CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

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

On 26 May 2021, the Supervisory Board and Management Board issued an update to the 2020 declaration of compliance for GFG. In August 2021, the Supervisory Board and Management Board issued a declaration of compliance for GFG as part of its reporting on Financial Year 2021. This is published within the Investor Relations section on our website (https://ir.global-fashion-group.com/websites/globalfashion/English/1052/declaration-of-compliance.html). On 14 December 2021, the Supervisory Board and Management Board issued an update to the 2021 declaration of compliance for GFG which is also published within the Investor Relations section on our website (https://ir.global-fashion-group.com/download/companies/globalfashion/CorporateGovernance/Update_Declaration_of_Compliance_Dec_2021.pdf). The few deviations from the German Corporate Governance Code are described in the declaration and the update.

1.3 DECLARATION OF COMPLIANCE

In this statement, GFG reports in accordance with Article 68 ter of the Law of 19 December 2002 on the business and companies' register as well as the companies' accounting and annual accounts (the "2002 Law"). The Company is a Luxembourg société anonyme (S.A.), which is listed solely on the Frankfurt Stock Exchange in Germany. The Company is not subject to the "Ten Principles of Corporate Governance" applicable to companies listed in Luxembourg. In addition, as a company incorporated and existing under the laws of Luxembourg, the Company is not required to comply with the respective German Corporate Governance Code (the "Code") applicable to German stock corporations. However, as the Company's shares are listed on the Frankfurt Stock Exchange, the Management Board and Supervisory Board have decided to follow, on a voluntary basis and to the extent consistent with applicable Luxembourg corporate law and Global Fashion Group's corporate structure, the recommendations of the Code regarding the principles of good corporate governance.

Compliance with the Corporate Governance Code

The corporate governance rules of the Company are based on applicable Luxembourg laws, the Company's Articles of Association and its internal regulations, and the rules of procedure of the Management Board and Supervisory Board.

The Management Board and the Supervisory Board diligently addressed compliance with the guidance of the German Corporate Governance Code dated 16 December 2019 (the "Code") in Financial Year 2021. The Management Board and Supervisory Board applied the Code, on a voluntary basis, decided to issue a statement to a certain extent comparable to that required for stock corporations organised in Germany pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz) and commented on the limited number of exceptions. The declaration is published on the Company's website (https://ir.global-fashion-group.com).

Declaration of Conformity

The Management Board and Supervisory Board of the Company issued the following joint declaration of conformity in August 2021:

Declaration of Compliance with the German Corporate Governance Code

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

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

The Management Board and Supervisory Board of the Company declare that GFG has decided to comply with the recommendations of the Code in its version dated 16 December 2019, published by the Federal Ministry of Justice in the official section of the Federal Gazette on 20 March 2020, with the following deviations since their announcement and will continue to comply with them to the same extent in the future:

- **Recommendation B.3 of the Code:** The current members of the Management Board were appointed for a maximum period of five (5) years in line with the previous version of the Code which was in effect when they were appointed in May 2019. We have amended our rules of procedures to ensure that future first-time appointments shall be for a period of not more than three (3) years.

- **Recommendation C.5 of the Code:** One of the members of the Management Board is also the Chairman of the Supervisory Board of a non-Group listed company. The appointment of the member to the Management Board of GFG and the non-Group listed company Supervisory Board were made before the Code came into effect on 20 March 2020, in line with the former Code. The appointment as both a member of the Management Board and Chairman of a non-Group listed company's Supervisory Board has not given rise to any conflicts or work management issues to date. The Supervisory Board of GFG considers the case-by-case assessment of the compatibility of both roles to be more appropriate.

- **Recommendation D.5 of the Code:** Due to its relatively small size of six members, the Supervisory Board does currently not find it necessary to form a nomination committee as decisions that would normally be charged to a nomination committee can be made quickly and efficiently by the entire Supervisory Board.

- **Recommendation F.2 of the Code:** In order to ensure high-quality financial reporting, the recommended publication periods may not in all cases be complied with. However, we are constantly seeking to improve our reporting system and intend to comply with the reporting periods of the Code in the near future.

- **Recommendation G.1 bullet point 1 and 3 of the Code:** While annual bonuses and the size of grants under the 2019 and 2021 LTIP are capped at certain percentages of base salary, there is no cap with regard to the Company's share price once Restricted Stock Units ("**RSUs**") or Performance Stock Units ("**PSUs**") or Call Options are vested and delivered. In the opinion of the Supervisory Board, such a cap would not be appropriate as it would interrupt the intended alignment of interests between the shareholders and the Management Board members. The Supervisory Board believes that the Management Board members should, in this regard, participate in any increase in the value of the Company to the same extent as any other shareholder would participate.

The Supervisory Board has also not set a maximum total remuneration for the overall fixed and/or variable compensation. In addition, certain components of the Management Board variable compensation granted before the IPO and after the IPO as a one-off grant are linked to continuous employment with no financial and non-financial performance criteria attached to it. All long-term variable compensation granted since 1 January 2020 has performance criteria attached to it.

- Recommendation G.3 of the Code: The Supervisory Board uses an appropriate peer group of other relevant entities to compare the remuneration of the Management Board, however such peer group has not been disclosed as representatives of the common market in which GFG operates evolve at a fast pace and as such, the peer group is periodically reviewed and updated by the Supervisory Board. Consequently, at present the Supervisory Board does not intend to disclose the peer group.

- **Recommendation G.4 of the Code:** The diversified footprint where GFG operates, combined with the large number of employees and its localised market approach to defining remuneration, makes it difficult for GFG to establish an average remuneration for GFG for the purposes of comparing the remuneration of the Management Board. GFG targets to provide remuneration packages that are both competitive externally and proportionate internally.

- **Recommendation G.7. of the Code:** Certain components of the Management Board variable compensation granted before the IPO and after the IPO as a one-off grant are linked to continuous employment with no financial and non-financial performance criteria attached to it. All long-term variable compensation granted since 1 January 2020 has performance criteria attached to it.

- **Recommendation G.10 of the Code:** Due to taxation at vesting for one of the members of the Management Board, a portion of their vested shares will not be subject to a holding period of four years. Instead, such portion will be sold by our share plan operator upon the vesting and subsequent issuance of the shares (on behalf of the member of the Management Board but without his or the Company's involvement) to cover such tax liability. The sale will occur during the Company's open trading window.

- **Recommendation G.11 of the Code:** The Supervisory Board can retain a payment under the short term incentive plan but there is no ability to reclaim any amounts paid since applicable laws regulating the employment agreements of the Management Board members prevent reclaiming earnings already paid.

- **Recommendation G.12 of the Code:** The 2019 LTIP and 2021 LTIP give the Supervisory Board the discretion to accelerate vesting and/or the holding period of a portion of granted RSUs and PSUs in the case of early termination without cause or a change of control, redundancy, retirement, death, illness and other similar circumstances. The Supervisory Board believes this to be an adequate element of the Management Board members' variable compensation.

- **Recommendation G.13 of the Code:** The employment contracts of the Management Board provide for (i) payment in lieu of notice (at the discretion of the Supervisory Board); (ii) payment of pro rata short term incentive bonus; and (iii) vesting of granted RSU and PSUs (as applicable) that are scheduled to vest within the 12 months following the early termination by the Company in case of a good leaver event. The combined aforementioned payments are subject to the severance cap recommended by the Code, except in case of a change of control where the payment could in certain situations exceed the recommended cap mainly driven by the value of the Company's share price at the time of the early termination.

- **Recommendation G.14 of the Code:** The employment agreements of the Management Board Members provide for a partial acceleration of 75% of unvested equity in the event of a change of control, regardless of whether such change of control would lead to an early termination of their employment agreement.

Luxembourg, August 2021

Global Fashion Group S.A.

The Management Board
Christoph Barchewitz, Patrick Schmidt, Matthew Price

On behalf of the Supervisory Board
Cynthia Gordon

Update to the Declaration of Compliance with the German Corporate Governance Code of the Management Board and Supervisory Board of Global Fashion Group S.A.

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

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

The Management Board and Supervisory Board of Global Fashion Group S.A. issued their annual declaration of conformity in August 2021 (https://ir.global-fashion-group.com/download/companies/globalfashion/CorporateGovernance/20210820_DECLARATION_COMPLIANCE.pdf). This declaration is updated as follows:

- On 14 December 2021, GFG's Supervisory Board has appointed a nominations committee effective 1 January 2022. Accordingly, it is GFG's intention to comply with Recommendation D.5 of the Code (The Supervisory Board shall form a Nomination Committee, composed exclusively of shareholder representatives, which names suitable candidates to the Supervisory Board for its proposals to the General Meeting) as from 1 January 2022 and the corresponding deviation regarding GFG's intention to comply with this recommendation going forward shall be deleted.

- Recommendation C.5 of the Code: One of the members of the Management Board is also the Chairman of the Supervisory Board of a non-Group listed company. The appointment of the member to the Management Board of GFG and the non-Group listed company Supervisory Board were made before the Code came into effect on 20 March 2020, in line with the former Code. The appointment as both a member of the Management Board and Chairman of a non-Group listed company's Supervisory Board has not given rise to any conflicts or work management issues to date. In addition, effective from 1 January 2022, one of the members of the Supervisory Board who holds positions as non-executive director in four publicly listed companies (including, in one case outside of GFG, as the non-executive Chairman of the board of directors) will be appointed Chief Executive Officer of a publicly listed company. The Supervisory Board of GFG considers the case-by-case assessment of the compatibility of these roles and the necessary time commitment to be more appropriate and does therefore not intend to comply with the general incompatibilities and limitations recommended in C.5 of the Code.

- Recommendation G.12 of the Code: The 2019 LTIP and 2021 LTIP give the Supervisory Board the discretion to accelerate vesting and/or the holding period of a portion of granted RSUs and PSUs in the case of early termination without cause or a change of control, redundancy, retirement, death, illness and other similar circumstances. In addition, the employment agreements of the Management Board Members, which are being updated in December 2021, provide for a partial acceleration of 75% of unvested equity in the event of a change of control, regardless of originally agreed targets and comparison parameters. The Supervisory Board believes these to be an adequate element of the Management Board members' variable compensation.

In all other respects, the declaration of compliance of August 2021 remains unaffected.

Luxembourg, 14 December 2021

Global Fashion Group S.A.

The Management Board
Christoph Barchewitz, Patrick Schmidt, Matthew Price

On behalf of the Supervisory Board
Cynthia Gordon

1.4 BOARD COMPOSITION AND GOVERNANCE STRUCTURE

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

The Management Board is responsible for managing the Company, and the Supervisory Board is responsible for carrying out the permanent supervision and control of the Management Board without being authorised to interfere with such management. The Management Board is vested with the broadest powers to act in the name of the Company and to take any actions necessary or desirable to fulfil the Company's corporate purpose with the exception of certain matters set out in the Articles of Association and the Management Board Rules of Procedure which require approval of the Supervisory Board or the Company's shareholders. The Management Board and Supervisory Board cooperate closely for the benefit of the Company. The Chairperson of the Supervisory Board has regular contact with the Management Board and advises it on strategy, planning and business development, and the Management Board informs the Chairperson of the Supervisory Board without delay of matters of fundamental importance for the Company.

The corporate governance rules of the Company that govern the Management Board and Supervisory Board are based on applicable Luxembourg laws, the Articles of Association and its internal regulations, in particular the Management Board Rules of Procedure, the Supervisory Board Rules of Procedure and the German Corporate Governance Code 2019.

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

Working Practices of the Management Board

The Management Board is responsible for managing the Company in accordance with the applicable legal provisions, the Articles of Association and the Management Board Rules of Procedure. It is obligated to act in the Company's corporate interest and to increase its long-term business value. The Management Board develops the Company's strategy, discusses and agrees on it with the Supervisory Board and ensures that it is implemented. It is also responsible for appropriate risk management and control. The Management Board provides the Supervisory Board with timely and comprehensive information about all issues of relevance to the Company and must inform the Chairperson of the Supervisory Board of any important event or business matter that might have a significant impact on the situation of the Company without undue delay. The age limit for the Management Board is set as 69 years in the Management Board Rules of Procedure.

The Management Board performs its management function as a collective body. Notwithstanding their overall responsibility for management, the individual members of the Management Board manage the areas assigned to them on their own responsibility within the framework of the Management Board's resolutions. For Financial Year 2021, the allocation of responsibilities among the members of the Management Board is defined in the Management Board Rules of Procedure, according to which the members of the Company's Management Board are responsible for the following areas:

Co-CEO: Christoph Barchewitz

- Commonwealth of Independent States – Lamoda
- Latin America – Dafiti
- Communications
- International Brand Partnerships
- Legal & Governance, Risk & Compliance

Co-CEO: Patrick Schmidt

- Australia and New Zealand – THE ICONIC
- South East Asia – ZALORA
- People & Culture
- Sustainability
- Technology

CFO: Matthew Price

- Accounting
- Financial Reporting
- Financial Planning & Analysis
- Internal Audit
- Investor Relations
- Tax & Treasury

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

Composition of the Management Board

According to the Articles of Association, the Management Board shall be composed of at least two members. The Supervisory Board determines the number of Management Board members and appoints the members of the Management Board for a maximum term of office of five years (which has been amended for future appointments to three years). The Management Board currently consists of the two Co-CEO's and the CFO. The Management Board does not currently have a Chairman as the three Management Board members rotate the role of Chairman.

The Supervisory Board acknowledges and appreciates the importance of diversity. A diverse composition of management and supervisory bodies can promote new perspectives in decision-making processes and discussions and help to further improve performance. In August 2021, the Supervisory Board formalised the previously disclosed diversity targets by the adoption of a Diversity Policy which confirms the Group's approach to diversity within the composition of the Management Board and the Supervisory Board. The Diversity Policy is published on our website at https://ir.global-fashion-group.com/download/companies/globalfashion/CorporateGovernance/2021_GFG_Diversity_Policy_SB_MB.pdf. The Supervisory Board reconfirmed a diversity target for at least one female representative to be appointed to the Management Board to be achieved by 1 January 2025. The Supervisory Board and Management Board considers that the executive management team and employee base globally is highly diverse. The Management Board also defined a diversity target of maintaining a 50/50 gender balance on the GFG Executive team (which it currently meets) until 1 January 2025. During the Financial Year 2021, the Supervisory Board approved a succession plan for the members of the Management Board. The Supervisory Board and Management Board will work together on keeping the succession plan up to date.

Working practices of the Supervisory Board

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

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

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

Composition of the Supervisory Board

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

The Supervisory Board Rules of Procedure sets targets for its composition and sets a profile of skills that are required for members of the Supervisory Board. According to this profile, members of the Supervisory Board shall have the required knowledge, abilities and expert experience to fulfil his/her duties properly and they must be familiar with the sector in which the Company operates. At least one member must have knowledge in the field of auditing and accounting. Each member shall ensure that they have enough time to perform their mandate. At least three members of the Supervisory Board must have reasonable international experience and diversity shall be considered. In addition, the Supervisory Board has defined a diversity target of maintaining a 50 / 50 gender balance on the Supervisory Board until 1 January 2025 which has been formalised in the Diversity Policy adopted by the Supervisory Board on 18 August 2021. At least three members must not have a board position, consulting or representation duties with main suppliers, lenders or other business partners of the Company, and Supervisory Board members shall not exercise directorships or similar positions or advisory tasks for material competitors of the Company. In addition, no fewer than two members shall be independent, and no more than two former members of the Management Board shall be members of the Supervisory Board. The age limit for members of the Supervisory Board is set as 69 years.

At the extraordinary meeting of the shareholders held on 31 May 2019, shareholders appointed the following six members to the Supervisory Board subject to approval of the prospectus by the Commission de Surveillance du Secteur Financier (the "CSSF"), which took place on

17 June 2019 for a period ending at the expiration of the General Meeting of Shareholders approving the 2021 financial results:

- Cynthia Gordon – Chairperson of the Supervisory Board and member of the Sustainability Committee. Cynthia was appointed as a member of the Audit Committee by the members of the Supervisory Board effective from close of the AGM on 26 May 2021;
- Georgi Ganev – Vice Chairperson of the Supervisory Board;
- Alexis Babeau – Member of the Supervisory Board and Chairperson of the Audit Committee, Alexis Babeau resigned as a member of the Supervisory Board and Chairperson of the Audit Committee with effect from close of the Company's Annual General Meeting on 26 May 2021;
- Victor Herrero – Member of the Supervisory Board, Chairperson of the Sustainability Committee and Member of the Audit Committee;
- Carol Shen – Member of the Supervisory Board and the Sustainability Committee; and
- Laura Weil – Member of the Supervisory Board and the Audit Committee. Laura was appointed as Chairperson of the Audit Committee effective from the close of the AGM on 26 May 2021.

At the Company's 2021 AGM, which took place on 26 May 2021, Alexis Babeau's resignation as a member of the Supervisory Board became effective and Philipp Povel was appointed as a member of the Supervisory Board for a period ending at the expiration of the General Meeting of Shareholders approving the financial statements for the year ending 31 December 2021.

The Chairperson of the Supervisory Board is an independent supervisory chair in line with the recommendations of the German Corporate Governance Code 2019. During Financial Year 2021, the Supervisory Board has acted amongst others through the Audit Committee and the Sustainability Committee. The Company deviated from the recommendations of the Code as the Supervisory Board due to its relatively small size of six members did not find it necessary to form a nominations committee.

Working practices of the Audit Committee

Both Chairpersons of the Audit Committee (Alexis Babeau until 26 May 2021 and Laura Weil from close of the AGM on 26 May 2021 onwards) have specific knowledge and experience in applying accounting principles and internal control procedures. Neither the Chairperson of the Supervisory Board nor former members of the Company's Management Board whose term ended less than two years ago are eligible to be appointed as Chairperson of the Audit Committee. All members of the Audit Committee are financially literate and the Chairperson has in-depth knowledge of accounting and the financial reporting principles required. All of the members of the Audit Committee are independent in accordance with the German Corporate Governance Code 2019.

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

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

Composition of the Audit Committee

For Financial Year 2021, the members of the Audit Committee were:

Until 26 May 2021:

- Alexis Babeau (Chairperson) (independent);
- Victor Herrero (independent); and
- Laura Weil (independent).

From close of the AGM on 26 May 2021 onwards:

- Laura Weil (Chairperson) (independent);
- Cynthia Gordon (independent); and
- Victor Herrero (independent).

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

Composition of the Sustainability Committee

For Financial Year 2021, the members of the Sustainability Committee were:

- Victor Herrero (Chairperson) (independent);
- Carol Chen (independent); and
- Cynthia Gordon (independent).

1.5 ANNUAL GENERAL MEETING AND SHAREHOLDERS

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

The AGM is required to be held within the first six months of the Financial Year, and the agenda along with the reports and documents required for the AGM are to be published on the Company's website (http://ir.global-fashion-group.com).

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

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

1.6 TAKEOVER LAW

Composition of subscribed capital

As of 31 December 2021, the share capital of the Company amounts to €2,172,929.12, and is divided into 217,292,912 common shares with a nominal value of €0.01 each. The common shares are fully paid-up. The Company holds common shares in dematerialised form and all future common shares to be issued by the Company will be issued in dematerialised form.

Restrictions on voting rights or the transfer of shares

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

Each common share carries identical rights and obligations, save for the common shares held by the Company in treasury, from which the Company derives no rights. As of 31 December 2021, the Company held 182,378 common shares in treasury.

Equity Interests in the Company That Exceed 5% of Voting Rights

On the basis of the voting rights notifications received by the Company in accordance with Article 11, Section 6 of the Luxembourg Transparency Law and Section 40, Paragraph 1 of the German Securities Trading Act (WpHG), as at 31 December 2021 we have been notified that the following direct or indirect shareholders in the capital of the Company have reached or exceeded 5% of the voting rights in the Company:

Name of Shareholder	Details	Percentage of holding	Date of most recent declaration
Zerena GmbH	Indirectly holds 15.17% of the voting rights of the Company, through Rocket Internet SE who directly hold 14.93% and a further 0.24% through the holdings of Rocket Middle East GmbH, MKC Brillant Services GmbH and Bambino 53. V V GmbH.	15.17%	12 March 2021
Kinnevik A.B.	Indirectly holds 36.99% of the voting rights in the Company through Invik S.A. who directly hold 36.99%.	36.99%	21 December 2020
Baillie Gifford & Co	Indirectly holds 6.38% of the voting rights of the Company through Baillie Gifford Overseas Ltd who directly hold 6.38%.	6.38%	23 November 2020
Crestbridge Management Company S.A.	Indirectly holds 9.44% of the voting rights of the Company, through Rocket Internet Capital Partners SCS who directly holds 6.00% of the voting rights of the Company, and Rocket Internet Capital Partners (Euro) SCS who directly holds 3.45% of the voting rights of the Company.	9.44%	4 July 2019

The Company was not notified of any other direct or indirect capital investments that reach or exceed 5% of the voting rights of the Company during the financial year ended 31 December 2021. Further, the distribution of voting rights included above may have changed within the reportable thresholds.

Legal Requirements and Provisions of the Articles of Association Governing the Appointment and Dismissal of Members of the Management Board, and Amendments to the Articles of Association

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

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

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

Authority of the Management Board to Issue and Buy Back Shares

Authorised Capital

As at 31 December 2021, pursuant to Article 6.1 of the Articles of the Association, the Company's authorised capital, excluding the issued share capital, is €2,141,423.39 represented by 214,142,339 common shares with a nominal value of €0.01 each. Pursuant to Article 6.2 of the Articles of Association, during a period of five years from the date of any resolutions to create, renew or increase the authorised capital pursuant to Article 6.2, the Management Board, with the consent of the Supervisory Board, is authorised to issue shares, to grant options to subscribe for shares and to issue any other instruments giving access to shares within the limits of the authorised capital to such persons and on such terms and subject to the limitations set out in the Special Report of the Management Board of the Company with respect to the authorised share capital dated 20 April 2021 (the "Special Board Report"). The issue of such instruments will reduce the available authorised capital accordingly.

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

As at 1 January 2021, the issued share capital of the Company amounted to €2,138,367.16, and was divided into 213,836,716 common shares with a nominal value of €0.01 each. All of the Company's common shares are held in dematerialised form and are admitted to trading on the Frankfurt Stock Exchange.

On 24 March 2021, the Company issued 1,262,593 common shares as follows:

- 449,994 new common shares in connection with the roll-up of existing and former managers, founders, employees, business angels and supporters of the Group in connection with a legacy long-term incentive programmes;
- 5,305 new common shares in connection with various legacy call option agreements with certain former or current senior management members, key employees and supporters of the Group; and
- 807,294 new common shares to satisfy the Company's legacy and existing long-term incentive programmes.

On 29 April 2021, the Company issued 1,335,942 new common shares in connection with the Company's long-term incentive programmes.

On 27 May 2021, the Company issued 364,157 common shares as follows:

- 539 new common shares in connection with various legacy call option agreements with certain former or current senior management members, key employees and supporters of the Group; and
- 363,618 new common shares to satisfy the Company's legacy and existing long-term incentive programmes.

On 2 August 2021, the Company issued 437,461 common shares in connection with the Company's long-term incentive programmes.

On 2 September 2021, the Company issued 56,043 new common shares as follows:

- 1,509 new common shares in connection with the roll-up of existing and former managers, founders, employees, business angels and supporters of the Group in connection with a legacy long-term incentive programme;

- 1,318 new common shares in connection with various legacy call option agreements with certain former or current senior management members, key employees and supporters of the Group; and

- 53,216 new common shares to satisfy the Company's legacy and existing long-term incentive programmes.

As at 31 December 2021, the issued share capital of the Company amounts to €2,172,929.12, and is divided into 217,292,912 common shares with a nominal value of €0.01 each. All of the Company's common shares are held in dematerialised form and are admitted to trading on the Frankfurt Stock Exchange.

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

On 15 March 2021, the Company issued Convertible bonds in the aggregate principal amount of €375,000,000, due 2028 (the "Convertible bonds"). Upon exercise of the conversion rights by any holders of the Convertible bonds and subject to completion of the conversion steps, new common shares may be issued by the Company following the conversion of the Convertible bonds pursuant to the German law governed terms and conditions of the Convertible bonds as adopted by the Company's Management Board on 3 March 2021. Pursuant to the resolutions of the Company's Management Board dated 20 August 2021 which were approved by the resolutions of the Company's Supervisory Board dated 25 October 2021, the Management Board has approved the conditional increase of the share capital of the Company under its authorised capital by an amount of up to €297,619.05 as settlement of the potential conversion of the Convertible bonds into 29,761,905 new common shares. A portion of up to 29,761,905 common shares under the authorised share capital remains reserved for the conditional issuance of shares under the Convertible bonds and may not be used for any other purposes.

Treasury Shares

According to Article 7.1 of the Articles of Association, the Company may, to the extent and under the terms permitted by law, repurchase its own shares and hold them in treasury. As at 31 December 2021, the Company held 182,378 common shares in treasury. In line with Luxembourg Company Law, the voting rights attached to the common shares held in treasury by the Company are suspended. The Company's Annual General Meeting 2021 authorised the Management Board to repurchase up to 20% of the total number of common shares of the Company until 26 May 2026. No use was made of this authorisation for Financial Year 2021.

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

- The authorisation to acquire shares is to be given by a general shareholders' meeting, which determines the terms and conditions of the proposed acquisition and in particular the maximum number of shares to be acquired, the duration of the period for which the authorisation is given which may not exceed five years, and in the case of acquisition for value, the maximum and minimum consideration;

- The acquisitions must not have the effect of reducing the net assets of the Company below the aggregate of the subscribed capital and the reserves, which may not be distributed under the law or the Articles of Association; and

- Only fully paid-up shares may be included in the transaction.

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

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

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

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

- Shares acquired pursuant to a decision to reduce the capital or in connection with the issue of redeemable shares;

- Shares acquired as a result of a universal transfer of assets;

- Fully paid-up shares acquired free of charge or acquired by banks and other financial institutions pursuant to a purchase commission contract;

- Shares acquired by reason of a legal obligation or a court order for the protection of minority shareholders, in particular, in the event of a merger, the division of the Company, a change in the Company's object or form, the transfer abroad of its registered office or the introduction of restrictions on the transfer of shares;

- Shares acquired from a shareholder in the event of failure to pay them up; and

- Fully paid-up shares acquired pursuant to an allotment by court order for the payment of a debt owed to the Company by the owner of the shares.

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

Material Agreements Entered into by the Company Providing for a Change of Control upon a Takeover Bid

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

Compensation Arrangements Agreed by the Company with the Members of the Management Board or Employees in the Event of a Takeover Bid

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

1.7 REMUNERATION REPORT AND OTHER DISCLOSURES

1.7.1 Introduction

This report provides information about the structure of the remuneration framework and how it is operated at Global Fashion Group S.A. and its subsidiaries ("GFG"). The report comprises two sections:

Management Board remuneration report

The Management Board remuneration report itself comprises three parts:

A. Letter from the Chair of the Supervisory Board – The first part of the report is intended to provide shareholders with a helpful summary of the key determinations and outcomes for Management Board remuneration in respect of 2021.

B. Management Board remuneration framework – The second part sets out the structure and design of the remuneration framework for members of the Management Board, including details of the Remuneration Policy (as approved by shareholders at our 2021 Annual General Meeting ("AGM")).

C. Management Board remuneration for 2021 – The third and final part provides further detail on the actual remuneration and benefits granted to Management Board members during the Financial Year 2021.

Supervisory Board remuneration report

This section provides information on the structure and level of remuneration for members of the Supervisory Board of GFG.

Our Approach to reporting

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

- As a Company incorporated and existing under the laws of Luxembourg, the remuneration report has primarily been prepared in accordance with Luxembourg's Law of 24 May 2011 (as amended from time to time).

- Recognising that it is an important foundation for responsible corporate governance, the Company also voluntarily follows the recommendations of the German Corporate Governance Code 2019 (the "Code"). To the extent that it is consistent with Luxembourg corporate law and GFG's corporate structure and particular circumstances, GFG's remuneration for the Management Board members therefore follows the recommendations of the Code (with certain exemptions, as set out in our Declaration of Compliance, 14th December 2021).

- Given that our global shareholder base continues to grow, the Company considers that it is important to keep under review shareholders' expectations for how we report on the Management Board and Supervisory Board's pay. Therefore, while satisfying relevant Luxembourg and German practice, in places we have also sought to provide additional disclosure where appropriate, which we hope shareholders find helpful.


COACH
CALVIN KLEIN JEANS

A. LETTER FROM THE CHAIR OF THE SUPERVISORY BOARD

On behalf of the Supervisory Board, I am pleased to present the 2021 GFG Remuneration Report.

Approach to Management Board remuneration

The Supervisory Board considers it critical that GFG's remuneration policy aligns with the Company's long-term growth ambitions and strategic objectives. We put our policy to shareholders at our 2021 AGM and are pleased with the overall support received. The policy sets out a remuneration framework for the Management Board which is intended to encourage and reward them for performance that will lead to long-term and sustainable delivery of shareholder value. We consider that the overall package provides an appropriate balance between fixed and variable pay, and between short- and long-term elements, while also remaining mindful of the competitive pressures within the Ecommerce industry.

Specifically, the framework consists of fixed elements – base salary, fringe benefits and pension – and short- and long-term variable elements. A greater weighting is placed on the variable elements, meaning that the Management Board will only receive significant levels of remuneration for out-performing stretching performance targets. Similarly, the balance of the variable elements is heavily tilted towards the long-term incentive, reflecting the objective of delivering long-term, sustainable shareholder value, while still retaining some focus on short-term economic performance.

In particular, the assessment framework for the short-term incentive ("STI") captures key one-year financial and individual performance targets, ensuring that management is focused on delivering critical short-term business targets. For 2021, in line with our commitment to become a more sustainable company, we introduced a sustainability objective into the individual element of all members of the Management Board . The objective was aligned with the annual milestones required to deliver our publicly communicated Sustainability Commitments.

Meanwhile the long-term incentive ("LTI") is awarded as performance-based grants, with stretching targets set against key long-term financial metrics focused on high growth and increasing profitability (NMV Growth and Adjusted EBITDA). In a fast-growing industry like online retail, these financial metrics remain a key priority for the Management Board, delivery of which will be critical for enabling shareholder return and building a sustainable long-term business.

During the year, the Supervisory Board approved the 2021 Share Plan for future long-term incentive ("LTI") awards, which has the same rules and mechanics as the 2019 Share Plan. The collective of both is referred to as the "GFG Share Plan".

2021 performance and incentive outcomes

The Supervisory Board has assessed GFG's performance against the targets set at the start of the year under the 2021 STI and outstanding LTI PSU awards.

- 2021 STI – The financial metrics for this award, which comprised 80% of the total opportunity, were NMW Growth, Adjusted EBITDA and Cash-flow. The performance against these metrics generated a combined performance result of all 3 metrics of 42.9% weighted performance of target for these elements. The remaining 20% of the total opportunity was based on individual performance objectives focused on specific geographical or functional responsibility and this included an assessment of progress against specific sustainability goals. The Supervisory Board is delighted with the progress of our sustainability agenda, particularly in achieving carbon neutrality for our own operations and outbound deliveries. 10% of NMV now comes from a more sustainable assortment and more sustainable order satchels being sent in 100% of GFG countries as key highlights. As a result, the total payout achievement for 2021 resulted in 60.4%.

- 2021 LTI Vesting – Two separate tranches from LTI grants made in 2019 and 2020 vested in April 2021. The level of vesting was determined based on achievement of NMV Growth and Adjusted EBITDA targets for FY2020, both equally weighted. GFG's performance resulted in overall vesting of 92.7% of maximum opportunity, with all vested shares being subject to the 4-year holding period from grant.

Additional changes

During the Financial Year 2021, the Supervisory Board made use of the special derogation procedure contained within the GFG Remuneration Policy , as it was determined necessary to serve the long-term interest and the sustainability of the Company or to assure its viability. We invite you to read the details of the rationale and which aspect of the remuneration policy it applies as per the Special Derogation Procedure on page 60 of the report.

Looking ahead to 2022

As we head into 2022, the Supervisory Board would like to highlight several changes which we are intending to make as regards the application of the GFG Remuneration Policy and its oversight:

- Continued focus on sustainability – We have ambitious plans to be at the forefront of progress as the fashion industry moves to a more sustainable future. Aligned with the launch of our sustainability strategy for 2025-2030, we have incorporated a new sustainability-related performance measure into the 2022 STI, that will comprise of up to 20% of the overall incentive opportunity.

- Introduction of a Remuneration Committee from 1 January 2022 – In keeping with our commitment to robust and effective corporate governance, we have put in place a formal Remuneration Committee although this is not an explicit recommendation of the German Corporate Governance Code 2019. The Committee will report into the Supervisory Board and its remit will cover all elements of Management Board remuneration, ensuring rigorous oversight. The committee will seek external advisory support from time to time and as appropriate in order to support its work.

On behalf of the Supervisory Board

Cynthia Gordon

B. REMUNERATION FRAMEWORK FOR THE MANAGEMENT BOARD

GFG shareholders approved the revised Remuneration Policy at our 2021 AGM, which includes the remuneration framework applicable to members of the Management Board.

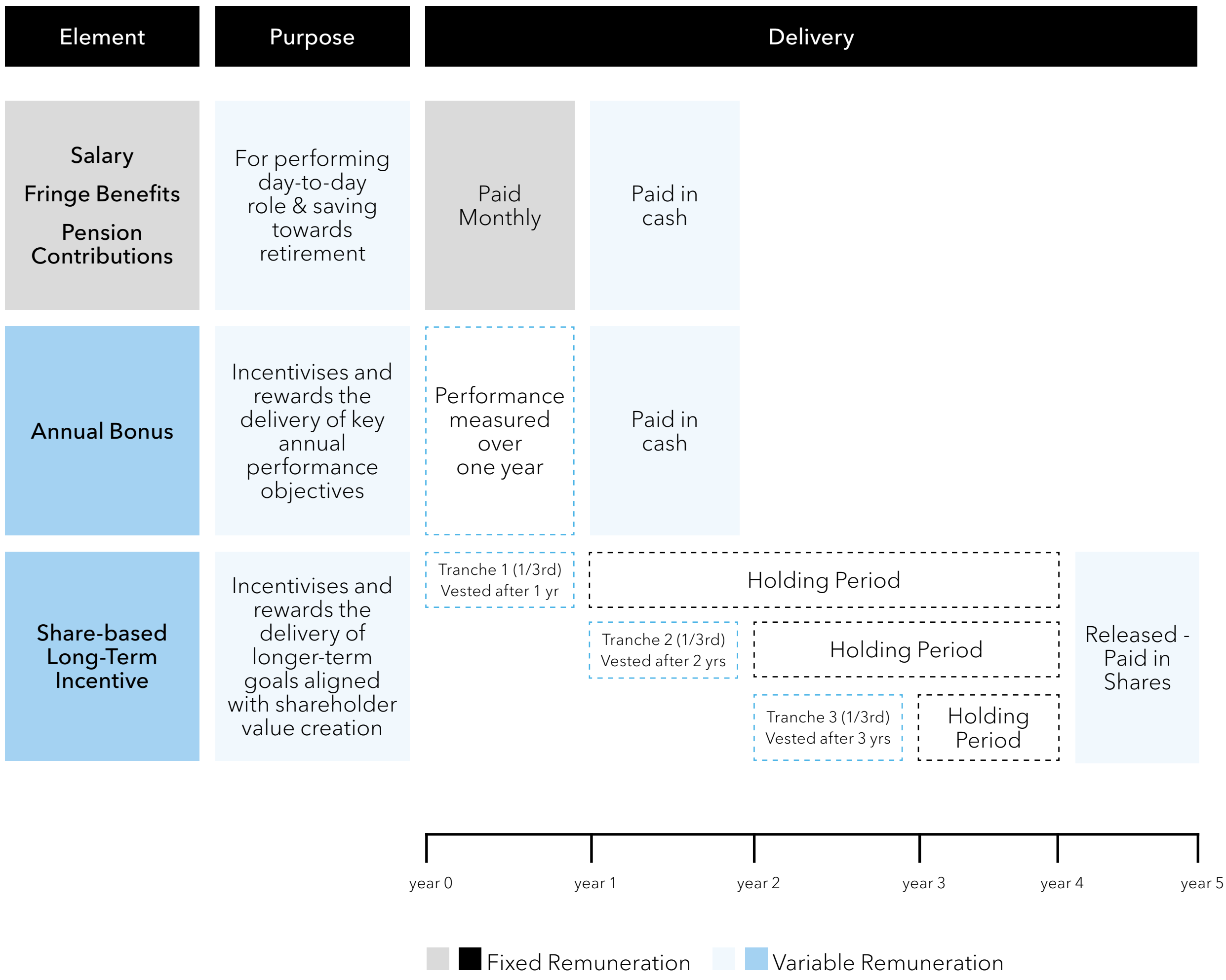
Our Remuneration Principles

The remuneration framework at GFG is designed to incentivise and reward performance that will lead to long-term and sustainable growth in shareholder value. To this end, the remuneration framework has been built around the following key principles.

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

Remuneration Framework – Summary

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



The framework is intended to place appropriate balance between fixed and variable remuneration, and particular emphasis on the long-term element. We invite you to read the details of the actual remuneration mix for FY2021 on page 54. A long-term focus helps ensure that Management Board members should only receive significant reward for delivering strong and sustainable performance, while reducing the risk of payment for failure. It also clearly aligns the interests of the Management Board with those of GFG's shareholders.

Further information on each element of remuneration is provided in the table below, while our Remuneration Policy Report (as approved by shareholders at our 2021 AGM) provides further technical details.

Remuneration Framework – Further details

Fixed Pay

	Details
Fixed Annual Base Salary	• The Supervisory Board considers various factors in setting an appropriate salary for the role, including the Management Board members' individual responsibilities and performance, the usual level of remuneration for similar roles compared to the market, the Company's current economic conditions and pay ratios within the GFG employee base. • Generally reviewed annually with any increase typically taking effect from 1 January. • Payable in arrears in twelve equal installments.
Pension Contributions	• Structured as a cash supplement paid with the monthly base salary. • The level of pension contribution is above the minimum statutory requirements under applicable employment laws. • The Supervisory Board retains the discretion to contribute the pension directly into a pension fund and to reduce contribution amounts to statutory requirements. • No performance-based element
Other benefits	• May include insurance policies (health, life and income protection, directors and officers ("D&O")) without deductible payable by the Management Board member.

Variable Pay – (i) Current framework

The table below sets out details of the incentive plans under which future grants may be made. Legacy plans (i.e. those under which there is no intention to make further grants) are set out in section (ii).

Variable Pay – Current framework

Element	Details
Short Term Incentive Plan ("STI")	• Incentivise and reward for the delivery of pre-defined one-year financial and strategic business targets, and individual performance. • Normally delivered in cash. • Management Board members have an on-target opportunity of up to 50% of base salary for on-target performance and an opportunity of 75% for maximum performance, although the Supervisory Board may change these in exceptional circumstances (see Remuneration Policy for further details). • Weighting between company and individual performance is determined by contractual arrangements and the responsibilities of each position. • Measures for the 2021 Financial Year were Financial Metrics (80%) and Non-Financial objectives (20%) which consist of individual performance contributions focused on their specific areas of responsibility, their geographical or functional responsibilities. In 2021 progress against specific sustainability goals has attributed at least half of the 20% individual performance outcomes.
GFG Share Plan ("LTIP")	• Used to attract, motivate, and retain employees of the Company since the IPO. • Incentivise and reward for the delivery of longer-term financial and non-financial business objectives and generation of sustainable long-term returns for shareholders. • Management Board members may receive grants in the form of Restricted Stock Units ("RSUs") and / or Performance Stock Units ("PSUs"), although since 2020 only PSUs have been granted. • Awards typically vest in equal tranches over 3 years, with all tranches subject to a holding period of four years from grant. • Vesting of PSUs is subject to the achievement of annual performance conditions as determined by the Supervisory Board. • Malus and clawback provisions apply up to the end of the holding period. • Following the holding period, awards may be settled in shares or an equivalent amount in cash at the election of the Supervisory Board (although there is currently no intention to use the latter). • Measures for the 2021 Financial Year were NMV Growth in Constant Currency (50%) and Adjusted EBITDA as a percentage of Revenue (50%).

Variable Pay – (ii) Legacy plans

The table below sets out details of incentive plans under which there is no current intention to make future grants.

Variable Pay – Legacy plans

Element	Details
2016 Long-Term Incentive Plan ("2016 LTIP")	**No further grants will be made under the 2016 LTIP** • Used to attract, motivate, and retain employees of the Company prior to IPO. • Grants were awarded in the form of synthetic stock options over shares or in the form of cash awards, in each case vesting or maturing, as applicable, in equal tranches on a quarterly basis. • Also provided a right to participate in an internal liquidity event for the Financial Years 2018 and 2019 allowing the cash settlement of a limited number of vested awards under the 2016 LTIP and Legacy LTIP (see below). • All synthetic stock options were converted into stock options over GFG shares upon IPO. • Each vested stock option entitles the holder to acquire one share in the Company upon payment of the exercise price. • Options may only be exercised during prescribed exercise windows, subject to closed periods. • Synthetic stock options are subject to forfeiture including in case of termination for serious grounds or serious fault. • As a pre-IPO plan, awards are not subject to a holding period. • As at the end of 2021, all stock options awards held by members of the Management Board under this plan are fully vested.

C. MANAGEMENT BOARD REMUNERATION FOR 2021

This section describes the remuneration of the Management Board in relation to their contribution and performance during the Financial Year 2021. All remuneration awarded to the Management Board during 2021 was in line with the Company's Remuneration Policy.

i) Management Board – Individual total remuneration

The tables below set out (i) each individual's total remuneration in relation to 2021 and other relevant information, and (ii) their resulting balance of fixed and variable pay. The remainder of the section provides further information on the figures shown.

Christoph Barchewitz (Co-Chief Executive Officer)[1] year of Appointment to the Management Board: 2019

	Benefits Granted			Benefits Received	
In€m[2]	2021 (Min.)	2021 (Max.)	2020	2021	2020
Fixed Remuneration	642,021	642,021	610,500	642,021	610,500
Fringe Benefits	36,462	36,462	30,958	36,462	30,958
Total (fixed components)	**678,483**	**678,483**	**641,458**	**678,483**	**641,458**
Short-Term Incentive	-	481,516	305,250	193,900[3]	317,744
Long-Term Incentive[4]	-[5]	1,727,100[5]	1,905,321	1,559,589[6]	-
Total (variable components)	**-**	**2,208,616**	**2,210,571**	**1,753,489**	**317,744**
Pension Supplement	64,202	64,202	61,050	64,202	61,050
Total Remuneration	**742,685**	**2,951,301**	**2,913,080**	**2,496,174**	**1,020,252**

1 Mr. Barchewitz was appointed as Co-CEO on the 1 February 2018.

2 As the remuneration for Mr. Barchewitz is denominated in British pounds, exchange rates of 1£/€1.16 and 1£/€1.1 have been used for 2021 and 2020 respectively. The difference between 2021 and 2020 benefits received and benefits granted is due to the £/€ exchange rate.

3 Reflects an overall performance outcome of 60.4% of target – further information is shown on page 56.

4 The value of Long-Term Incentives are based on the fair value determined at the grant date.

5 The first tranche of the grant under the 2019 LTIP which was made during the reporting period grant date of 30 March 2021 will vest on 30 April 2022 and remains subject to the holding period until 1 April 2025. The remaining tranches will vest on 30 April 2023 and 30 April 2024 and remain subject to the same holding period.

6 This figure includes the exercise of share options in March 2021 which were granted under legacy arrangements, further details of which are provided on page 60.

Patrick Schmidt (Co-Chief Executive Officer)[1]
year of Appointment to the Management Board: 2019

	Benefits Granted			Benefits Received	
In€m	2021 (Min.)	2021 (Max.)	2020	2021	2020
Fixed Remuneration[2]	575,000	575,000	575,000	575,000	575,000
Fringe Benefits	20,288	20,288	21,948	20,288	21,948
Total (fixed components)	**595,288**	**595,288**	**596,948**	**595,288**	**596,948**
Short-Term Incentive	-	431,250	287,500	173,659[3]	287,500
Long-Term Incentive[4]	-[5]	1,727,100[5]	1,905,321	3,020,880[6]	-
Total (variable components)	**-**	**2,158,350**	**2,192,821**	**3,194,538**	**287,500**
Pension Supplement	15,846	15,846	-	15,846	-
Total Remuneration	**611,133**	**2,769,483**	**2,789,770**	**3,805,672**	**884,448**

1 Mr. Schmidt was appointed as Co-CEO on the 1 February 2018.

2 Fixed Remuneration includes salary and any cash pension supplement (paid in lieu of participating in a defined contribution pension plan).

3 Reflects an overall performance outcome of 60.4% of target – further information is shown on page 56.

4 The value of Long-Term Incentives are based on the fair value determined at the grant date.

5 The first tranche of the grant under the 2019 LTIP which was made during the reporting period grant date of 30 March 2021 will vest on 30 April 2022 and remains subject to the holding period until 1 April 2025. The remaining tranches will vest on 30 April 2023 and 30 April 2024 and remain subject to the same holding period.

6 Shares were delivered at Fair Market Value at the vestind date to cover the tax liability that crystalised upon vesting, further details of which are provided on page 60. The proceeds remain under holding.

Matthew Price (Chief Financial Officer)[1]
year of Appointment to the Management Board: 2019

	Benefits Granted			Benefits Received	
In€m[2]	2021 (Min.)	2021 (Max.)	2020	2021	2020
Fixed Remuneration	507,643	507,643	462,000	507,643	462,000
Fringe Benefits	572	572	46,200	572	46,200
Total (fixed components)	**508,215**	**508,215**	**508,200**	**508,215**	**508,200**
Short-Term Incentive	-	380,732	231,000	153,316[3]	231,000
Long-Term Incentive[4] (Total)	-[5]	1,114,920[5]	741,530	-	-
Total (variable components)	**-**	**1,495,652**	**972,530**	**153,316**	**231,000**
Pension Supplement	50,764	50,764	-	50,764	-
Total Remuneration	**558,980**	**2,054,632**	**1,480,730**	**712,295**	**739,200**

1 Mr. Price was appointed as CFO on the 9 April 2019

2 As the remuneration for Mr. Price is denominated in British pounds, exchange rates of 1£/€1.16 and 1£/€1.1 have been used for 2021 and 2020 respectively. The difference between 2021 and 2020 benefits received and benefits granted is due to the £/€ exchange rate.

3 Reflects an overall performance outcome of 60.4% of target – further information is shown on page 56.

4 The value of Long-Term Incentives are based on the fair value determined at the grant date.

5 The first tranche of the grant under the 2019 LTIP which was made during the reporting period grant date of 30 March 2021 will vest on 30 April 2022 and remains subject to the holding period until 1 April 2025. The remaining tranches will vest on 30 April 2023 and 30 April 2024 and remain subject to the same holding period.

ii) Management Board – Individual remuneration mix

Management Board Remuneration Mix

	Benefits Granted		Benefits Received
	2021 (Min.)	2021 (Max.)	2021
Christoph Barchewitz			
Fixed Remuneration	100%	25%	30%
Variable Remuneration	0%	75%	70%
Patrick Schmidt			
Fixed Remuneration	100%	22%	16%
Variable Remuneration	0%	78%	84%
Matthew Price			
Fixed Remuneration	100%	27%	78%
Variable Remuneration	0%	73%	22%

Salary

In December 2020, we undertook an industry peer benchmarking exercise with our external independent advisers Willis Towers Watson, for the Management Board members. The results indicated that the base salaries for our Management Board members are in line with the peer group median. However, a salary adjustment of 6% increase to base salary was applied for Mr. Matthew Price. This reflects the broader ongoing contribution and seniority of the CFO role and as a member of the Management Board.

Finge Benefits

Benefits which the Management Board members received during 2021 and which are captured in the figure shown above include health insurance, life & income protection insurance.

Pension Contributions

For 2021, the pension contributions for Mr. Christoph Barchewitz, Mr. Patrick Schmidt and Mr. Matthew Price were provided with a cash supplement in lieu of pension participation, paid with the monthly base salary.

2021 Annual Short Term Incentive

At the start of 2021, stretching financial performance targets and individual objectives were set under the short-term incentive of the Management Board. Performance against these targets was subsequently assessed by the Supervisory Board following year-end.

Financial Performance Payout

Financial metrics (80%)	Weighting %	Performance Range	Achievement	Pay-out %	Weighted Payout %
NMV	40	20.8% to 31.2%	23.9%	80.0	25.5
Adjusted EBITDA Margin (% Revenue)	30	0.3% to 2.9%	0.87%	72.5	17.4
Cash-flow (€m)	30	(€106m) to (€78m)	(157.4)	-	-
Final FY2021 Financial Performance Payout					**42.9**

Individual Performance Payout

Individual Objectives (20%)	Weighting %	Target %	Achievement %	Weighted Payout %
Agreed objectives for each Management Board member focused on three areas - (i) the individual's area of responsibility, (ii) geographical and functional responsibilities, and (iii) GFG's non – financial and strategic priorities				
Individual Objectives	50	100	93	9.3
Sustainability Objectives	50	100	82	8.2
Final FY2021 Individual Performance Payout				**17.5**
Total 2021 STI Payout				**60.4**

As above, based on overall financial and individual performance during 2021, the Supervisory Board has determined that the annual STI was achieved at 60.4% of target.

Long Term Incentive ('LTIP') — Awards granted during 2021

During the financial year 2021, Management Board members received awards under the GFG Share Plan. As was the case for 2020, awards were granted in the form of PSUs, reflecting GFG's pay for performance ethos.

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

2021 Grant Tranches	Applicable Financial Performance period
Tranche 1 - vesting 2022	1 Jan -31 Dec 2021
Tranche 2 - vesting 2023	1 Jan - 31 Dec 2022
Tranche 3 - vesting 2024	1 Jan - 31 Dec 2023

The performance conditions attached to Tranche 1 of the 2021 Grant – NMV Growth in Constant Currency and Adjusted EBITDA as a percentage of Revenue – remain aligned with GFG's key strategic areas of focus and incorporate realistic yet stretching organisational targets.

Number of PSUs granted (2021 Grant)

Management Board Member	'On target'	'At Maximum'
Christoph Barchewitz	106,050	151,500
Patrick Schmidt	106,050	151,500
Matthew Price	68,460	97,800

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

Long Term Incentive – Outstanding awards

The table below provides further information as to the number of units outstanding under the GFG Share Plan and the 2016 LTIP legacy plan. The Awards made during 2021 (as described above) can be seen under the line "Granted during the reporting period".

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

	Christoph Barchewitz [1]			Patrick Schmidt [1]			Matthew Price [1]	
	RSUs	PSUs	Stock Options	RSUs	PSUs	Stock Options	RSUs	PSUs
Outstanding at the beginning of the reporting period	310,800	461,777	736,115	310,800	461.777	671,517	188,160	191,753
Granted during the reporting period	-	151,500 [2]	-	-	151,500 [2]	-	-	97,800 [2]
Vested during the reporting period	103,600	149,403 [3]	-	103,600	149,403 [3]	-	62,720	62,299 [3]
Delivered during the reporting period	-	-	-	103,600 [4]	149,403 [4]	-	-	0
Forfeited/expired during the reporting period	-	11,752 [5]	-	-	11,752 [5]	-	0	4,901 [5]
Exercised during the reporting period (2016 LTIP)	-	-	127,940	-	0	-	-	0
Outstanding at the end of the reporting period (including 2016 LTIP) [8]	310,800	601,525	-	207,200	452,122	-	188,160	284,652
Exercisable at the end of the reporting period	**-**	**-**	**608.175** [6]	-	**-**	**671,517** [7]	**-**	**-**

[1] Appointment to the Management Board in June 2019.

[2] The final number of units to be released will depend on the achievement of the pre-defined Performance Conditions over a one-year performance period.

[3] Based on PSU performance conditions achievement during the performance period (i.e. 92.70% of maximum opportunity).

[4] The 253,005 shares were delivered to cover the tax liability that crystalised upon vesting. Out of this, 142,110 were sold by to cover the tax liability and the remaining 110,895 are blocked and remain under the holding period.

[5] Represents the non-vested portion of the PSUs resulting from the performance conditions achieved vs. maximum potential.

[6] Options with strike prices ranging from €5.37 to €7.99. No more options will be granted under this program.

[7] Options with strike prices ranging from €0.01 to €7.99. No more options will be granted under this program.

[8] Including all units under holding.


PUMA

Below provides more detailed information in relation to the 2016 LTIP exercise and GFG Share Plan delivery reported in the above.

Patrick Schmidt

On 27 May 2021, 253,005 shares were delivered to Patrick Schmidt as a result of the release of vested restricted stock units and performance stock units. The fair market value on the date of release was € 11.94.

The release of such vested units is due to the vesting date being the point of taxation in the jurisdiction applicable to Patrick Schmidt. To cover this liability, 142,110 shares were sold on behalf of Patrick Schmidt on 1 June 2021 at a price of € 11.94, with the remainder of the delivered vested units continuing under the holding period.

Christoph Barchewitz

During the year, Christoph Barchewitz exercised 127,940 synthetic stock options on 23 March 2021 at a strike price of € 0.01. The fair market value on the date of exercise was € 12.20. The exercise was net settled and as a result 67,752 shares were released to Christoph Barchewitz, while 60,188 shares were withheld to settle tax and social security liabilities.

The Company did not apply malus or clawback with respect to any awards held by Management Board members during the financial year 2021.

Change in pay of Management Board Members

The diverse footprint over which GFG operates, combined with 15,480 employees and its decentralised approach to defining appropriate remuneration, makes it difficult for the Company to establish an average remuneration for GFG for past Financial Years for the purpose of comparing the remuneration of the Management Board. GFG strives to provide remuneration packages that are both competitive externally and proportionate internally for the markets in which we operate. For comparison externally against peers that are comparable and representative of the common market in which GFG operates, the remuneration of the Management Board is in line with market median total cash level.

Use of the Special Derogation Procedure under the Remuneration Policy in 2021

In the ordinary course of events, the remuneration policy approved at the 2021 AGM allows GFG to contractually agree a severance package that is compliant with the German Corporate Governance Code (which contains a cap of twice the individual's total annual remuneration) and to contractually agree to a change of control provision provided it remains within the severance cap. During the year, following the annual sector benchmarking review, the Supervisory Board determined that the Management Board's non-existing provision for the treatment of remuneration in case of change of control significantly departs from the practice reflected in the sector.

The special derogation procedure set out in the remuneration policy allows the Supervisory Board to temporarily derogate from the policy in exceptional circumstances where the derogation is necessary to serve the long-term interest and the sustainability of the Company or to assure its viability. The derogations include the determination of the payout caps of the variable remuneration, the payment of severance pay beyond the contractually agreed provisions and caps and the acceleration of the Vesting schedule. A resolution of the Supervisory Board assessing the exceptional circumstances and making a determination is required.

The Supervisory Board determined it was in the best interests of GFG and our shareholders that Management Board members' contractual provisions better align with our sector such that they should not be unduly influenced or risk suffering a possible conflict of interest in connection with their remuneration during a potential change of control event and to ensure their contractual treatment contributes to the retention of an experienced and qualified Management Board to lead the Company to deliver its ambitious goals. The Supervisory Board determined that this constituted an exceptional circumstance and the derogation from the policy was considered appropriate and necessary to serve the long-term interest and the sustainability of the Company or to assure its viability in the best interests of GFG and our shareholders. As such, the Supervisory Board passed a resolution approving the use of the special derogation procedure contained within the policy. The following was agreed under the derogation procedure as reported in our Declaration of Compliance with the German Corporate Governance Code:

- That upon termination in connection with a change of control event, the severance cap recommended by the Code may be exceeded, although this will primarily depend on the GFG share price at the time.

- Upon a change of control event, the employment agreements of Management Board members provide for a partial acceleration of 75% of unvested equity, independently of whether the event leads to early termination. In the case of early termination, there is a possibility that this would lead to the severance cap being exceeded.

1.8 FINANCIAL REPORTING

At the AGM on 26 May 2021, Ernst & Young ("EY") were re-elected as the independent auditor of the separate and consolidated financial statements. In preparation, Ernst & Young presented a statement of compliance with the relevant ethical requirements on independence and disclosed that there are no business, financial, personal or other relationships between the auditor, its governing bodies and audit managers, on the one hand, and the Company and its directors, on the other, which could give cause to doubt the auditor's independence.