

elumeo

elumeo SE

Berlin

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Declaration of Corporate Governance

The management of elumeo SE ("elumeo") as a listed, monistic German Societas Europaea (SE), is primarily guided by the SE Regulation (Council Regulation (EC) no. 2157/2001 from 8 October 2001 on the Statute of a European company, in its current amended version), the SE Implementation Act, the Companies Act to the extent that it is referred to, and the requirements of the German Corporate Governance Code.

In the Declaration of Corporate Governance pursuant to Section 289f of the German Commercial Code (HGB), we refer to our declaration pursuant to Art. 9 para. 1 lit. c) (ii) SE Regulation, Section 22 para. 6 SEAG in conjunction with Section 161 of the German Stock Corporation Act (Declaration of Conformity) and explain our relevant corporate governance practices that are applied beyond the legal requirements.

The Executive Board of elumeo SE declares in accordance with Art. 9 Paragraph 1c) (ii) SE Regulation, Section 22 Paragraph 6 SEAG in conjunction with Section 161 AktG that elumeo SE (the "**company**") adheres to the principles and recommendations of the Government Commission on the German Corporate Governance Code (the "**Code**") in the version of 16 December 2019 since the last declaration of compliance from January 2020 (taking into account the special features of the one-tier system of elumeo SE). Deviations are explained below.

1. Special features of the one-tier corporate governance system

According to Art. 43-45 SE Regulation, the one-tier system is characterised by the fact that the SE is managed by a uniform management body, the Executive Board. The members of the Executive Board jointly manage the company, jointly determine the basic lines of their activities and jointly monitor their implementation by the Managing Directors. The Managing Directors manage the company's business, represent the company in and out of court and are bound by the instructions of the Executive Board.

In the course of adapting to the one-tier system, the company applies those parts of the code that relate to the Supervisory Board to the Executive Board, and all parts that relate to the Executive Board to the Managing Directors.

In point A. I. management tasks of the Executive Board and A. II. The Supervisory Board's monitoring tasks are carried out by the Executive Board and the Managing Directors.

The Managing Directors and the Executive Board of elumeo SE adopted the following declaration in accordance with Section 161 of the German Stock Corporation Act on 1 March 2021:

Declaration pursuant to Art. 9 para. 1 lit. c) (ii) SE Regulation, Section 22 para. 6 SEAG in connection with Section 161 of the German Stock Corporation Act

elumeo SE complies with all recommendations of the Government Commission on the German Corporate Governance Code published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette in the version dated 16 December 2019 (Code 2019) and will continue to comply with them in the future, with the following exceptions:

According to the recommendations of the Code 2019 (B.5), an age limit should be set for the Managing Directors and stated in the Declaration of Corporate Governance.

There is no age limit for Managing Directors. The choice of Managing Directors is based solely on their knowledge, skills and professional experience. elumeo SE does not currently comply and will not comply with this recommendation in financial year 2021.

According to the recommendations of the Code 2019 (C.2), an age limit should be set for the members of the Executive Board and stated in the Declaration of Corporate Governance.

There is no age limit for members of the Executive Board. The election of Executive Board members is based solely on their knowledge, skills and professional experience. elumeo SE does not currently comply and will not comply with this recommendation in financial year 2021.

According to the recommendations of the Code2019 (C.6), the Chairman of the Executive Board should be independent of the company. The major shareholder Blackflint Ltd. is represented by the Chairman of the Executive Board. At the same time, half of the Executive Board members are independent.

The Declaration of Conformity can be viewed on the elumeo SE website at <https://www.elumeo.com/investor-relations/corporate-governance>.

elumeo considers responsible and transparent corporate governance to be the basis for long-term economic success. This also includes open, timely and consistent information and communication with our shareholders, business partners, employees and the public. Here, we are guided by the German Corporate Governance Code introduced in 2002 in its current version. The Executive Board and Managing Directors work together closely for the benefit of the entire company to ensure efficient management and control of the company geared toward sustained value creation through good corporate governance.

Further details on how elumeo practices corporate governance can be found in the current Corporate Governance Report, which is also part of this Declaration of Corporate Governance.

Relevant management practices

We consider sustainability, integrity and good corporate governance to be the key components of our ethical company culture. They shape our behaviour towards customers, suppliers, employees, shareholders and society at large.

The actions of our governing body and our employees are determined by the values, principles and rules of responsible corporate management, our self-image and our strategy. Objectives are defined and communicated as part of the strategic determinations of the Executive Board. Here, when it comes to doing our work, we rely on the personal responsibility and initiative of our managers and employees, with whom we have agreed to clear management principles.

To ensure maximum transparency, we inform our shareholders, financial analysts, shareholders' associations, the media and the interested public regularly and promptly about the situation of the company and significant business changes. Our company's reporting thus complies with the regulations defined in the Code.

In accordance with the statutory requirements, the company's Managing Directors ensure to the best of their knowledge that the financial statements and the combined management report present a true and fair view and describe the material opportunities and risks.

The work of the Executive Board and the Managing Directors and the composition and work of the Executive Board Committees

elumeo SE has a monistic company management and control structure. According to Art. 43-45 of the SE Regulation in conjunction with Section 20 et seq. of the SE Implementation Act, the monistic system is characterised by the fact that the management of the SE is the responsibility of a single body, the Executive Board. elumeo is making use of the legal option to delegate day-to-day business to Managing Directors, with one of the four Managing Directors also being a member of the Executive Board in financial year 2020. The Annual General Meeting is another organ.

The Executive Board manages the company, determines the principles of its business and monitors their implementation by the Managing Directors. It appoints and dismisses Managing Directors, determines the compensation system and sets the respective remuneration. The Executive Board consists of four members: Wolfgang Boyé (Chairman), Dr. Frank Broer (Deputy Chairman), Boris Kirn and Gregor Faßbender-Menzel.

The Executive Board members were elected at the Annual General Meeting.

Board meetings are held at least every three months. To perform its duties, the Executive Board has established three committees and regularly receives reports on their work. The principles of cooperation between the Executive Board and the tasks of its committees are defined in more detail in the rules of procedure for the Executive Board, which can be found on the company's website at: <https://www.elumeo.com/unternehmen/verwaltungsrat/geschaeftsordnung>.

COMMITTEES OF THE EXECUTIVE BOARD

The Executive Board had three committees in the year under review. Their tasks, responsibilities and work processes comply with the requirements of the German Stock Corporation Act and the German Corporate Governance Code (Code 2019). The Chairmen of the committees report regularly to the Executive Board on the work of the committees.

The Audit Committee consists of three members, the majority of whom must be members of the Executive Board, who are not Managing Directors. The Chairman of the Audit Committee may not at the same time be the Managing Director of the company or have been within the last two years or be Chairman of the Executive Board and must have expertise in the areas of accounting or auditing pursuant to Section 100 para. 5 of the German Stock Corporation Act (AktG) and internal control procedures. The Audit Committee is specifically responsible for accounting issues and monitoring the accounting process, the effectiveness of the internal control system, risk management and the risk management system, internal auditing, compliance and auditing. It provides the Executive Board with a founded recommendation on the selection of the auditor, which shall include at least two candidates in the cases of the call for tenders for the auditing mandate. The Audit Committee monitors the independence of the auditor and also deals with the issuing of the audit assignment to the auditor, the determination of the audit areas and the fee agreement.

As of 31 December 2020, the Audit Committee had the following members: Dr. Frank Broer (Chairman), Gregor Faßbender-Menzel and Boris Kirn. The members of the Audit Committee are collectively familiar with the industry the company operates in. According to the Stock Corporation Act, the Audit Committee must include at least one member of the Executive Board who has expertise in the areas of accounting or auditing. According to the Code, the Chairman of the Audit Committee should have special knowledge and experience in the application of accounting

principles and internal control procedures, and he should be familiar with the audit of the financial statements and independent. The Chairman of the Audit Committee, Dr. Frank Broer, meets these requirements.

The Nomination Committee has the task of proposing suitable candidates to the Executive Board for the election of members of the Executive Board of the shareholders by the Annual General Meeting. In addition to the necessary knowledge, skills and professional experience of the proposed candidates, the objectives named by the Executive Board for its composition and the adopted diversity concept, in particular independence and diversity, should be adequately taken into account and at the same time the aim should be to fill in the competence profile. It must be ensured that there is an appropriate participation of women and men in accordance with the legal requirements for the gender quota and that the members of the Executive Board as a whole are familiar with the industry the company operates in.

As of 31 December 2020, the Nomination Committee had the following members: Wolfgang Boyé, Dr. Frank Broer and Gregor Faßbender-Menzel. The Nomination Committee did not meet in financial year 2020.

The Managing Directors manage the affairs of the company in accordance with the applicable laws, this Statute, the Rules of Procedure of the Executive Board and its bylaws. Two of these individuals represent the company or one Managing Director and an authorised signatory. As of 31 December 2020, four managing directors were appointed, all of whom were granted sole power of representation, namely Bernd Fischer, Boris Kirn, Florian Spatz and Dr. Riad Nourallah.

The Managing Directors are to inform the Executive Board regularly, promptly and comprehensively on all company issues concerning planning, the development of the business, the risk situation, risk management and compliance of the elumeo Group and of any special occurrences at the elumeo Group, in particular if business performance deviates from the established company planning, also stating the reasons.

The Managing Directors must disclose any conflicts of interest to the Executive Board immediately and inform the other Managing Directors and Executive Board members thereof. All transactions between the company and / or its affiliates on the one hand and a Managing Director and his related persons or personally related activities on the other hand must stand up to a third-party comparison (at arms' length). The assumption of a paid or unpaid outside activity, honorary posts and Board, Supervisory, Advisory or similar mandates requires the prior written consent of the company's Executive Board, which may be revoked at any time. In financial year 2020, there was no conflict of interest with the Managing Directors of elumeo SE.

The principles of cooperation between the Managing Directors of elumeo SE are governed by the Rules of Procedure for the Managing Directors.

Competence profile and diversity concept for the Executive Board

The competence profile and diversity concept for the Executive Board is as follows:

Social skills: As team players, Executive Board members are expected to play a role in overseeing the Managing Directors. This requires practical business experience, assertiveness and social skills. Members should bring along innovative thinking and / or know-how in promoting innovative processes. Alternatively, the strong ability to oversee the corporate strategy through excellent knowledge of the relevant market, products or other market participants is expected.

Expert know-how: Executive Board members are expected to have expertise in at least one of the following areas: jewelry, finance, e-commerce, television or distribution in any of the markets in which the elumeo Group operates or which is a strategic goal of the Group. The Chair of the Audit

Committee should have expertise in the application of accounting principles and internal control procedures. He should be independent and not a former member of the Executive Board whose appointment has ended less than two years prior to his appointment as Chairman of the Audit Committee.

Diversity: The Executive Board should reflect the diversity of today's society. There can be no discrimination, for whatever reason. Different educational and professional backgrounds are seen as beneficial to realising the required diversity. However, skills and know-how are given priority by the Executive Board. Therefore, a candidate's application should not be rejected on the basis of strict consideration of each and every aspect, including gender, education, practical experience or any other aspect. The target percentage of female members of the Executive Board is set separately. Regarding the maximum length of membership, the Executive Board considers a limit of twenty years to be appropriate.

Number of independent Executive Board members: According to the laws, the Executive Board is not allowed to have more than fifteen members. The statutes of elumeo SE also limit the number to twelve members. By nature, the Managing Directors, i.e. the members of the Executive Board, are not independent. The SE Act requires that the majority of the members of the Executive Board be non-executive members.

As long as the Executive Board consists of four members, as is currently the case, there are three non-executive members. These three non-executive members of the Executive Board should always have a sufficient number of independent members, taking into account the shareholder structure of elumeo SE.

In view of the fact that the major shareholder Blackflint Ltd. is represented by a non-executive member of the Executive Board, a total of two independent members of the three non-executive members of the Executive Board are considered appropriate. These two independent members of the Executive Board are Dr. Frank Broer and Gregor Faßbender-Menzel.

Stipulations on promoting the participation of women in management positions

As a result of the law on equal participation of women and men in management positions in the private and public sector issued in May 2015, elumeo SE is required to set targets for the share of women at the level of the Executive Board, the Managing Directors and the subsequent management level. In addition, it had to determine by when the respective proportion of women should be reached. The law stipulates that the implementation period can be up to five years.

elumeo SE is proud to employ a high share of women on all management levels of its subsidiaries on average. elumeo actively promotes the compatibility of family and work through part-time and half-day models, flexible working hours and home office days, for example. elumeo SE itself has no management levels below the Managing Directors, given its small number of employees. The share of women was 0% at the level of the Executive Board, and 0% with respect to the Managing Directors on 31 December 2020. As a target for the percentage of women to be achieved by 30 June 2022, the Executive Board used the percentage in place by 23 September 2019 as a guide and thus adopted a target of 14.3% for the Executive Board and 0% for the Managing Directors, each to be achieved by 30 June 2022. Long-term succession planning takes into account the requirements of the German Stock Corporation Act, the SE Ordinance of the Code and the target figure set by the Administrative Board for the proportion of women among the Managing Directors, as well as the criteria according to the diversity concept decided by the Executive Board. Nevertheless, the company hopes to be able to fill any possible vacant positions with qualified women in the future.

Compliance Management System

In the elumeo Group, all employees are required to comply with applicable laws and company-internal rules and principles (compliance). In order to promote rules of conduct, the Executive Board

of elumeo has issued guidelines (Code of Conduct) applicable throughout the Group and distributed them to all employees of the elumeo Group. On the basis of the Code of Conduct, all employees commit themselves to comply with the applicable rules and to behave ethically correctly. Executives, in particular the managers of the respective Group companies, have a special responsibility to monitor adherence to the compliance rules and to assume an exemplary role. The Code of Conduct contains binding rules for all employees of the elumeo Group, is reviewed regularly and adjusted as necessary. It is an important basis of the compliance management system. Regular internal monitoring and random checks on the functionality of the system are another important building block. Within the framework of compliance risk management, potential risks are evaluated regularly. The Compliance Officer examines any compliance violations and reports directly to the Chairman of the Executive Board and the Audit Committee. She is supported in this by the compliance committee, consisting of the head of risk management, the money laundering officer and the Data Protection Officer. Every employee is encouraged to report possible compliance violations to the Compliance Officer or his / her supervisor. The elumeo Group has set up an internal whistleblower hotline to enable anonymous reporting of serious breaches.

Self-assessment of the Executive Board

The Executive Board and its committees regularly review internally how effectively the Executive Board as a whole and its committees are performing their duties. The results of the audit confirm a professional, constructive cooperation, characterised by a high degree of trust and openness, within the Executive Board and with the Managing Directors. There was no fundamental need for change. Individual suggestions are also taken up and implemented during the year.