

# SUPERVISORY BOARD REPORT

Dear shareholders and readers,

2022 was another eventful year for Westwing. Following the change to a European Stock Corporation, another material change took place: the Management of the Company was successfully handed over by the Supervisory Board from founding CEO Stefan Smalla to his internal successor and founder of the Westwing Collection Dr. Andreas Hoerning with effect from July 1, 2022. Since then, Dr. Andreas Hoerning together with his management team presses ahead the strategy of Westwing with full commitment.

Fiscal year 2022 was characterized by unstable political and economic conditions. Despite war in Ukraine, supply chain disruptions, increased freight costs, inflation, and deteriorating consumer sentiment, the company remained committed to returning to profitable growth. With efficient cost management, streamlining processes, and leveraging efficiencies, the prerequisites for this were established in 2022. The Company's highly motivated Management Board, strong management team, and the hard work and dedication shown by Westwing's employees made this possible.

In line with the principles of good corporate governance, the Supervisory Board worked together with the Management Board in a spirit of mutual trust on all relevant issues, advised the Management Board on the management of the Company, and exercised its oversight function. In the process, it performed the tasks assigned to it by the law, the Articles of Association, and the Rules of Procedure in full and in a consistently responsible manner.

## Cooperation Between the Supervisory Board and the Management Board

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

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

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

The Management Board reported regularly during the Supervisory Board meetings on current business developments, corporate planning (including financial, investment, and human resources planning), and profitability. The Supervisory Board also held regular internal workshops and preliminary consultations without the Management Board, plus a governance workshop. In addition, another strategy workshop was held in the reporting period, while the Management Board also reported to the Supervisory Board on key issues between meetings.

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

### Key Topics Addressed by the Supervisory Board

In fiscal year 2022, the Supervisory Board dealt intensively with Management Board topics such as the change of the CEO, further development of the remuneration system, and the succession to the position of the Chief Financial Officer. Furthermore, the Supervisory Board focused primarily on the following topics:

- The impact of geopolitical conflicts on the Company and the measures (including cost savings) to be taken in connection with this
- Medium-term planning, the budget for 2023, business developments, and the Company's strategy and focus
- The audit of the annual and consolidated financial statements and the Management Report for fiscal year 2021, plus the review of intrayear financial information in fiscal year 2022 and the non-financial reporting
- Westwing's change of legal form into a European Company (societas Europaea, SE)
- The (virtual) Annual General Meeting on fiscal year 2021 and the agenda for this
- Business updates for the Company's commercial and creative operations
- Governance issues such as compliance with the recommendations of the German Corporate Governance Code, the Compliance Declaration, the schedule of responsibilities for the Management Board, and the internal effectiveness survey
- Sustainability strategy
- The (long-term) succession planning of the Management Board and remuneration report
- The 2022 Share Buyback Program

### No Conflicts of Interest

No conflicts of interest as defined by the German Corporate Governance Code occurred within the Supervisory Board in fiscal year 2022. In particular, no conflicts of interest were disclosed to the Supervisory Board Chairman by Supervisory Board members, or reported by Management Board members or third parties.

### Support for Supervisory Board Members

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

### Composition of the Supervisory Board and Its Committees

The Supervisory Board had five members as of the beginning of fiscal year 2022: Christoph Barchewitz (Chairman), Dr. Antonella Mei-Pochtler (Deputy Chairwoman), Michael Hoffmann, Mareike Wächter, and Thomas Harding.

Westwing Group SE's Annual General Meeting on May 18, 2022, elected Susanne Samwer as the successor to Thomas Harding, who left the Supervisory Board at the end of the General Meeting on May 18, 2022, following his resignation. Since then, the Supervisory Board has been composed of the following members: Christoph Barchewitz (Chairman), Dr. Antonella Mei-Pochtler (Deputy Chairwoman), Michael Hoffman, Susanne Samwer, and Mareike Wächter.

The Supervisory Board is not governed by the rules on employee codetermination.

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

The **Audit Committee** consists of three members of the Supervisory Board:

- Michael Hoffmann (Chairman of the Audit Committee),
- Mareike Wächter, and
- Susanne Samwer (since May 18, 2022; prior to that: Thomas Harding).

The main topics addressed by the **Audit Committee** are, as recommended by the German Corporate Governance Code, the examination of the Company's financial reporting (including its sustainability reporting), the oversight of the financial reporting process, the effectiveness of the internal control system, the risk management system, the internal audit system, the audit of the financial statements, and compliance (including information security and data protection, among other things). The tasks to be performed by the Audit Committee are set out in the Rules of Procedure for the Supervisory Board, which are publicly available on the Company's corporate website.

The Chairman of the Audit Committee, Michael Hoffmann, is an independent financial expert as defined by section 100(5) of the German Stock Corporation Act (Aktiengesetz – AktG). As a former CEO and business administration graduate who spent more than a decade as head of the audit committee at another company that is listed on the TecDAX/MDAX, he has particular expertise in the area of financial statement audits, including sustainability reporting and its audit. The other independent member of the Audit Committee, Mareike Wächter, is a financial expert as defined by section 100(5) of the AktG in the area of accounting. This comprises especially also the application of accounting principles and the internal control and risk management systems. She has relevant knowledge in the area of accounting as a business studies graduate and through her professional experience as a managing director and head of financial control and finance. Susanne Samwer, the third member of the Audit Committee and a qualified US Certified Public Accountant (CPA, inactive), offers particular experience in the area of auditing due to her years of experience working for audit firms and her professional background as a finance director.

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

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

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

The **Nomination Committee** had the following members as of December 31, 2022:

- Christoph Barchewitz (Chairman),
- Mareike Wächter, and
- Dr. Antonella Mei-Pochtler (since May 18, 2022; prior to that: Thomas Harding).

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

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

The Supervisory Board members' résumés have been published on the Company's corporate website; they are updated regularly, and at least once a year.

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

The Supervisory Board held a total of 16 meetings in fiscal year 2022 – 11 regular meetings and five extraordinary ones. The Supervisory Board met on its own without the Management Board being in attendance on seven occasions.

In 2023 there have been five Supervisory Board meetings to date, one extraordinary meeting on January 24, 2023 to deal with Management Board topics (including CFO-contract), one regular meeting on March 10, 2023 (on the preparation of the annual financial statements, and the sustainability targets, among other things) and on the same day an internal meeting on governance topics (including on the results of the effectiveness survey), the meeting held to approve the financial statements for fiscal year 2022 on March 29, 2023, and an internal meeting on the same day addressing Management Board remuneration issues.

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

The Audit Committee held a total of five meetings in fiscal year 2022. Among other things, these addressed the financial results, internal audit issues, sustainability reporting, risk management and compliance, cyber security, and issues relating to the audit work performed (including an assessment of the latter). In addition, the committee prepared the Supervisory Board meeting held to approve the financial statements and the relevant proposals for Supervisory Board resolutions.

Two Audit Committee meetings have been held so far in 2023, on March 10 and 29, 2023. Issues addressed included the results for fiscal year 2022 and the audit of the (consolidated) financial statements, in preparation for the Supervisory Board meeting held to approve the financial statements; non-financial reporting; Corporate Governance, risk management/analysis, and compliance (GRC); and internal audits.

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

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

The **Remuneration Committee** met a total of seven times in the reporting period: on January 12, 2022 (inaugural meeting); January 19, 2022; January 28, 2022; March 16, 2022; April 27, 2022; October 14, 2022; and November 30, 2022. Topics addressed included Management Board remuneration, the implementation of new Management Board contracts (which were relevant in relation to the change in CEO, among other things), changes to the remuneration system, a new

employee participation system, and the Remuneration Report pursuant to section 162 of the AktG. The Remuneration Committee made recommendations for subsequent adoption by the full Supervisory Board.

In addition, the members of the Remuneration Committee took part in a number of informal discussions on the topic of remuneration report and Management Board remuneration.

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

The **Nomination Committee** met once in 2022 for its inaugural meeting on March 7, 2022. This meeting addressed the Supervisory Board's basic composition and succession planning. It also discussed finding a successor for Thomas Harding and preparing the proposal for election to the General Meeting.

In 2023, there has been to date one meeting (on March 10, 2023) in which especially the appropriate candidates for the upcoming Supervisory Board election were dealt with.

### Individualized Disclosures on Attendance at Meetings

The following table provides an individualized breakdown of Supervisory Board members' attendance at Supervisory Board and Audit, Remuneration, and Nomination Committee meetings in 2022:

	Supervisory Board (4 in-person meetings, 12 video conference meetings)		Audit Committee (2 in-person meetings, 3 video conference meetings)		Remuneration Committee (0 in-person meetings, 7 video conference meetings)		Nomination Committee (0 in-person meetings, 1 video conference meeting)	
	Number	%	Number	%	Number	%	Number	%
Christoph Barchewitz (Chairman)	16/16	100	–	–	7/7	100	1/1	100
Dr. Antonella Mei-Pochtler (Deputy Chairwoman) Member of the Nomination Committee since May 18, 2022	14*/16	87.5	–	–	7/7	100	0/0	100
Michael Hoffmann (Chairman of the Audit Committee)	16/16	100	5/5	100	7/7	100	–	–
Mareike Wächter	16/16	100	5/5	100	–	–	1/1	100
Thomas Harding Member of the Audit Committee until the end of the General Meeting on May 18, 2022	4/5	80	3/3	100	–	–	1/1	100
Susanne Samwer Member of the Supervisory Board and of the Audit Committee since the end of the General Meeting on May 18, 2022	10/10	100	2/2	100	–	–	–	–
<b>TOTAL</b>		<b>96.2</b>		<b>100</b>		<b>100</b>		<b>100</b>

\* The member was excused on one day on which an internal meeting and a meeting with the Management Board took place.

Number of meetings/attendance in %	Total number of meetings (Supervisory Board and Committee meetings)	
	Number	%
Christoph Barchewitz (Chairman)	24/24	100
Dr. Antonella Mei-Pochtler (Deputy Chairwoman)	21*/23	91.3
Michael Hoffmann (Chairman of the Audit Committee)	28/28	100
Mareike Wächter (Member of the Supervisory Board and of the Audit Committee)	22/22	100
Thomas Harding (Member of the Audit Committee until the end of the General Meeting on May 18, 2022)	8/9	88.9
Susanne Samwer (Member of the Supervisory Board and of the Audit Committee since May 18, 2022)	12/12	100
<b>TOTAL</b>		<b>97.4</b>

\* The member was excused on one day on which an internal meeting and a meeting with the Management Board took place.

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

The 2022 Annual General Meeting elected PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Munich office, as the Company's auditors and Group auditors for fiscal year 2022.

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft audited the combined Management Report as of December 31, 2022, for Westwing Group SE and the Westwing Group and issued it with an unqualified audit opinion.

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

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

The annual and consolidated financial statements for Westwing Group SE and the Westwing Group, the separate Non-financial Report for Westwing Group SE for the 2022 reporting period, and the corresponding reports by the auditors of the single-entity and consolidated financial statements were submitted to the Supervisory Board in advance of the Supervisory Board meeting on March 29, 2023, that was held to approve the financial statements. The above-mentioned documents were addressed and discussed at length in the Supervisory Board meeting in the auditors' presence, after previously having been considered by the Audit Committee. In addition, the preliminary versions of the financial statement documents were discussed on March 10, 2023, by the Audit Committee and by the Supervisory Board.

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

The Supervisory Board concurred with the audit findings. It did not raise any objections following the final results of its own examination. In its meeting on March 29, 2023, the Supervisory Board approved the single-entity financial statements of Westwing Group SE, the consolidated financial statements, and the combined Management Report. As a result, Westwing Group SE's annual financial statements have been adopted.

### **Composition of the Management Board**

The Management Board comprised two members in fiscal year 2022. As of January 1, 2022, it consisted of Chief Executive Officer (CEO) Stefan Smalla and Chief Financial Officer (CFO) Sebastian Säuberlich.

CEO Stefan Smalla left his position on the Management Board by mutual agreement with the Supervisory Board with effect from the end of June 30, 2022. Dr. Andreas Hoerning became CEO of Westwing Group SE with effect from July 1, 2022.

As of December 31, 2022, the Management Board consisted of Chief Executive Officer (CEO) Dr. Andreas Hoerning and Chief Financial Officer (CFO) Sebastian Säuberlich.

With effect from the end of March 31, 2023, Chief Financial Officer Sebastian Säuberlich will leave the company by best mutual agreement. Latest by August 1, 2023, Sebastian Westrich will become Chief Financial Officer of Westwing Group SE.

On behalf of the entire Supervisory Board, I would like to take this opportunity to thank founding CEO Stefan Smalla and Sebastian Säuberlich again for the pleasure of working with them and for their very successful management of the Company over the years. I would also like to warmly thank all Westwing Group employees, the Management Board and the wider management team – once again on behalf of the entire Supervisory Board – for their hard work and dedication.

London, March 29, 2023

On behalf of the Supervisory Board

**Christoph Barchewitz**

Chairman of the Supervisory Board