**LUDWIG BECK am Rathauseck –**
**Textilhaus Feldmeier Aktiengesellschaft**

# Declaration of Conformity 2025 with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG)

The following declaration refers to the recommendations of the Code in its version of April 28, 2022, which was published in the Federal Gazette on June 27, 2022 ("Code").

The Executive Board and Supervisory Board of LUDWIG BECK am Rathauseck – Textilhaus Feldmeier Aktiengesellschaft declare in accordance with Section 161 of the German Stock Corporation Act (AktG) that the 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 have been complied with and will be complied with in the future with the following exceptions:

1. The description of the main features of the entire internal control system and the risk management system in the company's management report, as well as the presentation of the appropriateness and effectiveness of these systems, are omitted. Recommendation A.5 of the Code is therefore not complied with. Following a cost-benefit analysis, the Executive Board and the Supervisory Board have concluded that it would not be reasonable or proportionate for a company of the size of LUDWIG BECK am Rathauseck - Textilhaus Feldmeier Aktiengesellschaft to comply with recommendation A.5.

2. The Supervisory Board has not formed a nomination committee (recommendation D.4 of the Code). The Supervisory Board is of the opinion that the preparation of election proposals for Supervisory Board members to the Annual General Meeting should take place in the plenum, which has a manageable number of six members.

3. The current system for the remuneration of Executive Board members in accordance with Section 87a AktG, adopted by the Supervisory Board on March 24, 2021, and confirmed without change by resolution on March 27, 2025, and accordingly the current service contracts with the Executive Board members, do not fully comply with the recommendations of the Code. Recommendation G.3 sentence 1 of the Code, according to which the Supervisory Board should use an appropriate peer group of other third-party entities, the composition of which it discloses, to assess the customary nature of the actual total remuneration of the Executive Board members compared to other companies, is not complied with. The remuneration system adopted by the Supervisory Board on March 24, 2021, does not provide for such a peer group comparison. This is because there is an insufficient

number of listed companies domiciled in Germany that are comparable to LUDWIG BECK in terms of size and sector. Therefore, the determination and disclosure of a representative peer group is currently out of the question, in the Supervisory Board’s opinion. Nevertheless, the Supervisory Board ensures, by comparison with non-listed companies in the fashion industry in the broader sense, that the Executive Board's remuneration is appropriate and customary.

4. According to recommendations G.10 sentences 1 and 2 of the Code, the variable remuneration amounts of Executive Board members should be invested predominantly in company shares or granted as share-based compensation. The Executive Board member should only be able to dispose of the long-term variable amounts after a period of four years. The remuneration system and, accordingly, the current service contracts with the Executive Board members deviate from these recommendations. The Supervisory Board does not consider the share price to be the relevant yardstick for a remuneration system geared to promoting the company's business strategy and long-term development. Instead, the Supervisory Board considers the financial and non-financial performance criteria set out in the remuneration system for determining variable remuneration and the payment of all variable remuneration components in cash to be more appropriate for ensuring a clear and transparent remuneration structure. In addition, the long-term variable remuneration (long-term incentive) is not paid out every four years, but in a three-year cycle, to ensure continuous motivation and commitment to the company's objectives.

5. Recommendation G.2 of the Code, according to which a specific target total renumeration should be set for each Executive Board member, is not complied with in all service contracts with Executive Board members. As the objectives and underlying performance criteria for granting the variable remuneration components are designed the same for all Executive Board members, the Supervisory Board does not consider the determining of a specific target total remuneration for each Executive Board member in their service contracts to be necessary.

6. In deviation from recommendation G.7 sentence 1 of the Code, the Supervisory Board does not determine performance criteria for each Executive Board member for all variable remuneration components for the forthcoming financial year. This is because, as far as the special bonuses (short-term incentive) for rewarding special achievements are concerned, it should not be determined in advance which special financial and non-financial achievements, at the Supervisory Board's discretion, will be granted a special bonus. This would unnecessarily restrict the Executive Board's discretion and freedom of action in accomplishing special achievements for the company.

7. Since no specific targets are set for the granting of special bonuses (short-term incentive) to reward exceptional performance, the Supervisory Board, in deviation from

recommendation G.9 sentence 1 of the Code, does not determine the amount of any individual variable remuneration to be granted, depending on target achievement. As explained in section 6 above, the special achievements for which a special bonus is granted at the Supervisory Board's discretion are not to be determined in advance, otherwise the Executive Board's freedom of action and discretion in accomplishing special achievements for the company could be restricted.

8. For the reasons stated in sections 1 to 7 above, the company will, in the future, continue to deviate from the recommendations of the German Corporate Governance Code stated therein.

Munich, March 27, 2025

The Executive Board:

Christian Greiner

Jens Schott

The Supervisory Board:

Dr Bruno Sälzer

Sandra Pabst

Clarissa Käfer

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**Convenience Translation**

(The text decisive for the statement on corporate governance of Ludwig Beck AG is the one written in the German language.)