: DACH and International. These are defined as follows:

- The DACH segment comprises Germany, Austria and Switzerland.

- The International segment consists of Belgium, the Czech Republic, France, Italy, the Netherlands, Poland, Portugal, the Slovak Republic and Spain.

In general, expenses and income incurred at headquarters are allocated to the operating segments. Therefore, the "HQ/Reconciliation" column of the table below only contains key holding company items such as depreciation and amortisation, plus the parent company's cash and cash equivalents. Westwing Group SE provides a range of IT, marketing and other services (especially commercial and technical advisory services) to its subsidiaries, and holds cash and cash equivalents for new investments and financing purposes.

The Group measures the performance of its operating segments on the basis of revenue growth, Adjusted EBITDA and the Adjusted EBITDA margin. The cash-generating units are defined as the individual countries. In 2024 Westwing reached important milestones of its technology transformation, which includes the move to a mostly Software-as-a-Service (SaaS) based platform. This transformation also involves the Group's operating segments being fully reported by the Westwing GmbH. Until Go-Live of the new platform in all countries the revenue and EBITDA of the legal entity concerned was used, adjusted for the revenue and costs generated by the Westwing GmbH on a single country basis. A similar approach is used for segment reporting.

Adjusted EBITDA shows the operating result before interest, taxes, depreciation and amortisation, and income or expenses for share-based payments and significant restructuring expenses.

In 2024, Westwing adjusted its EBITDA for restructuring expenses, which were mainly due to the reorganisation of its business functions in Western, Central and Eastern Europe and at its headquarters. In addition, adjustments are made for effects from subletting (finance lease) required in connection with the restructuring. This includes expenses or income from revaluation as well as the presentation of sublease income, which is recognised directly in equity in the unadjusted income statement for finance leases.

Revenues resulting from transactions between operating segments are eliminated for consolidation purposes and are not included in the overview of the operating segments, since the CODM manages the operating segments based on revenues from transactions with third parties.

Uniform measurement and valuation standards are applied by the Group across all operating segments. The revenue information below is based on customer locations.

The following table shows operating segment information for the financial year ending on 31 December 2024 (all amounts are in EURm unless otherwise stated):

2024	DACH	International	HQ/ Reconciliation	Group
Profit / loss before income tax	**9.0**	**3.2**	**– 17.1**	**– 4.8**
Finance costs*	1.3	0.2	–	1.5
Finance income*	– 1.5	– 0.2	–	– 1.7
Net other financial income / finance costs	0.0	0.1	–	0.1
Operating profit / loss	**8.9**	**3.3**	**– 17.1**	**– 4.8**
Depreciation and amortisation	4.2	2.5	13.7	20.3
Share-based payments	– 0.0	0.0	–	– 0.0
Expenses tech strategy change	1.5	3.9	3.2	8.5
Adjusted EBITDA	**14.5**	**9.8**	**– 0.3**	**24.0**
Adjusted EBITDA margin	5.8%	5.1%	–	5.4%
Revenue	252.2	192.2	–	444.3
Cash and cash equivalents	23.9	5.7	39.2	68.8

* Includes headquarters costs not allocated to the segments and therefore reported in the DACH segment.

The following table shows operating segment information for the financial year ending on 31 December 2023 (all amounts are in EURm unless otherwise stated):

2023	DACH	International	HQ/ Reconciliation	Group
Profit / loss before income tax	**9.0**	**– 2.0**	**– 16.1**	**– 9.1**
Finance costs*	1.5	0.4	–	1.9
Finance income*	**– 1.1**	– 0.0	–	– 1.1
Net other financial income	0.2	– 0.3	–	– 0.1
Operating profit / loss	**9.6**	**– 1.9**	**– 16.1**	**– 8.4**
Depreciation and amortisation	4.4	3.8	11.5	19.8
Share-based payments	2.1	0.1	–	2.3
Restructuring severance payments	–	–	4.1	4.1
Adjusted EBITDA	**16.1**	**2.1**	**– 0.4**	**17.8**
Adjusted EBITDA margin	6.8%	1.1%	–	4.1%
Revenue	236.5	192.1	–	428.6
Cash and cash equivalents	14.5	9.5	57.5	81.5

* Includes headquarters costs not allocated to the segments and therefore reported in the DACH segment.

Within the DACH segment, revenue in Germany amounted to EUR 199.8m (2023: EUR 186.3m). Group revenue outside Germany amounted to EUR 244.5m (2023: EUR 242.3m).

The following table shows the profit or loss statement for the operating segments for the financial year ending 31 December 2024.

2024	DACH	International	HQ/ Reconciliation	Group
Revenue	252.2	192.2	0.0	444.3
Cost of Sales	– 119.2	– 93.2	– 6.3	– 218.7
Gross profit	**133.0**	**98.9**	**– 6.3**	**225.7**
Fulfilment expenses	– 52.8	– 42.8	10.4	– 85.2
Marketing expenses	– 36.8	– 20.1	– 0.2	– 57.1
General and administrative expenses	– 33.3	– 30.6	– 20.7	– 84.6
Net result other income / expenses	– 1.2	– 2.0	– 0.2	– 3.5
Operating result	**8.9**	**3.3**	**– 17.1**	**– 4.8**
Finance costs	– 1.3	– 0.2	0.0	– 1.5
Finance income	1.5	0.2	0.0	1.7
Other financial result	0.0	– 0.1	0.0	– 0.1
Financial result	**0.1**	**– 0.1**	**0.0**	**0.1**
Result before income tax	**9.0**	**3.2**	**– 17.1**	**– 4.8**
Income tax expense	1.8	– 0.2	0.0	– 0.2
Net result Group	**10.8**	**1.2**	**– 17.1**	**– 5.0**

The following table shows the profit or loss statement for the operating segments for the financial year ending 31 December 2023.

2023	DACH	International	Reconciliation	Group
Revenue	236.5	192.1	0.0	428.6
Cost of Sales	– 109.9	– 100.1	– 5.7	– 215.7
Gross profit	**126.6**	**92.0**	**– 5.7**	**212.9**
Fulfilment expenses	– 52.5	– 43.3	5.5	– 90.3
Marketing expenses	– 27.9	– 17.5	– 0.3	– 45.6
General and administrative expenses	– 36.8	– 32.7	– 15.7	– 85.2
Net result other income / expenses	0.1	– 0.4	0.0	– 0.2
Operating result	**9.6**	**– 1.9**	**– 16.1**	**– 8.4**
Finance costs	– 1.5	– 0.4	0.0	– 1.9
Finance income	1.1	0.0	0.0	1.1
Other financial result	– 0.2	0.3	0.0	0.1
Financial result	**– 0.5**	**– 0.2**	**0.0**	**– 0.7**
Result before income tax	**9.0**	**– 2.0**	**– 16.1**	**– 9.1**
Income tax expense	– 3.5	0.1	0.0	– 3.3
Net result Group	**5.5**	**– 1.9**	**– 16.1**	**– 12.4**

Westwing Germany recognised long-term assets (not including financial instruments and deferred tax assets) of EUR 46.2m (31 December 2023: EUR 53.4m), while entities outside Germany reported long-term assets of EUR 10.3m (31 December 2023: EUR 10.5m).

Long-term assets and cash and cash equivalents are allocated at the level of the legal entities.

5. REVENUE ANALYSIS

Revenue from contracts with customers for the year is composed of the following:

EURm	2024	2023
Revenue from the sale of products	435.3	419.7
Service revenue	1.5	1.1
Other revenue	7.6	7.8
Total	**444.3**	**428.6**

Revenue from the sale of products and services is reported net of discounts. Service revenue comprises sales of interior design and assembly services.

Other revenue is generated from the sale of product returns and obsolete inventories to trading partners, and from marketing services.

6. ADDITIONAL INFORMATION ON INCOME AND EXPENSES

FULFILMENT EXPENSES

EURm	2024	2023
Logistics costs	−52.3	−56.5
Personnel expenses	−16.7	−17.2
Depreciation and amortisation	−7.4	−8.2
Other expenses	−8.9	−8.3
Total	**−85.2**	**−90.3**

Fulfilment expenses decreased by EUR 5.1m to EUR 85.2m in 2024. Logistics costs include shipping costs of EUR 40.8m (2023: EUR 41.7m), plus storage and handling costs of EUR 7.3m (2023: EUR 10.2m). This development was mainly driven by better utilisation of warehouse space and efficiency gains.

MARKETING EXPENSES

EURm	2024	2023
Purchased marketing services	−38.3	−24.1
Personnel expenses	−13.6	−16.0
Depreciation and amortisation	−1.1	−0.9
Other expenses	−4.1	−4.7
Total	**−57.1**	**−45.6**

The increase in marketing expenses was primarily driven by the continued investments in marketing, including brand awareness investments in the DACH segment. Other expenses comprised consulting costs and travel expenses.

GENERAL AND ADMINISTRATIVE EXPENSES

EURm	2024	2023
Personnel expenses	– 50.7	– 53.9
Depreciation and amortisation	– 11.2	– 10.7
Other expenses	– 22.7	– 20.6
Total	**– 84.6**	**– 85.2**

Other expenses primarily consist of legal, consulting, maintenance, IT and travel expenses.

The following expenses were included in general and administrative expenses:

EURm	2024	2023
Auditor’s remuneration		
Audit costs in accordance with section 314(1) no. 9a of the HGB	– 0.5	– 0.4
Other assurance services in accordance with section 314(1) no. 9b of the HGB	– 0.1	– 0.1
Other services in accordance with section 314(1) no. 9d of the HGB	–	–

The following expenses for PWC network companies were recognised for the subsidiaries abroad:

EURm	2024	2023
Auditor’s remuneration	– 0.1	– 0.1

Audit expenses include audit fees for the statutory audit of the consolidated financial statements and the audit of the separate financial statements. The other assurance services in the year under review relate to audit activities in connection with the Non-financial Statement (limited assurance) and the Remuneration Report.

7. PERSONNEL EXPENSES

Employee benefits and expenses for the year are comprised of the following:

EURm	2024	2023
Wages, salaries, and other short-term employee benefits	−68.3	−71.0
Share-based payment expenses / (income)	0.0	−2.3
Social security and similar expenses	−12.8	−13.8
Total	**−81.0**	**−87.1**

The share-based payment income of EUR 0.0m (2023: expense EUR 2.3m) relates to equity-settled programmes from previous years, the 2019 cash-settled commitment packages, the 2022 Equity Compensation Programme (ECP 2022) and the long-term incentive for the Management Board (LTI). The decrease in share-based payment expenses was mainly due to the lower share price. Personnel expenses also include EUR 6.2m for restructuring severance payments (2023: EUR 0.2m).

In addition to regular personnel expenses, post-employee benefits have been granted to Group employees in Italy. They consist of the statutory Italian employee severance indemnity obligation ("trattamento di fine rapporto" or "TFR"), which amounted to EUR 0.3m as at the end of 2024 (31 December 2023: EUR 0.7m). Above and beyond this, the German Westwing entities paid EUR 3.6m in contributions to Germany's statutory pension insurance plan (2023: EUR 3.8m).

In 2024, Westwing employed an average of 1,562 employees (2023: 1,753 employees) in the following functions:

	2024	2023
Fulfilment	578	700
Marketing	208	217
Administration	777	837
Total	**1,562**	**1,753**

8. OTHER OPERATING EXPENSES AND INCOME

Other operating expenses for the year included the following items:

EURm	2024	2023
Expenses for expected credit losses (ECLs)	−2.0	−1.0
Other operating expenses	−6.9	−5.2
Total	**−8.9**	**−6.2**

Other operating expenses mainly consist of expenses for other periods of EUR 2.9m (2023: EUR 2.5m) and currency exchange losses of EUR 2.0m (2023: EUR 1.7m). The other operating expenses are including EUR 0.6m (2023: EUR 0.0m) net expenses from sublease agreements. These sublease agreements were made for the utilisation of excessive office and warehouse space. In these cases, the net sublease income is lower than the related net lease expenses.

Other operating income for the year comprised the following:

EURm	2024	2023
Lease income	1.0	0.5
Income from release of provisions	0.7	0.3
Insurance reimbursement	0.4	0.3
Other operating income	3.2	4.8
Total	**5.4**	**5.9**

Other operating income includes income for other periods amounting to EUR 0.2m (2023: EUR 1.4m) and currency exchange gains of EUR 1.9m (2023: EUR 1.8m). Sublease income amounting to EUR 1.0m (2023: EUR 0.5m) consists of income from incidental expenses and subleasing agreements having no impact on the right of use according to IFRS 16. The net income for sublease agreements that were reclassified due to IFRS 16 amounts to EUR 0.3m and is reported under other operating income. This item includes sublease agreements for which the net sublease income exceeds the related net lease expenses. These sublease agreements were made to utilize excess office and warehouse space.

9. LEASE EXPENSES

LEASES IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

EURm	2024	2023
Fulfilment expenses		
Expenses from variable, short-term, and low-value leases	−0.4	−0.2
Other lease expenses (ancillary costs)	−1.3	−1.0
Marketing expenses		
Expenses from variable, short-term, and low-value leases	−0.0	−0.0
Other lease expenses (ancillary costs)	−0.1	−0.3
General and administrative expenses		
Expenses from variable, short-term, and low-value leases	−0.1	−0.0
Other lease expenses (ancillary costs)	−1.6	−1.4
Other operating profit / loss		
Income from subleases	0.7	0.5
Depreciation		
Depreciation / impairment on right-of-use assets	−7.9	−9.9
Net finance costs		
Interest expenses on lease liabilities	−1.3	−1.5
Total lease expenses	**−12.0**	**−13.8**

In 2024, the Group's total cash outflows for leases amounted to EUR 12.0m (2023: EUR −13.8m). Expenses from variable and short-term leases totalled EUR 0.5m (2023: EUR 0.2m). The amount attributable to low-value leases was immaterial.

10. NET FINANCE COSTS

Net finance costs for the year consisted of the following:

EURm	2024	2023
Finance income:		
Interest income	1.7	1.1
Total finance income	**1.7**	**1.1**
Finance costs:		
Interest expenses	– 0.2	– 0.2
Interest on leases	– 1.3	– 1.5
Other finance costs	– 0.0	– 0.2
Total finance costs	**– 1.5**	**– 1.9**
Net finance costs	**0.2**	**– 0.8**
Net other finance costs:		
Foreign currency gains	0.7	1.9
Foreign currency losses	– 0.9	– 1.8
Net other finance costs	**–0.1**	**0.1**
Net finance costs	**0.1**	**– 0.7**

11. EARNINGS PER SHARE

Earnings per share are calculated as follows:

EURm	2024	2023
Profit	– 5.0	– 12.4
Weighted average number of ordinary shares in issue	19,986,458	20,269,477
Basic earnings per share in EUR, undiluted (=diluted)	**– 0.25**	**– 0.61**

Earnings per share are calculated by dividing the profit for the period attributable to the shareholders of Westwing Group SE by the weighted average number of shares. Treasury shares are deducted from the weighted average number of ordinary shares issued. In accordance with IAS 33 “Earnings per Share”, the effects of potential anti-dilutive shares were not taken into account in the calculation of diluted earnings per share for the financial years ended 31 December 2024 and 2023.

As a result, diluted earnings per share correspond to basic earnings per share.

12. PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment employed by the business are set out below:

EURm	Leasehold improvements	Furniture, fittings and equipment	Right-of-use assets	Prepayments on PPE	Total
Cost as at 1 January 2023	**3.7**	**18.2**	**69.6**	**0.0**	**91.5**
Additions	0.1	0.5	3.3	0.9	4.8
Transfers	– 0.1	– 1.1	– 0.1	–	– 1.2
Disposals	–	–	– 0.7	–	– 0.7
Exchange adjustments	0.1	0.3	0.6	0.0	1.0
Cost as at 31 December 2023	**3.8**	**18.0**	**72.7**	**1.0**	**95.4**
Accumulated depreciation as at 1 January 2023	**1.5**	**10.3**	**26.6**	**0.0**	**38.4**
Depreciation	0.5	2.6	9.9	0.0	13.0
Disposals	– 0.1	– 1.0	– 0.0	–	– 1.1
Exchange adjustments	0.0	0.2	0.2	0.0	0.3
Impairment losses	0.0	0.1			0.2
Accumulated depreciation as at 31 December 2023	**2.0**	**12.2**	**36.7**	**0.0**	**50.8**
Carrying amount as at 31 December 2023	**1.8**	**5.8**	**36.0**	**1.0**	**44.6**

EURm	Leasehold improvements	Furniture, fittings and equipment	Right-of-use assets	Prepayments on PPE	Total
Cost as at 1 January 2024	**3.8**	**18.0**	**72.7**	**1.0**	**95.4**
Additions	0.6	1.7	8.9	1.3	12.5
Disposals	– 0.0	– 1.4	– 14.5	–	– 15.9
Revaluation	–	–	0.3	–	0.3
Exchange adjustments	0.0	0.1	0.1	0.0	0.3
Cost as at 31 December 2024	**4.4**	**18.4**	**67.4**	**2.2**	**92.5**
Accumulated depreciation as at 1 January 2024	**2.0**	**12.2**	**36.7**	**0.0**	**50.8**
Depreciation	0.6	2.1	7.9	–0.0	10.6
Disposals	– 0.0	– 1.0	– 5.9	–	– 7.0
Exchange adjustments	0.0	0.0	0.1	0.0	0.1
Impairment losses	–	–	–	–	–
Accumulated depreciation as at 31 December 2024	**2.6**	**13.2**	**38.8**	**0.0**	**54.6**
Carrying amount as at 31 December 2024	**1.9**	**5.1**	**28.7**	**2.2**	**37.9**

Acquisitions of furniture, fittings and equipment were made at all entities and included servers and IT hardware, plus office and warehouse equipment. The additions to the right-of-use assets in 2024 primarily related to the change in warehouse provider for one of Westwing's biggest warehouses in Poland. In 2023, additions to right-of-use assets were mainly attributable to rent indexations for existing right-of-use assets.

As at 31 December 2024, EUR 22.9m of the right-of-use assets item was attributable to offices and warehouses (31 December 2023: EUR 32.3m), while EUR 5.8m was attributable to operating and office equipment (31 December 2023: EUR 3.7m). EUR 6.8m of the depreciation charged on right-of-use assets related to offices and warehouses (2023: EUR 8.8m) and EUR 1.1m to operating and office equipment (2023: EUR 1.0m).

In the 2024 financial year, the subletting of various warehouses and office buildings resulted in the disposal of right-of-use assets with a residual carrying amount of EUR 5.5m. The right-of-use assets were reclassified as non-financial receivables in the amount of the discounted rental income.

The revaluation in 2024 of right-of-use assets in the amount of EUR 0.3m relates to office space in Italy, for which the lease was modified due to centralisation. No impairments of right-of-use assets were recognised in 2024 or 2023.

13. INTANGIBLE ASSETS

EURm	Software and licenses	Trademarks	Internally generated intangible assets	Intangible assets under development	Total
Cost as at 1 January 2023	**0.8**	**0.2**	**34.7**	**3.0**	**38.8**
Additions	0.1	–	0.0	3.8	3.9
Transfers	–	–	4.5	–4.5	–
Disposals	–	–	–	–1.3	–1.3
Cost as at 31 December 2023	**0.8**	**0.2**	**39.3**	**1.1**	**41.4**
Accumulated amortisation as at 1 January 2023	**0.7**	**0.2**	**14.7**	**0.0**	**15.5**
Amortisation	0.0	0.0	6.5	–	6.6
Impairment losses	–	0.0	–	–	0.0
Disposals	–	–	–	–	–
Accumulated amortisation as at 31 December 2023	**0.7**	**0.2**	**21.2**	**–**	**22.1**
Carrying amount as at 31 December 2023	**0.1**	**0.0**	**18.1**	**1.1**	**19.3**

EURm	Software and licenses	Trademarks	Internally generated intangible assets	Intangible assets under development	Total
Cost as at 1 January 2024	**0.8**	**0.2**	**39.3**	**1.1**	**41.4**
Additions	0.2	–	0.0	6.5	6.6
Transfers	–	–	7.5	–7.5	–
Disposals	–0.0	–	–	–	–0.0
Cost as at 31 December 2024	**1.0**	**0.2**	**46.7**	**0.1**	**48.0**
Accumulated amortisation as at 1 January 2024	**0.7**	**0.2**	**21.2**	**0.0**	**22.1**
Amortisation	0.1	0.0	9.6	–	9.8
Impairment losses	–	0.0	–	–	0.0
Disposals	–0.0	–	–	–	–0.0
Accumulated amortisation as at 31 December 2024	**0.8**	**0.2**	**30.8**	**0.0**	**31.8**
Carrying amount as at 31 December 2024	**0.2**	**0.0**	**15.9**	**0.1**	**16.2**

Additions to internally generated intangible assets and intangible assets under development totalling EUR 6.5m (2023: EUR 3.8m) largely comprised development costs in connection with the migration of Westwing's proprietary e-commerce platform to a software-as-a-service (SaaS) platform. By December 2024, the new technology platform had been successfully launched in all markets in which Westwing is active.

The development projects have been broken down into identifiable project phases, which are characterised by the development of new functionality. Once specific phases have been completed and the functionality has been rolled out, the associated costs are reclassified from intangible assets under development to internally generated intangible assets. This is the point at which amortisation over the useful life of three to eight years starts. The aggregate research and development expenditure expensed during the year was EUR 17.3m (2023: EUR 18.4m).

Amortisation of intangible assets is allocated to the function that uses the asset. In 2024 and 2023, the annual impairment testing procedures did not reveal any need for impairments.

In 2023, the migration of Westwing's proprietary e-commerce platform led to the derecognition of EUR 1.3m in capitalised development costs plus a reversal of EUR 2.6m that had been capitalised during the year. An impairment test was also performed for the other intangible assets under development, but did not result in any further need for impairment. In 2024, the migration of business activities in all countries to a new SaaS-based technology platform and the introduction of a new warehouse management software planned for the 2025 financial year led to additional amortisation of EUR 3.4m due to the shortening of the useful life of the previously used internally developed software. In addition, EUR 0.2m in development costs recognised during the year were expensed as they had become obsolete in connection with the planned introduction of the new warehouse management software.

14A. TRADE RECEIVABLES AND OTHER FINANCIAL ASSETS

Trade receivables and other financial assets comprised the following:

EURm	31 Dec. 2024	31 Dec. 2023
Trade receivables	2.8	5.2
Receivables from payment service providers (PSPs)	3.3	5.5
Tenant deposits	2.1	1.4
Other financial assets	4.9	1.5
Trade and other receivables, net	**13.1**	**13.7**
Thereof:		
Non-current	2.5	1.6
Current	10.7	12.1

Trade receivables and supplier receivables included in other financial assets are shown net of the allowance for expected credit losses. Receivables from payment service providers of EUR 3.3m involve only limited credit risk. The allowance for expected credit losses on trade receivables was EUR 7.1m (31 December 2023: EUR 4.0m). The increase in impairments in the reporting year is primarily due to a change in the sales structure. Trade receivables are included in other financial assets at EUR 2.8m (2023: EUR 1.0m). The allowance for expected credit losses and unrealisable claims on deferred receivables from price reductions for purchased goods on supplier receivables amounted to EUR 1.3m (31 December 2023: EUR 0.4m). These allowances relate primarily to overdue receivables with a higher credit risk. The other categories of trade and other receivables do not contain any credit-impaired assets.

As in the previous year, the Company did not hold any collateral as security.

Information on the financial assets and liabilities can be found in Notes 22 and 23.

The ageing of trade receivables is as follows, based on the invoice issue date, gross of any provisions:

EURm	31 Dec. 2024	31 Dec. 2023
Up to 14 days	0.3	0.3
15 days to 3 months	2.3	4.2
3 months to 6 months	1.1	0.8
6 months to 9 months	0.9	0.4
9 months to 1 year	0.9	0.3
1 year to 5 years	4.1	2.5
Over 5 years	0.3	0.5
Trade receivables (gross)	**9.9**	**9.2**
Allowance for impairment	–7.1	–4.0
Trade receivables (net)	**2.8**	**5.2**

The allowance for impairment can be broken down as follows:

31 Dec. 2024, in EURm	Up to 14 days	15 days to 3 months	3 months to 6 months	6 months to 9 months	9 months to 1 year	1 year to 5 years	Over 5 years
Trade receivables (gross)	**0.3**	**2.3**	**1.1**	**0.9**	**0.9**	**4.1**	**0.3**
Allowance for impairment	–	– 0.3	– 0.7	– 0.8	– 0.9	– 4.1	– 0.3

31 Dec. 2023, in EURm	Up to 14 days	15 days to 3 months	3 months to 6 months	6 months to 9 months	9 months to 1 year	1 year to 5 years	Over 5 years
Trade receivables (gross)	**0.3**	**4.2**	**0.8**	**0.4**	**0.3**	**2.5**	**0.5**
Allowance for impairment	–	– 0.1	– 0.2	– 0.3	– 0.3	– 2.5	– 0.5

After deduction of the allowance for impairment, the total trade and other receivables of EUR 13.1m (2023: EUR 13.7m) are past due in some cases but are not considered to be impaired.

Provisions were recognised in some cases for trade receivables that are past due. Trade receivables aged between one and five years are considered to be past due and are completely written down in those cases in which collectability is no longer assured.

The change in the allowance for expected credit losses on trade receivables during the reporting year was as follows:

EURm	2024	2023
As at 1 January	**4.0**	**3.0**
Added during the year	3.5	1.3
Utilised during the year	– 0.4	– 0.1
Reversed during the year	– 0.0	– 0.3
As at 31 December	**7.1**	**4.0**

14B. NON-CURRENT AND CURRENT NON-FINANCIAL RECEIVABLES

In the 2024 financial year, the subletting of various warehouses and office buildings resulted in the disposal of right-of-use assets in property, plant and equipment with a residual carrying amount of EUR 5.5m. The right-of-use assets were reclassified as non-financial receivables in the amount of the discounted rental income amounting to EUR 5.2m.

The resulting discounted non-current and current non-financial receivables as at 31 December 2024 amount to EUR 2.4m (31 December 2023: EUR 0.0m) and EUR 1.6m (31 December 2023: EUR 0.0m) respectively.

The maturity of the non-discounted lease receivables as at 31 December 2024 is as follows:

EURm	31 Dec. 2024	31 Dec. 2023
2025	1.6	–
2026	1.5	–
2027	0.9	–
2028	0.3	–
Total	**4.3**	**–**

The following table shows the related non-discounted lease liabilities as at 31 December 2024:

EURm	31 Dec. 2024	31 Dec. 2023
2025	2.0	–
2026	1.7	–
2027	1.1	–
2028	0.3	–
Total	**5.1**	**–**

For some rental properties, the reclassification resulted in a net expense, as the future net rental expenses exceed the net sublease income. In these cases, the negative result of EUR 0.6m was recognised in other operating expenses.

For some rental properties, the reclassification resulted in a net income, as the future net rental income exceeds the net rental expenses. In these cases, the positive result of EUR 0.3m was recognised in other operating income.

In the 2024 financial year, the non-financial receivables resulted in interest income of EUR 0.1m (2023: EUR 0.0m), which was recognised in the financial result.

15. INVENTORIES AND PREPAYMENTS ON INVENTORIES

The changes in inventories and prepayments on inventories were as follows:

EURm	31 Dec. 2024	31 Dec. 2023
Inventories	34.9	28.1
Goods in transit*	12.7	6.8
Prepayments on inventories	0.9	0.3
Total	**48.5**	**35.2**

* Advance payments on inventories totalling EUR 7.1m were reported in the 2023 annual report. Following the revaluation of supplier contracts, EUR 6.8m of this was attributable to goods in transit.

Inventories available for sale (products and merchandise) are stated net of the allowance for write-downs of inventories of EUR 11.2m (31 December 2023: EUR 11.2m). Prepayments on inventories increased by EUR 0.6m year-over-year and amounted to EUR 0.9m (31 December 2023: EUR 0.3m). In the previous year prepayments on inventories were recognised at EUR 7.1m. The revaluation of supplier contracts caused a reclassification from prepayments on inventories to inventories or goods in transit.

Write-downs of inventories recognised in profit and loss amounted to EUR 0.7m (2023: EUR 0.4m). There were no changes in the inventory write-off policy in the year ended 31 December 2024. However, the change in customer behaviour was taken into account within the range depreciation. The total cost of sales was EUR 218.7m in 2024 (2023: EUR 215.7m).

16. OTHER ASSETS

Other assets comprise the following:

EURm	31 Dec. 2024	31 Dec. 2023
Other advances	2.5	2.4
VAT receivables	3.3	2.6
Other tax receivables	1.3	0.2
Right-of-eturn assets	2.3	2.4
Other nonfinancial receivables	0.3	0.1
Total	**9.5**	**7.6**

17. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are composed of the following:

EURm	31 Dec. 2024	31 Dec. 2023
Cash at bank and cash in hand	38.8	71.5
Cash equivalents	30.0	10.0
Total	**68.8**	**81.5**

Westwing had no bank accounts that were pledged as deposits as at 31 December 2024 (31 December 2023: EUR 0.0m).

Cash equivalents amounted to EUR 30.0m as at 31 December 2024 (31 December 2023: EUR 10.0m). The increase is due to new overnight deposits of EUR 20.0m opened at UniCredit bank in 2024. In addition, Westwing has EUR 10.0m in short-term deposits with a maturity of up to three months, which were unchanged from the previous year.

18. SHARE CAPITAL AND RESERVES

SHARE CAPITAL AND CAPITAL RESERVES

The changes in the share capital were as follows:

	Number of shares (in thousands)	Number of treasury shares (in thousands)	Share capital (EURk)	Treasury shares (EURk)
As at 1 January 2023	**20,904**	**382**	**20,904**	**–1,646**
Purchase of treasury shares	–	421	–	–3,688
Settlement of share options	–	–2	–	6
As at 31 December 2023 / 1 January 2024	**20,904**	**801**	**20,904**	**–5,329**
Purchase of treasury shares	–	1,290	–	–10,791
Settlement of share options	–	–10	–	55
As at 31 December 2024	**20,904**	**2,081**	**20,904**	**–16,065**

Each share (not including treasury shares) entitles the bearer to one vote at Westwing Group SE's Annual General Meeting. The nominal value of all ordinary shares is fully paid up. The capital reserves of EUR 365.1m (31 December 2023: EUR 364.6m) consist of the capital increases from past years in excess of the nominal value.

On 8 November 2024, the Management Board of Westwing Group SE resolved, with the approval of the Supervisory Board, to make a public share buyback offer to the shareholders of Westwing Group SE with a maximum volume of up to 1,200,000 shares and a maximum total purchase price of up to EUR 9.9m. The buyback via tender offer began on 12 November 2024 and finished on 10 December 2024. A total of 1,200 thousand shares were acquired during this period in exchange for EUR 9.9m in cash.

On 25 April 2023, the Management Board of Westwing Group SE resolved, with the approval of the Supervisory Board, to implement a share buyback programme with a maximum volume of up to 600,000 shares and a maximum total purchase price of up to EUR 3.0m. The buyback via Xetra trading on the Frankfurt Stock Exchange began on 26 April 2023 and finished on 31 October 2023. A total of 198 thousand shares were acquired during this period in exchange for EUR 1.7m in cash.

On 24 November 2023, the Management Board of Westwing Group SE resolved, with the approval of the Supervisory Board, to implement a further share buyback programme with a maximum volume of up to 600,000 shares and a maximum total purchase price of up to EUR 3.0m. The buyback via Xetra trading on the Frankfurt Stock Exchange began on 27 November 2023 and finished on 30 April 2024. A total of 46 thousand shares had been acquired for EUR 0.4m in cash by 31 December 2023. A further 90 thousand shares were acquired for EUR 0.7m in cash in the period up to 30 April 2024.

On 24 November 2022, the Management Board of Westwing Group SE resolved, with the approval of the Supervisory Board, to implement a share buyback programme with a maximum volume of up to 600,000 shares and a maximum total purchase price of up to EUR 3.0m. The buyback via Xetra trading on the Frankfurt Stock Exchange began on 28 November 2022 and finished on 31 March 2023. A total of 56 thousand shares had been purchased for EUR 0.5m in cash by 31 December 2022. A further 176 thousand shares were acquired for EUR 1.6m in cash in the period up to 31 March 2023.

In 2024, 10,200 share-based payment options were exercised using treasury shares and 3,300 share options were exercised against cash. Together, these led to a decrease of EUR 514k in the share-based payment reserve (which forms part of the other reserves) and a corresponding increase of EUR 437k in the capital reserves.

No capital increases were implemented in either 2024 or 2023.

The total value of treasury shares recognised as deductions from equity was EUR 16.1m as at 31 December 2024 (31 December 2023: EUR 5.3m); the relevant number of shares was 2,081,461 (31 December 2023: 801,321).

AUTHORISED CAPITAL AS AT 31 DECEMBER 2024:

Authorised Capital 2022/I

The Management Board has been authorised, with the Supervisory Board's approval, to increase the Company's share capital by up to EUR 2,090,396.00 in the period up to 17 May 2027 (inclusive) by issuing up to 2,090,396 new no-par value bearer shares against cash and/or non-cash contributions on one or more occasions ("Authorised Capital 2022/I"). Shareholders' pre-emptive subscription rights have been disapplied. The details of Authorised Capital 2022/I are set out in Article 4(3) of the Company's Articles of Association.

Authorised Capital 2023/I

The Management Board has also been authorised, with the Supervisory Board's approval, to increase the Company's share capital by up to EUR 4,000,000.00 in the period up to 15 May 2028 (inclusive) by issuing up to 4,000,000 new no-par value bearer shares against cash and/or non-cash contributions on one or more occasions ("Authorised Capital 2023/I").

Shareholders have pre-emptive subscription rights as a matter of principle. Shareholders' pre-emptive subscription rights can be disapplied in certain circumstances and within prescribed limits, with the Supervisory Board's approval. The new shares may also be issued to one or more credit institutions or other companies named in article 5 of the SE-Regulation in conjunction with section 186(5) sentence 1 of the German Stock Corporation Act (Aktiengesetz – AktG) on condition that they offer them directly to shareholders (indirect subscription right), or may also be granted in part by way of a direct subscription right (e.g. to shareholders who are entitled to subscribe for them and who have previously entered into a binding subscription agreement) or otherwise by way of an indirect subscription right in accordance with article 5 of the SE Regulation in conjunction with section 186(5) of the AktG.

The details of Authorised Capital 2023/I are set out in Article 4(4) of the Articles of Association.

Conditional Capital

The resolution of the Company's Annual General Meeting on 16 May 2023 created an authorisation to issue bonds with warrants/convertible bonds, profit participation rights and/or participating bonds or a combination of these instruments, along with an option to disapply pre-emptive subscription rights. Consequently, the Company's share capital has been conditionally increased by up to EUR 2,000,000.00 by issuing up to 2,000,000 no-par value bearer shares ("Conditional Capital 2023").

The Management Board is authorised, with the Supervisory Board's approval, to issue, in the period up to 15 May 2028 (inclusive), bearer or registered bonds with warrants/convertible bonds, profit participation rights and/or participating bonds (or combinations of these instruments) (hereinafter also collectively referred to as "bonds") with a total nominal amount of up to EUR 50,000,000.00 on one or more occasions and to grant the creditors (hereinafter referred to as the "holders") of the bonds in question, which shall bear equal rights among themselves, options or conversion rights to new bearer shares of the Company with a notional interest in the share capital of up to a total of EUR 2,000,000.00, as set out in greater detail in the terms and conditions for the bonds. The authorisation to issue bonds has not been utilised to date. The details of this Conditional Capital are set out in Article 4(5) of the Company's Articles of Association.

19. SHARE-BASED PAYMENT ARRANGEMENTS

Since 2011, eligible Group employees have been entitled to participate in share-based payment arrangements under which they receive Group equity instruments as consideration for their services (equity-settled transactions).

In addition, certain eligible employees have been granted share appreciation rights, which are settled in cash (cash-settled transactions).

Share Awards

The Westwing Group operates a number of different share-based payment plans. The most significant packages are described below:

- **Small-scale equity-settled programmes 2014–2018 granted in the normal course of business**
  In 2014–2018, several equity-settled programmes were granted to eligible employees in the normal course of business. The programmes had a lock-up period of six or 12 months, with 100% of the shares vesting after four years. In some cases, they included exit shares that vested at the later of an IPO or four years after the grant date. The strike price was either EUR 1.00/150 or between EUR 12.20 and EUR 34.86.

- **2016 Commitment Package**
  A commitment package was granted in June 2016. It had a lock-up period of 36 months, with 60% of the shares vesting after four years and 40% of the shares vesting at the later of an IPO or four years after the grant date. The strike price was EUR 1.00/150.

- **2018 antidilution shares**
  New shares were issued to avoid dilution of the existing programmes following the conversion of warrants into equity that took place in September 2018. The new options had the same vesting schedule as the original options. However, the grant date of August 2018 meant that a different fair value for the options was applied.

- **2019 Commitment Package**
  A new commitment package was granted in August 2018. It had a lock-up period of between 12 and 48 months, depending on the management level of the employees concerned. 50% of the shares vested after four years and 50% of the shares after the later of an IPO or four years after the grant date. The vesting date would be postponed in the case of parental leave or other time off. The strike price was EUR 19.30.

- **2019 VSOP**
  A cash-settled virtual share option programme (VSOP) was launched in August 2019. It included virtual shares for executives and other top managers of the Company, including the Management Board. The shares fully vested on 31 December 2022 and became exercisable as from August 2023. The vesting date would be postponed in the case of parental leave or other time off. The options had an average share price cap of EUR 24.93 and an average strike price of EUR 3.16.

- **2022 Equity Compensation Programme (ECP 2022)**
  A new equity compensation programme was set up in 2022. The beneficiaries do not receive a right or option to acquire shares in the Company (”shares“) or in subsidiaries, but rather an option to receive a cash payment, the amount of which depends on the Company’s share price performance. The Management Board has been excluded from the ECP 2022. The cash payment can be replaced by the delivery of shares at the sole discretion of the Company. The term of the ECP 2022 is three years; it started on 1 July 2022 and the last service period ends on 30 June 2025. Shorter service periods may occur. However, the programme had to be classified as equity-settled until a cash settlement took place, since Westwing had the settlement choice. The first cash settlements took place at the end of 2023, at which point the entire programme was reversed into a cash-settled share-based payment programme.

- **LTI Management Board**
  The Supervisory Board agreed a new Management Board remuneration system in 2022. This includes a share-based compensation component whose performance depends on revenue, Adjusted EBITDA and ESG targets. The objective of the programme is to provide Board members with performance shares and performance options, the ratio of which can be selected by the individual Board member concerned. The difference is in the way the number of shares and the exercise price are calculated. Both plans intend to deliver shares to the Board member once they are exercised, and are therefore accounted for as equity-settled.

In 2024 and 2023, Westwing granted equity-settled options as part of the ECP 2022 and under the Management Board remuneration contracts for Dr Andreas Hoerning and Sebastian Westrich as described above.

As the first rights exercised under the ECP 2022 were settled against cash in 2023, the whole programme was converted into a cash-settled programme with effect from December 2023. This led to a EUR 0.9m decrease in the share-based payment reserve and to the recognition of liabilities of EUR 0.9m at the time of conversion.

In 2019, a cash-settled programme was established under which a total of 596,750 virtual options granted to executives and other top managers of the Company, including the Management Board, were outstanding as at 31 December 2024 (31 December 2023: 683,125). The options vested in full on 31 December 2022 and are exercisable from August 2023 onwards, depending on their grant date. The average exercise price is EUR 3.16, but an average share price cap of EUR 24.93 applies. Income of EUR 0.8m was recognised for this programme in 2024 (2023: expense EUR 0.5m).

Share-based Payment Expenses and Liabilities

In 2024, total share-based payment income amounted to EUR 0.0m (2023: expense EUR 2.3m). EUR 0.0m of this figure was reported as fulfilment expenses (2023: expense EUR 0.0m), income of EUR 0.3m was reported in general and administrative expenses (2023: expense EUR 2.0m) and EUR 0.2m expenses were reported as marketing expenses (2023: expense EUR 0.2m).

Total income from share-based payments includes expenses of EUR 0.1m (2023: income EUR 0.9m) from equity-settled share-based payment awards. Most of this amount relates to the 2019 Commitment Package, which was launched in August 2018 and ran until the end of 2022. In addition, EUR 0.2m was recognised for Management Board LTI remuneration owed to Dr Andreas Hoerning and Sebastian Westrich. With effect from December 2023 the ECP 2022, which was accounted for as equity-settled, was changed to cash-settled accounting after the first options were exercised against cash, as had been intended from the beginning. Income of EUR 0.3m was recognised for cash-settled share-based payments. Of this figure, income of EUR 0.8m is attributable to the 2019 VSOP programme, income of EUR 0.3m relates to equity-settled shares that were converted to cash-settled in 2021 and EUR 1.0m was recognised for the ECP 2022. Total expenses for cash-settled payment programmes in 2023 amounted to EUR 1.4m.

The tables below provide an overview of the changes in equity-settled and cash-settled share-based payment awards relating to shares in the Company.

Change in equity-settled share options:

In thousands	2024	2023
Number of unvested awards outstanding at the beginning of the period	478	271
Granted during the period	183	478
Forfeited during the period	−226	–
Vested during the period	0	−242
Reclassified to cash-settled options	0	−29
Number of unvested awards outstanding at the beginning of the period	**235**	**478**
Number of vested awards outstanding at the beginning of the period	2,207	1,962
Vested during the period	0	242
Exercised during the period	−3	−6
Total number of vested awards outstanding at the end of the period	**2,204**	**2,199**

Change in cash-settled share options:

In thousands	2024	2023
Number of unvested awards outstanding at the beginning of the period	199	75
Granted during the period	157	275
Forfeited during the period	−18	−35
Vested during the period	−196	−143
Reclassified from equity-settled options	0	29
Number of nvested awards outstanding at the end of the period	**143**	**201**
Number of ested awards outstanding at the beginning of the period	1,232	1,290
Vested durng the period	196	143
Total numbr of vested awards outstanding at the end of the period	**1,319**	**1,230**

Equity-settled and Cash-settled Options

The changes in the number of equity-settled and cash-settled options outstanding and their related weighted average exercise prices are as follows:

	Weighted aerage exercise price in EUR		Number of ptions in thousands	
Equity-setled options	2024	2023	2024	2023
Outstanding as at 1 January	15.18	15.84	2,677	2,233
Granted during the period	13.48	11.07	183	478
Forfeited during the year	0	–	–	–
Exercised during the year	0	1.21	– 3	– 6
Reclassified to cash-settled options	0	1.00	0	– 29
Outstanding as at 31 December	**15.69**	**15.18**	**2,439**	**2,677**
Thereof vested	16.03	16.07	2,204	2,199

	Weighted average exercise price in EUR		Number of options in thousands	
Cash-settled options	2024	2023	2024	2023
Outstanding as at 1 January	7.47	7.78	1,431	1,365
Granted during the period	1.00	1.00	157	275
Forfeited during the year	1.00	1.00	– 18	– 35
Exercised during the year	0.99	–	– 109	– 202
Reclassified from equity-settled options	0.00	1.00	0	29
Outstanding as at 31 December	**7.33**	**7.47**	**1,461**	**1,431**
Thereof vested	8.02	8.52	1,319	1,230

Equity-settled and cash-settled options outstanding as at the end of the year have the following vesting dates and exercise prices:

Equity-settled options		Weighted average exercise price per option in EUR		Number of options in thousands	
Grant date	Vesting date	2024	2023	2024	2023
2011	2015	0.01	0.01	3	3
2013	2017	0.01	0.01	25	25
2014	2018	21.84	21.84	356	356
2015	2019	36.06	36.06	4	4
2016	2020	0.25	0.25	99	99
2017	2021	0.01	0.01	5	5
2018	2022	16.01	16.06	1,712	1,707
2022	2023	0.00	–	0	–
2023	2027	11.93	11.07	142	478
2024	2027	13.48	–	93	–
Total		**15.69**	**15.18**	**2,439**	**2,677**

Cash-settled options		Weighted average exercise price per cash-settled option in EUR		Number of options in thousands	
Grant date	Vesting date	2024	2023	2024	2023
2014	2018	29.66	29.66	3	3
2015	2019	30.66	30.66	6	6
2017	2021	0.01	0.01	10	10
2018	2022	17.90	17.88	457	458
2019	2022	1.00	1.00	230	230
2020	2022	1.00	1.00	282	354
2021	2022	16.16	13.89	85	100
2022	2023	1.00	1.00	27	27
2023	2024	1.00	1.00	233	245
2024	2025	1.00	–	140	–
		7.33	**7.47**	**1,461**	**1,431**

Fair Value of Equity-settled and Cash-settled Options

The fair values of the equity-settled and cash-settled options granted to employees are measured using a Black–Scholes option pricing model with the share price at the grant date and the expected volatility as inputs. Expected volatility is estimated by considering the historical average share price volatility of comparable companies, and also considers Westwing's own share price volatility.

Expenses for equity-settled share-based payments were recognised as part of the Executive Board remuneration in 2024 and 2023 for Dr Andreas Hoerning and Sebastian Westrich.

In 2023, equity-settled share-based options were also issued as part of the ECP 2022 program. With effect from December 2023, the entire programme was converted into a cash-settled programme.

In the case of cash-settled options, the fair value of the underlying shares and the fair value of the cash-settled options have to be determined at each reporting date. The weighted average fair value for the cash-settled options outstanding as at 31 December 2024 was EUR 4.39 (31 December 2023: EUR 5.45).

The inputs used in the fair value measurement of the cash-settled options at the reporting dates are summarised below:

Reporting date	2024	2023
Share price (in EUR)	7.36	8.84
Weighted average option exercise price (EUR)	7.33	7.47
Volatility based on expected life	0.0%–47.4%	0.0%–42.9%
Expected life	0.00–1.00	0.00–1.00
Risk-free rate	2.3%	0%
Share price cap	20.00–n/a	20.00–n/a
Weighted average fair value per option (EUR)	4.39	5.45

20. CURRENT AND NON-CURRENT LIABILITIES

Financial Liabilities

Financial liabilities as at 31 December comprised the following:

EURm	31 Dec. 2024	31 Dec. 2023
Trade payables	29.6	16.6
Accruals	16.3	19.4
Liabilities for share-based payments	5.3	6.0
Lease liabilities	33.4	36.7
Refund liabilities	6.9	6.6
Total	**91.6**	**85.2**
Thereof current	61.9	53.7
Thereof non-current	29.7	31.5

Trade payables amounted to EUR 29.6m as at 31 December 2024 (31 December 2023: EUR 16.6m). The increase was caused by a considerable higher purchase volume mainly at the end of the year.. The refund liabilities of EUR 6.9m (31 December 2023: EUR 6.6m) are designed to cover the risk of products being returned within 30 days. The liabilities are calculated per country using an estimated return rate based on historical data.

Additional disclosures on financial assets and liabilities can be found in Note 23.

Non-financial Liabilities

Non-financial liabilities as at 31 December were as follows:

EURm	31 Dec. 2024	31 Dec. 2023
Contract liabilities	23.3	19.3
Liabilities to employees	10.7	9.8
VAT liabilities	5.7	5.9
Tax liabilities	2.4	0.9
Other non-financial liabilities	0.7	0.5
Total	**42.8**	**36.5**
Thereof current	42.8	36.5
Thereof non-current	–	–

Liabilities to employees of EUR 10.7m (31 December 2023: EUR 9.8m) include accruals for vacation, bonuses and severance pay. Contract liabilities include liabilities for unused gift vouchers of EUR 2.1m (31 December 2023: EUR 1.7m).

21. PROVISIONS

The changes in provisions for liabilities and charges were as follows:

EURm	Legal claims	Restoration	Other	Total
As at 1 January 2023	**0.2**	**2.1**	**0.3**	**2.7**
Additions	0.8	–	0.4	1.1
Reversals	– 0.0	–	– 0.1	– 0.1
Utilisation	– 0.1	–	– 0.1	– 0.1
As at 31 December 2023 / 1 January 2024	**0.9**	**2.1**	**0.6**	**3.6**
Additions	0.0	0.0	0.1	0.1
Reversals	–	–0.0	–	– 0.0
Utilisation	– 0.0	– 0.0	– 0.3	– 0.4
As at 31 December 2024	**0.9**	**2.1**	**0.3**	**3.3**
Thereof:				
Current provisions	0.9	–	0.3	1.2
Non-current provisions	–	2.1	–	2.1
As at 31 December 2024	**0.9**	**2.1**	**0.3**	**3.3**

The restoration provision relates to the obligation to return leased property to its former condition at the end of the lease term. The timing of the cash outflow depends on the timing of the lease term in respect of which the provision was recorded. The opening balance for the restoration provision mainly refers to the office at Moosacher Strasse 88 in Munich and to the warehouses in Poznan, Poland.

The provision for legal claims represents the best estimate of the obligation in connection with claims against the Group relating to intellectual property rights.

Other provisions mainly include an estimated risk provision in connection with external audits.

22. FINANCIAL RISK MANAGEMENT

22.1 Financial Risk Factors

22.1.1 OVERVIEW

The Group actively manages its financial risks, operational risks and legal risks. The Group's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk. The primary objectives of financial risk management are to establish risk limits and to ensure that exposures stay within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures, in order to reduce operational and legal risks. Group risk management is performed centrally and covers all consolidated entities.

22.1.2 MARKET RISK

The Group is exposed to market risk. Risks of this type arise from open positions in foreign currencies (currency risk), and interest-bearing assets and liabilities (interest rate risk), which are sensitive to general and specific market movements. Management monitors these risks on an ongoing basis to ensure that exposure stays within defined limits. However, this approach does not prevent losses in the event of more significant market movements. The sensitivities to market risk presented below are based on a change in one factor with all other factors remaining constant. This is unlikely to occur in practice, however, since changes in certain factors may be correlated.

Currency Risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, and particularly to the Polish zloty. Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. In addition, the Group has maintained a US dollar bank account, which is subject to fluctuation, since 2021. Therefore, the table below presents the annual average exchange rates / the exchange rates at the reporting date for the Polish zloty and the US dollar:

	Exchange rate at reporting date		Annual average exchange rate	
Exchange rate for EUR 1	31 Dec. 2024	31 Dec. 2023	2024	2023
Polish zloty	4.2750	4.3395	4.3058	4.5421
US dollar	1.0389	1.1050	1.0821	1.0816

The Group's business model minimises foreign exchange risk. A significant portion of local revenue and local costs are generated in the local currencies concerned. Foreign exchange gains and losses shown in consolidated profit and loss arise mainly from liabilities to suppliers, intercompany funding activities with the Polish affiliate and the US dollar bank account.

The following table demonstrates the sensitivity of profit and loss to a plausible possible change in foreign exchange rates as at the reporting date, with all other variables remaining constant.

EURm	31 Dec. 2024	31 Dec. 2023
10% appreciation / (depreciation) in the Polish zloty	– 0.2/+0.2	– 0.5/+0.5
10% appreciation / (depreciation) in the US dollar	– 0.4/+0.4	+0.0/– 0.0
Total	**– 0.6/+0.6**	**– 0.5/+0.5**

The exposure was only calculated for monetary balances denominated in currencies other than the functional currency. There is no effect on other comprehensive income since the Group does not use hedges.

22.1.3 CREDIT RISK

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by being unable or unwilling to meet its obligations. Credit risk arises in relation to cash and cash equivalents, deposits with banks and financial institutions, and receivables from end customers and business partners. Exposure to credit risk arises as a result of the sale of products on credit and of other transactions with counterparties giving rise to financial assets. Trade receivables arising in connection with purchases on account and direct debit transactions are sold to third-party providers as they arise. Credit exposures to customers are recorded systematically, analysed and managed by the subsidiaries concerned using both internal and external sources of information.

The Group's maximum exposure to credit risk is represented by the carrying amount of the individual classes of financial assets in the statement of financial position, as shown below:

EURm	Notes	31 Dec. 2024	31 Dec. 2023
Trade receivables and other financial assets	14		
Trade and PSP receivables (net)		6.1	10.7
Other financial receivables		7.0	2.9
Cash and cash equivalents	17		
Cash in hand		0.0	0.0
Bank balances		38.8	71.5
Short-term bank deposits		30.0	10.0
Total on-balance sheet exposure		**82.0**	**95.2**

Trade Receivables and Other Financial Assets

The nature of the Group's activities means that exposure to credit risk with counterparties is limited, since in most transactions cash is received at the time of sale, or on delivery of the product in the case of cash-on-delivery sales. Allowances for ECLs are recognised for trade receivables and supplier receivables (see Note 14 for details). As at 31 December 2024, EUR 3.3m of trade receivables and other financial assets was attributable to receivables from payment service providers and credit card companies (31 December 2023: EUR 5.5m).

The Group manages its exposure to credit risk by placing limits on the amount of risk accepted in relation to specific counterparties or groups of counterparties. Such risks are monitored on a regular basis and are subject to annual review at a minimum.

The Group regularly reviews the ageing of outstanding trade receivables and follows up on past-due balances.

Cash and Cash Equivalents

The credit quality of the financial institutions with which accounts are held is shown below using Standard and Poor's or Moody's ratings:

EURm	31 Dec. 2024	31 Dec. 2023
AAA	–	–
AA– to AA+	0.2	0.1
A– to A+	45.4	79.1
BBB– to BBB+	20.2	0.2
Lower than BBB rating	–	–
Unrated	3.0	2.1
Total	**68.8**	**81.5**

Credit Risk Concentration

The structure of the Group and the market in which it operates mean that its credit risk is spread across a large number of different counterparties. Therefore, no relevant credit risk concentrations are considered to exist in the operating business. However, the fact that a high proportion of cash and cash equivalents are held with Deutsche Bank can be considered to be a risk cluster. That having been said, Westwing also works with other large banks to spread the risk. Due to its contractual terms, the Group considers expected credit losses to be immaterial.

22.1.4 LIQUIDITY RISK

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities without affecting the Group's day-to-day operations or financial position. Liquidity facilitates the ability to meet expected and unexpected cash requirements.

Westwing manages its liquidity to enhance shareholder value and to make sure that the Group uses capital efficiently. It has also invested in cash equivalents, ensuring a high level of flexibility regarding cash without incurring the disadvantages associated with cash at banks.

The table below shows the Group's non-derivative financial liabilities as at 31 December 2024, broken down by their remaining contractual maturity. The amounts disclosed in the maturity table are the undiscounted contractual cash flows. Debtors with credit balances are not included.

The undiscounted cash flows differ from the amount included in the statement of financial position, since the carrying amount disclosed in the latter is based on discounted cash flows.

The maturity analysis of financial liabilities as at 31 December 2024, based on undiscounted contractual payments, is as follows:

EURm	Less than 3 months	Between 3 months and 1 year	Between 1 year and 5 years	Over 5 years	Total
Liabilities					
Lease liabilities	2.0	8.2	21.2	5.0	36.4
Trade payables	29.6	–	–	–	29.6
Accruals	16.3	–	–	–	16.3
Refund liabilities	6.9				6.9
Total future payments, including future principal and interest payments	**54.9**	**8.2**	**21.2**	**5.0**	**89.3**

The maturity analysis of financial liabilities as at 31 December 2023, based on contractual undiscounted payments, is as follows:

EURm	Less than 3 months	Between 3 months and 1 year	Between 1 year and 5 years	Over 5 years	Total
Liabilities					
Lease liabilities	5.1	7.1	20.6	6.9	39.7
Trade payables	16.6	–	–	–	16.6
Accruals	19.4	–	–	–	19.4
Refund liabilities	6.6				6.6
Total future payments, including future principal and interest payments	**47.6**	**7.1**	**20.6**	**6.9**	**82.2**

22.2 Capital Management

The Group manages its capital structure in order to finance its activities and continued growth. The Group's objectives when managing its capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure so as to reduce the cost of capital. The equity ratio was 29.8% as at 31 December 2024 (31 December 2023: 36.9%). External requirements such as financial covenants do not exist.

22.3 Fair Value Measurement

IFRS 13 requires the fair values of financial assets and financial liabilities to be allocated to one of three levels in the fair value hierarchy. The individual levels of the fair value hierarchy are defined as follows:

- **Level 1:**
  Quoted (unadjusted) prices in an active market for identical assets and liabilities that the entity can access at the measurement date

- **Level 2:**
  Inputs other than quoted market prices included within Level 1 that are observable for the asset and liability, either directly or indirectly

- **Level 3:**
  Inputs for assets and liabilities that are not based on observable market data

The Group measures its financial assets and financial liabilities at fair value on initial recognition.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

Cash and cash equivalents, trade receivables and other financial assets, trade and other payables, and other financial liabilities have short-term maturities. Their carrying amount at the end of the reporting period therefore approximates to their fair value.

23. FINANCIAL INSTRUMENTS BY CATEGORY

The tables below provide an analysis of the items in the statement of financial position and their classification into subsequent measurement at amortised cost or at fair value through profit or loss.

The amounts shown represent carrying amounts that reflect the items' fair values, given the short-term nature of all balances involved.

Financial Assets – At Amortised Cost

EURm	Notes	31 Dec. 2024	31 Dec. 2023
Cash and cash equivalents	17	68.8	81.5
Trade receivables and other financial assets	14	13.1	13.7
Total		**82.0**	**95.2**

Financial Liabilities

		31 Dec. 2024			
EURm	Notes	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Not in scope of IFRS 9	Total
Trade payables	20	29.6	–	–	29.6
Accruals	20	16.3	–		16.3
Other financial liabilities	19	–	–	5.3	5.3
Lease liabilities		–	–	33.4	33.4
Total		**46.0**	**–**	**38.7**	**84.7**

		31 Dec. 2023			
EURm	Notes	Financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Not in scope of IFRS 9	Total
Trade payables	20	16.6	–	–	16.6
Accruals	20	19.4	–		19.4
Other financial liabilities	19	–	–	6.0	6.0
Lease liabilities		–	–	36.7	36.7
Total		**35.9**	**–**	**42.7**	**78.6**

Changes in Liabilities Arising from Financing Activities

EURm	31 Dec. 2023	Cash flows	Changes in fair value	New and terminated leases	Other including reclassifica-tions	31 Dec. 2024
Lease liabilities (non-current)	25.5	–	–	4.4	−5.4	24.4
Lease liabilities (current)	11.2	−9.8	–	1.4	6.2	9.0
Supplier finance arrangements	–	–	–	–	–	–
Total liabilities from financing activities	**36.7**	**−9.8**	**–**	**5.8**	**0.8**	**33.4**

EURm	31 Dec. 2022	Cash flows	Changes in fair value	New and terminated leases	Other including reclassifica-tions	31 Dec. 2023
Lease liabilities (non-current)	35.0	–	–	1.6	−11.2	25.5
Lease liabilities (current)	9.7	−10.6	–	0.3	11.9	11.2
Supplier finance arrangements	7.8	−7.8	–	–	–	–
Total liabilities from financing activities	**52.4**	**−18.4**	**–**	**1.9**	**0.7**	**36.7**

The “Other” line item includes the effect of the reclassification of the non-current portion of borrowings, including lease liabilities, to the current category due to the passage of time and the accrual of interest. Leases do not contain any credit conditions, and no guarantees were provided for them.

Income and Expenses from Financial Instruments

The total impact on profit and loss as a result of financial instruments for the year ended 31 December 2024 was EUR – 0.6m (2023: EUR – 0.1m).

Income and expenses from financial instruments can be broken down as follows:

Category	EURm	2024	2023
Financial assets at amortised cost	Interest income	1.7	1.1
	Impairment of financial assets	–2.0	–1.0
Liabilities at amortised cost	Interest expense	–0.2	–0.2
	Currency exchange effects	–0.1	0.1
Total		**–0.6**	**–0.1**

24. INCOME TAXES

Income taxes

The income tax expense for the financial years ending 31 December 2024 and 2023 consists of the following:

EURm	2024	2023
Income tax:		
Current tax expense (–) / income	–1.8	–0.3
Effective tax expense (–) / income pervious year	1.0	–0.1
Deferred tax expense (–) / income	0.5	–2.9
Income tax expense (–) / income reported in the consolidated statement of profit or loss	**–0.2**	**–3.3**

Reconciliation from the expected tax income, calculated by multiplying the profit/loss for the period before income tax by Germany's corporation tax and trade tax rate for 2024 of 33% (2023: 33%) to the tax expense recognised in the consolidated statement of profit or loss:

EURm	2024	2023
Profit/loss (–) for the period before income tax	**–4.8**	**–9.1**
Applicable tax rate	33%	33%
Expected tax expense (–) / income	1.6	3.0
Unrecognised deferred tax assets for new tax loss carryforwards	–0.2	–2.0
Value adjustment of deferred tax assets for tax loss carryforwards	–0.5	–2.1
Effect of the utilisation of tax loss carryforwards	3.3	0.0
Unrecognised deferred tax assets for temporary differences	–3.1	–2.2
Non-deductible expenses (–) / tax-exempt income	–0.9	0.2
Effect of different tax rates (19% to 25%) for foreign Group entities	–0.9	–0.3
Tax expense (–) / income previous years	1.0	–0.1
Other effects	–0.5	0.2
Income tax expense (–) / income reported in the consolidated statement of profit or loss	**–0.2**	**–3.3**

The effective tax rate of – 6.3% (2023: – 36.3%) results from the loss situation at Group level and the recognition of deferred tax assets and deferred tax liabilities to the extent that it is probable that future profits can be offset against the deductible temporary differences and the tax loss carryforwards. Due to their history of losses, Westwing Group SE and Westwing GmbH have a 'history of loss' situation within the meaning of IAS 12.

Deferred taxes

The Group's deferred taxes are as follows:

Negative figures relate to deferred tax liabilities, whereas positive figures relate to deferred tax assets.

	31 Dec. 2024		31 Dec. 2023	
EURm	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Non-current assets	**3.7**	**– 14.9**	**0.0**	**– 10.2**
Intangible assets	3.7	– 4.8	0.0	– 5.8
Property, plant and equipment	0.0	– 9.4	0.0	– 4.4
Trade & other receivables	0.0	– 0.7	0.0	0.0
Current assets	**0.3**	**– 0.6**	**0.0**	**0.0**
Inventories	0.0	0.0	0.0	0.0
Trade receivables and other receivables	0.3	– 0.6	0.0	0.0
Other non-financial assets	0.0	0.0	0.0	0.0
Non-current liabilities	**4.9**	**0.0**	**4.2**	**– 0.1**
Lease liabilities	4.6	0.0	4.0	0.0
Other financial liabilities	0.1	0.0	0.2	0.0
Provisions	0.2	0.0	0.0	– 0.1
Current liabilities	**2.7**	**0.0**	**1.2**	**0.0**
Lease liabilities	2.1	0.0	1.1	0.0
Trade payables	0.0	0.0	0.1	0.0
Other non-financial liabilities	0.5	0.0	0.0	0.0
Provisions (non-financial)	0.1	0.0	0.1	0.0
Tax loss carryforwards	**2.7**	**0.0**	**3.2**	**0.0**
Total:	**14.3**	**– 15.5**	**8.6**	**– 10.3**
Offset:	**– 14.2**	**14.2**	**– 7.2**	**7.2**
Amount recognised	**0.1**	**– 1.3**	**1.4**	**– 3.1**

The changes in deferred taxes were as follows:

	2024		2023	
EURm	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Deferred tax (assets) / liabilities at beginning of financial year	1.4	−3.1	**3.6**	**−2.3**
Income taxes presented in the consolidated statement of profit or loss	−1.3	1.8	−2.2	−0.8
Deferred tax (assets) / liabilities at end of financial year	0.1	−1.3	**1.4**	**−3.1**

Deferred tax assets and deferred tax liabilities are offset against each other if they relate to income taxes of the same taxable entity levied by the same tax authority and if the company has an enforceable right to offset them.

In the financial year, Westwing GmbH assumed responsibility for the operation of the Westwing Club model in the Italian, Spanish and Polish markets. With this centralisation, the key functions of the Club model for the local market were transferred from Westwing S.R.L., WW E-Services Iberia, S.L. and Westwing Sp. z o.o. to Westwing GmbH and business operations have since been continued by Westwing GmbH.

Due to centralisation, Westwing S.R.L., WW E-Services Iberia, S.L. and Westwing Sp. z o.o. are no longer in a history of loss situation. The major effects in the tax rate differences result primarily from the utilisation of the tax loss carryforwards of the Italian and Spanish companies.

This centralisation led to a deferred tax asset at the level of Westwing GmbH. However, a valuation allowance was recognised on deferred tax assets at company level in the financial year (recognition of a surplus of deferred tax assets after netting with deferred tax liabilities) as, due to the company's history of losses, it is considered unlikely that tax reduction potential will be utilised in the future due to sufficient taxable income. This relates to deferred tax assets due to temporary differences totalling EUR 8.2m.

Deferred tax liabilities from temporary differences of EUR 1.0m were recognised at the level of the German companies.

In the Group, tax loss carryforwards in the amount of EUR 143m for corporate income tax and EUR 101m for trade tax (2023: EUR 149m for corporate income tax and EUR 97m for trade tax*) were not used in the context of the capitalisation of deferred taxes, as it is not sufficiently probable that they can be used to offset taxable profits. For Westwing Group SE, loss carryforwards of EUR 8.2m each were used for corporate income tax and trade tax purposes, taking into account the minimum taxation, in order to recognise a deferred tax asset as a result of future loss utilisation. The deferred tax assets were recognised taking into account the minimum taxation and fully offset against deferred tax liabilities in the balance sheet as at 31 December 2024, resulting in a surplus of deferred tax liabilities at Westwing Group SE.

Deferred taxes are generally measured at the tax rates that are expected to apply to the period in which the asset is realised or the liability is settled.

The Group has tax loss carryforwards, which have also been incurred in various countries and amount to EUR 147m for corporate income tax and EUR 105m for trade tax as at the balance sheet date on 31 December 2024. (2023: EUR 159m for corporate income tax and EUR 107m for trade tax*). These tax losses can be offset against the future taxable income of the companies in which these losses were incurred as follows.

	2024		2023		
EURm	Corporation tax	Trade tax	Corporation tax	Trade tax	Time limit on tax loss carryforwards
Germany[1]	113	105	114	107	No
France	–	–	–	–	No
Italy[2]	15	–	23	–	No
Netherlands	–	–	–	–	Yes
Poland	–	–	–	–	Yes
Spain[2]	19	–	22	–	No
Total	**147**	**105**	**159**	**107**	

1 The loss carryforwards 2023 are shown with their corrected values, as there was an adjustment to the amounts at Westwing GmbH level.

2 In the financial year, the Italian and Spanish businesses were centralised, which led to a partial use of the tax loss carryforwards.

25. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Zerena GmbH, Munich, Germany (Rocket Internet SE, Berlin) is Westwing's largest shareholder. In relation to share capital before treasury shares in the reporting year and the previous year, with an equity interest of nearly 29% as at 31 December 2024 (31 December 2023: 29%), Rocket Internet SE has significant influence on, but does not control, Westwing, and Westwing is not consolidated in Rocket Internet SE's consolidated financial statements. Rocket Internet SE does not have a seat on Westwing Group SE's Supervisory Board. All ventures that are controlled or jointly controlled by Rocket Internet SE and on which Rocket Internet SE has a significant influence are classified as related parties of the Group.

In addition, related parties comprise Management Board and Supervisory Board members and their equity interests, their children and domestic partners, and their relatives living in the same household.

No transactions with related parties of Rocket Internet affiliates needed to be disclosed.

However, members of the Management Board purchased goods and services on Westwing sites and apps in their capacity as Westwing customers.

As at 31 December 2024, Westwing's Management Board comprised Chief Executive Officer Dr Andreas Hoerning and Chief Financial Officer Sebastian Westrich.

The outstanding balances with related parties were as follows as at 31 December 2024 and 31 December 2023:

EUR k	31 Dec. 2024	31 Dec. 2023
Trade receivables, gross	–	–
Trade and other payables	–	–

The income and expense items with related parties were as follows:

EUR k	2024	2023
Sales of goods and services to related parties (individuals)	10	8
Purchases of goods and services from related parties (individuals)	–	–
Purchases of goods and services from related parties (companies)	–	–

Sales of goods and services in 2024 and 2023 primarily relate to purchases made on Westwing websites by Management Board members.

All transactions were performed at arm's length.

Management Board Remuneration

The Management Board comprises the Chief Executive Officer and the Chief Financial Officer.

The remuneration paid to the Group's Management Board for their services consists of their contractual salary (short-term employee benefits), performance-related remuneration (short-term incentive) and an equity participation component taking the form of shares or options (share-based payments, long-term incentive).

The members of Westwing's Management Board receive a fixed annual salary, which is paid in cash in 12 equal monthly instalments. Where their contracts of service begin or end in the course of a financial year, the fixed annual salary for the year in question is granted pro rata.

All members of the Management Board also receive benefits in kind and other remuneration (fringe benefits). For example, they are entitled to an allowance for health insurance and retirement benefits: Westwing pays them half of the maximum contribution to the statutory pension insurance plan each month, plus half of their private health and long-term care insurance premiums, but no more than the maximum employer contribution payable in the case of an obligation under statutory health and long-term care insurance programmes.

Above and beyond remuneration-related fringe benefits, the Company takes out D&O insurance for all members of the Management Board; the policy concerned offers a standard market level of cover and a deductible in line with the relevant provisions of the AktG. The Company also provides legal expenses insurance cover for top management.

Variable remuneration comprises the short-term variable remuneration (the "short-term incentive" or "STI") and long-term variable remuneration in the form of share-based option programmes (the "long-term incentive" or "LTI"). The amount of variable remuneration paid depends on the Management Board members' performance and is primarily measured using two KPIs: Group revenue and Adjusted EBITDA.

EUR k	2024	2023
Salaries	580	507
Bonuses	366	328
Social security contributions	12	9
Total short-term employee benefits	**958**	**844**
Total post-employment benefits	**0**	**2**
Share-based payment expenses	**274**	**87**
Termination benefits	**0**	**63**
Total	**1,232**	**996**

The table above includes accruals for bonus payments of EUR 364k (31 December 2023: EUR 328k) and income from the release of provisions of EUR 184k (2023: EUR 299k).

The total remuneration granted to the Board of Management in financial year 2024 under the German Commercial Code (section 315e) amounted to EUR 909k (2023: EUR 835k). Expenses of EUR 21k were recognised for former members of the Management Board in 2024 (2023: EUR 63k).

The following tables show the number of share options issued to the Management Board together with their fair value at the grant date and the changes at the reporting date (for cash-settled options only):

2024	Outstanding options as at 31 Dec. 2024 (in thousands)	Weighted average fair value at a grant date (in EUR)	Changes in fair value (in EUR)	Fair value as at 31 Dec. 2024 (in EUR)
Equity-settled share options	235	6.99	–	–
Cash-settled share options	447	10.81	–8.33	2.48

2023	Outstanding options as at 31 Dec. 2023 (in thousands)	Weighted average fair value at a grant date (in EUR)	Changes in fair value (in EUR)	Fair value as at 31 Dec. 2023 (in EUR)
Equity-settled share options	478	8.69	–	–
Cash-settled share options	447	10.81	–7.67	3.14

Sebastian Säuberlich exercised 600 options in 2024 against a cash payment of EUR 4k (2023: 12,500 against EUR 91k).

Supervisory Board Remuneration

Total remuneration (basic remuneration and remuneration for committee work) and out-of-pocket expenses for the Supervisory Board amounted to EUR 0.2m in 2024 (2023: EUR 0.2m).

26. DECLARATION OF COMPLIANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE

In December 2024, the Supervisory Board and Management Board issued a declaration of compliance for Westwing Group SE in accordance with section 161 of the German Stock Corporation Act (AktG) for financial year 2024. This has been published on the Investor Relations section of Westwing Group SE's website, https://ir.westwing.com/download/companies/westwing/CorporateGovernance/Compliance_Declaration_2024_EN.pdf.

27. RESOLUTION TO APPLY THE EXEMPTION IN SECTION 264(3) OF THE HGB

In accordance with the approval granted by the shareholders, the Group's following German subsidiaries will utilise the exemption regulation pursuant to section 264(3) of the German Commercial Code (HGB) when preparing their annual financial statements under commercial law for the year from 1 January 2024 to 31 December 2024.

- Westwing GmbH
- Westwing Commercial GmbH
- Westwing Delivery Service GmbH
- Westwing Stores GmbH (formerly Westwing Bitterfeld Logistics GmbH)
- Bambino 68. V V UG (limited liability)
- Bambino 66. V V UG (limited liability)
- Westwing France Holding UG (limited liability)
- Westwing Italy Holding UG (limited liability)
- Westwing Spain Holding UG (limited liability)
- Brillant 1256. GmbH

In addition, profit and loss transfer agreements exist for Westwing Delivery Service GmbH and Westwing Stores GmbH (formerly Westwing Bitterfeld Logistics GmbH).

28. SUBSIDIARIES

Westwing Group SE is the ultimate Group parent, although it is not a pure holding company. The following direct subsidiaries were consolidated as at 31 December 2024:

Name	Country of incorporation and place of business	Registered office	Equity interests held 31 Dec. 2024	Equity interests held 31 Dec. 2023
Westwing GmbH	DE	Munich	100.00	100.00
Westwing Commercial GmbH	DE	Berlin	100.00	100.00
Westwing Delivery Service GmbH	DE	Munich	100.00	100.00
Westwing Stores GmbH (formerly Westwing Bitterfeld Logistics GmbH)	DE	Munich	100.00	100.00
Westwing Spain Holding UG	DE	Berlin	100.00	100.00
Westwing France Holding UG	DE	Berlin	100.00	100.00
Westwing Italy Holding UG	DE	Berlin	100.00	100.00
Brillant 1256. GmbH & Co. Dritte Verwaltungs KG	DE	Berlin	88.80	88.80
Brillant 1256. GmbH	DE	Berlin	100.00	100.00
Bambino 68. V V UG	DE	Berlin	87.24	87.24
Bambino 66. V V UG	DE	Berlin	94.20	94.20
VRB GmbH & Co. B-157 KG	DE	Berlin	77.30	77.30
VRB GmbH & Co. B-160 KG	DE	Berlin	97.50	97.50

In addition, the Group held all of the equity interests in the following indirect subsidiaries as at 31 December 2024:

Name	Country of incorporation and place of business	Registered office	Equity interests held 31 Dec. 2024	Equity interests held 31 Dec. 2023
WW E-Services Iberia S.L.	ES	Barcelona	100.00	100.00
Westwing S.r.l.	IT	Milan	100.00	100.00
Westwing SAS (formerly WW E-Services France SAS)	FR	Paris	100.00	100.00
Westwing Sp. z o.o. (formerly Westwing Home & Living Poland Sp. z o.o.)	PL	Warsaw	100.00	100.00
wLabels Hong Kong Ltd.	HK	Hong Kong	100.00	100.00
wLabels China Co., Ltd.	CN	Dongguan	100.00	100.00
Westwing B.V.*	NL	Amsterdam	0	100.00

* Merged with Westwing GmbH on 16 April 2024.

The proportion of voting rights in the subsidiary undertakings held directly by the parent company does not differ from the proportion of ordinary shares held. The parent company does not hold any preference shares of subsidiary undertakings included in the Company. Several intercompany loans exist, most of which were made by Westwing Group SE to affiliates. Westwing Group SE has signed a letter of comfort for Westwing GmbH that is valid until the end of 2026.

29. EVENTS AFTER THE BALANCE SHEET DATE

ECP 2022 was extended by up to one year. Please refer to section 19 of the notes. There were no further events.

Munich, 26 March 2025

Dr Andreas Hoerning	**Sebastian Westrich**
Chief Executive Officer Westwing Group SE	Chief Financial Officer Westwing Group SE

04

FURTHER INFORMATION

RESPONSIBILITY STATEMENT BY THE MANAGEMENT BOARD

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the financial position, cash flows and profit or loss of the Group, and the Group management report, which has been combined with the management report for Westwing Group SE includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Munich, 26 March 2025

Dr Andreas Hoerning

Chief Executive Officer
Westwing Group SE

Sebastian Westrich

Chief Financial Officer
Westwing Group SE

INDEPENDENT AUDITOR'S REPORT

To Westwing Group SE, Berlin

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Audit Opinions

We have audited the consolidated financial statements of Westwing Group SE, Berlin, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of Westwing Group SE, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (the IFRS Accounting Standards) as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024, and

- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

❶ Recognition of revenue from the sale of merchandise to private end costumers in the correct period

❷ Recognition and measurement of internally generated intangible assets for software solutions

❸ Accounting treatment of share-based payments

Our presentation of these key audit matters has been structured in each case as follows:

① Matter and issue

② Audit approach and findings

③ Reference to further information

Hereinafter we present the key audit matters:

❶ Recognition of revenue from the sale of merchandise to private end costumers in the correct period

① In the consolidated financial statements of Westwing Group SE revenue of EUR 444.3 million is reported in the consolidated statement of comprehensive income. The business model of the Westwing Group SE Group is based on the sale of merchandise (furniture and home accessories) to private end customers via the Group's country-specific websites and apps. Revenue is recognized when delivery has been made. In principle, Westwing Group SE provides its services when the merchandise is delivered to customers, which means at the point in time when the end customer obtains control of the merchandise. Since large-volume transactions are involved, the Company has established comprehensive processes and systems for recognizing and deferring revenue. Transaction volumes are particularly high towards the end of the year, and the revenue generated in this period has a substantial impact on the Group's net profit or loss for the year. Since revenue is not recognized until the merchandise has been handed over to the end customer, any merchandise that has been dispatched but not yet delivered to the end customers does not yet represent revenue.

Due to the complexity of the processes and systems in place to recognize revenue, as a significant item in terms of amount, in the correct period, and given the large transaction volumes for sale of merchandise, including the uncertainties involved in estimating delivery times – particularly towards the end of the year –, this matter was of particular significance in the context of our audit.

② As part of our audit, among other things we assessed the appropriateness and effectiveness of the processes implemented by the executive directors of Westwing Group SE – from order through delivery to the end customers – to recognize revenue in the correct period. With the knowledge that the complexity of the accounting treatment and the estimates and assumptions to be made give rise to an increased risk of accounting misstatements when recognizing revenue in the correct period, we assessed the appropriateness of the estimates made by the executive directors, in particular as regards estimating the delivery times to end customers. In this context, we assessed the methodology applied by the executive directors to make these estimates. In order to test the recognition of revenue in the correct period, among other things we selected on a test basis individual transactions with end customers and inspected the supporting documents to determine whether the delivery times used as the basis for allocation to the correct period substantially correspond to the actual delivery times. Furthermore, we also examined the country-specific calculations underlying the allocation to periods/deferral of revenue, both in terms of mathematical accuracy and the methods applied. Furthermore, we inspected the ledgers for additional revenues posted manually. In addition, we verified the consistency of the methods used to recognize revenue, including its allocation to periods/deferral.

We were able to satisfy ourselves that the systems and processes established as well as controls in place are appropriate overall and that the estimates and assumptions made by the executive directors for the appropriate recognition of revenue are substantiated and sufficiently documented.

③ The Company's disclosures relating to revenue recognition are contained in sections 2 "Summary of significant accounting policies: 2.5 Revenue recognition and contract balances" and section 5 "Revenue Analysis" in the notes to the consolidated financial statements.

❷ Recognition and measurement of internally generated intangible assets for software solutions

① In the consolidated financial statements of Westwing Group SE as at December 31, 2024 internally generated intangible assets for software solutions amounting to EUR 16.0 million (8% of consolidated total assets) are recognized under the financial line item "Intangible assets" in the consolidated statement of financial position. The internally generated intangible assets relate to software solutions for the purposes of the websites, apps and warehouse management system of the Westwing Group SE Group. The capitalization of internally generated product developments depends on the criteria set out in IAS 38, i.e., the technical feasibility of the intangible asset, the entity's intention to complete the asset, its intention to sell or use the asset, the entity's ability to use or sell the asset, evidence of the manner in which the asset will generate economic benefits, the availability of technical, financial and other resources to complete the development and the entity's ability to measure reliably the asset during its development. The amortization of internally generated assets is based on the assumptions made by the executive directors regarding the expected useful lives. Furthermore, impairment charges are recognized if specific expectations regarding the feasibility of development projects are not met or if the future economic benefits are reassessed. The capitalization and measurement of the development costs incurred for these software solutions are based to a large extent on the estimates and assumptions made by the executive directors of Westwing Group SE, which mainly relate to the differentiation of enhancements to existing software solutions, technical and economic feasibility, as well as the amount and timing of expected future economic benefits from the development projects.

Due to the large number of projects for the development of software solutions and the fact that the recognition and measurement of this material item in terms of amount are based to a large extent on estimates and assumptions made by the Company's executive directors, this matter was of particular significance in the context of our audit.

② As part of our audit procedures relating to the recognition and measurement of development costs incurred for software solutions, we first examined the processes and controls implemented by the executive directors for the capitalization of development costs for internally generated software solutions on the basis of the documentation provided to us, using individual development projects. In addition, we evaluated, among other things, the recognition of intangible assets and the method used for the calculation, accounting treatment and measurement of the development costs incurred in accordance with the requirements of IAS 38. In doing so, we also inspected the corresponding project records to assess the respective stage of project completion. Furthermore, we performed an analytical review of the list of all capitalized projects for the development of software solutions and the capitalization of associated development costs, and examined the methodology employed by the Company. In addition, on the basis of samples of the development projects for software solutions initially capitalized in the financial year, we examined the eligibility of development costs for capitalization, the existence of substantial enhancements to existing software solutions compared with existing software solutions as well as the assumptions made by the executive directors with respect to determining useful lives and the point at which to commence amortization. We also verified and assessed the ability to capitalize the development costs incurred based on documents of individual activities. Furthermore, we discussed the estimate of economic benefit with the executive directors and inspected the respective supporting documentation. For the estimates of useful lives, we also obtained an overview of all software development projects for software solutions and discussed with the executive directors which estimates and considerations were used for the deposited values. Furthermore, we compared – on a sample basis – the amounts of the development costs capitalized for material development projects with the personnel costs incurred, and reconciled these with the underlying timesheets, also on a sample basis. In order to detect indications of impairment in relation to existing development projects, we interviewed the executive directors and the responsible employees and analyzed the age structure of the development projects as well as the project-specific progress reports.

Based on our audit procedures, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors are substantiated and sufficiently documented.

③ The Company's disclosures relating to the recognition and measurement of internally generated intangible assets for software solutions are contained in section 2 "Summary of significant accounting policies: 2.8 Intangible Assets" and section 13 "Intangible assets" of the notes to the consolidated financial statements.

❸ Accounting treatment of share-based payments

① Westwing Group SE grants various share options and appreciation rights to selected Group employees under share-based remuneration plans, whereby for the majority of the share options Westwing Group SE is provided a choice of settlement. To the extent Westwing Group SE is not obligated to settle in cash, the share options are recognized as equity-settled share-based payments. If there is an obligation to settle in cash, these are recognized as cash-settled share-based payments. The share appreciation rights are cash-settled share-based payment transactions. In the financial year 2024 share appreciation rights but no equity-settled share-based options were granted. In the consolidated financial statements of the Company, EUR 0.0 million in expenses relating to share-based payment commitments was recognized under personnel expenses in the consolidated income statement (previous year: income of EUR 2.3 million). The expenses for equity-settled share-based payments are recognized at the fair value of the equity instruments as of the grant date. The expenses for cash-settled share-based payments are also measured at the fair value of the equity instruments as at the grant date and subsequently – until the payments have been made– at the respective fair value at each reporting date.

In our view, this matter was of particular significance in the context of our audit due to the number of share options and share appreciation rights existing over the course of the year, the volume of expenses recognized for share-based payments, as well as the complexity of measuring cash-settled respectively equity-settled share-based payment plans in accordance with IFRS 2 on the basis of underlying estimates and assumptions made by the Company's executive directors.

② As part of our audit, we first obtained an understanding of the Company's processes relating to share-based payments, and assessed their appropriateness. On that basis, we examined the classification of the remuneration programs and the methodology used by the Company to calculate the expenses for equity-settled and cash-settled share-based payment plans. With respect to cash-settled share-based payments, we reconciled the measurement with the assistance of our internal specialists for international accounting. Together, we also assessed application of the accrual basis of accounting, among other things. In particular, we also evaluated the assumptions made by the executive directors with respect to the individually agreed target values and ranges applicable to the eligible employees for each financial year, as well as the level of target achievement. With the knowledge that estimated values result in an increased risk of accounting misstatements and that the measurement assumptions made by the executive directors have a direct effect on consolidated net profit or loss, we compared the appropriateness of the carrying amounts (including the estimated forfeiture rate for share-based payments) among other things with the underlying terms of the remuneration instruments granted in financial year 2024 and further underlying contractual data provided to us, and assessed the calculation used to measure share-based remuneration programs and their presentation in the consolidated financial statements. We also performed our own calculations, examined the mathematical correctness of the option valuation model, and validated the material assumptions for the option valuation model. Furthermore, we assessed whether disclosures on share-based payments had been made in the notes to the consolidated financial statements in accordance with the disclosure requirements under IFRS 2.

Based on our audit procedures, we were able to satisfy ourselves that, overall, the estimates and assumptions made by the executive directors for the accounting treatment and measurement of share-based payments are substantiated and sufficiently documented.

③ The Company's disclosures on share-based payments are contained in section 2 "Material accounting policies: 2.16 Share-based payment" and section 19 "Share-based payment arrangements" of the notes to the consolidated financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report:

- the non-financial group statement to comply with §§ 315b to 315c HGB included in section "Sustainability Statement" of the group management report

- the subsection "6.4. Significant Characteristics of the Internal Control and Risk Management System" in section "REPORT ON OPPORTUNITIES AND RISKS" of the group management report

The other information comprises further

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB
- all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.

- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file Westwing _SE_KA+KLB_ ESEF-2024-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as group auditor by the annual general meeting on 19 June 2024. We were engaged by the supervisory board on 5 November 2024. We have been the group auditor of the Westwing Group SE, Berlin, without interruption since the financial year 2021.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

REFERENCE TO AN OTHER MATTER– USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Michael Popp.

Munich, 26 March 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Michael Popp Wirtschaftsprüfer [German Public Auditor]	ppa. Lars Eschbach Wirtschaftsprüfer [German Public Auditor]

ASSURANCE REPORT OF THE INDEPENDENT GERMAN PUBLIC AUDITOR ON A LIMITED ASSURANCE ENGAGEMENT IN RELATION TO THE GROUP SUSTAINABILITY STATEMENT

To Westwing Group SE, Berlin

Assurance Conclusion

We have conducted a limited assurance engagement on the group sustainability statement of Westwing Group SE, Berlin, (hereinafter the „Company") included in section "Sustainability Statement" of the group management report, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2024 (hereinafter the "Group Sustainability Statement"). The Group Sustainability Statement has been prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as §§ [Articles] 315b to 315c HGB [Handelsgesetzbuch: German Commercial Code] to prepare a group non-financial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, § 315c in conjunction with §§ 289c to 289e HGB to prepare a group non-financial statement as well as with the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that no matters have come to our attention that cause us to believe:

- that the accompanying Group Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information to be included in the Group Sustainability Statement (hereinafter the "materiality assessment") is not, in all material respects, in accordance with the description set out in section "Description of the process to identify and assess material impacts, risks and opportunities" of the Group Sustainability Statement, or

- that the disclosures set out in section "Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)" of the Group Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the "German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement" section.

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has complied with the quality management system requirements of the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) issued by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibility of the Executive Directors and the Supervisory Board for the Group Sustainability Statement

The executive directors are responsible for the preparation of the Group Sustainability Statement in accordance with the requirements of the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company. They are also responsible for the design, implementation and maintenance of such internal controls that they have considered necessary to enable the preparation of a Group Sustainability Statement in accordance with these regulations that is free from material misstatement, whether due to fraud (i.e., manipulation of the Group Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Statement, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Group Sustainability Statement.

Inherent Limitations in the Preparation of the Group Sustainability Statement

The CSRD and the relevant German statutory and other European regulations contain wording and terms that are still subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legal conformity of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the Group Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company, and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process to prepare the Group Sustainability Statement, including the materiality assessment process carried out by the Company to identify the information to be included in the Group Sustainability Statement.

- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls. In addition, the risk of not detecting a material misstatement within value chain information from sources not under the control of the company (value chain information) is generally higher than the risk of not detecting a material misstatement of value chain information from sources under the control of the company, as both the executive directors of the Company and we, as assurance practitioners, are ordinarily subject to limitations on direct access to the sources of value chain information.

- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In conducting our limited assurance engagement, we have, amongst other things:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Statement.

- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Statement about the preparation process, including the materiality assessment process carried out by the company to identify the information to be included in the Group Sustainability Statement, and about the internal controls relating to this process.

- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Statement.

- evaluated the reasonableness of the estimates and the related disclosures provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors have been unable to obtain.

- performed analytical procedures and made inquiries in relation to selected information in the Group Sustainability Statement.

- considered the presentation of the information in the Group Sustainability Statement.

- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Statement.

Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is solely towards the Company. We do not accept any responsibility, duty of care or liability towards third parties.

Munich, 26 March 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

sgd. Michael Popp
Wirtschaftsprüfer
[German Public Auditor]

sgd. ppa. Lars Eschbach
Wirtschaftsprüfer
[German Public Auditor]

FINANCIAL CALENDAR

8 MAY 2025
Publication of first quarter results 2025

17 JUNE 2025
Annual General Meeting

7 AUGUST 2025
Publication of half-year report 2025

6 NOVEMBER 2025
Publication of third quarter results 2025

IMPRINT

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