



GESCO SE, Wuppertal

Security identification number A1K020
ISIN DE000A1K0201

Declaration of compliance in accordance with section 161 AktG

The Executive Board and Supervisory Board of GESCO SE declare in accordance with Section 161 AktG that the recommendations of the Government Commission on the German Corporate Governance Code in the version dated 28 April 2022, published in the official section of the Federal Gazette on 27 June 2022, have been complied with since the last declaration of compliance was issued in December 2023, with the following exceptions:

- **A.1: Systematic identification and assessment of risks and opportunities and of the environmental and social impacts of the company's activities, and consideration of environmental and social objectives in corporate strategy and planning**

Due to the lead time required to implement the new recommendations on ESG, which came into force in June 2022, the necessary processes have not yet been fully finalised.

- **A.3: Coverage of sustainability-related objectives in the internal control and risk management system**

Due to the lead time required to implement the new recommendations on ESG, which came into force in June 2022, the necessary processes have not yet been fully finalised.

- **A.5: Description of the main features of the overall internal control and risk management system and statement on its adequacy and effectiveness**

In accordance with legal requirements, the presentation in the management report is currently limited to a description of the key features of the internal control and risk management system with regard to the accounting process. Due to the lead time required to implement the new recommendation, which came into force in June 2022, the necessary processes have not yet been fully finalised.

- **B.3: Contract duration for initial order**

Mr Johannes Pfeffer received a 4-year contract when he was appointed to the Executive Board on 1 October 2024. In individual cases, compliance with recommendation B.3 may unnecessarily reduce the pool of suitable candidates and make it more difficult or impossible to recruit particularly qualified candidates. The Supervisory Board therefore reserves the right to deviate from the recommendation in individual cases if this is necessary in the interests of the company, even if the recommendation is followed in principle.

- **D.4: Formation of a nomination committee**

The Supervisory Board of GESCO SE consists of four members. Due to the small size of the Supervisory Board, both overarching strategic issues and detailed questions can be discussed and decided upon intensively by the full Supervisory Board without any loss of efficiency. We therefore do not consider it expedient to form committees over and above the Audit Committee required by law. Instead, we believe that the fact that all members of the Supervisory Board are equally involved in all topics is a particular strength.

- **F.2, 1st half-sentence: Publication of financial information (90-day deadline)**

The additional coordination effort resulting from the change in the company's auditor meant that the consolidated financial statements and the Group management report could not be published within 90 days of the end of the financial year.

- **G.18: Remuneration of the Supervisory Board**

The remuneration system for the Supervisory Board of GESCO SE approved by the Annual General Meeting on 29 May 2024 includes a fixed component as well as a performance-related component based on Group net income after minority interest. Any Group net losses are carried forward to the next year and offset against positive amounts. We are convinced that this arrangement is in line with a sustainable and entrepreneurial mindset and should also fulfil the focus on the long-term development of the company required by the Code. However, as it cannot be ruled out that other opinions may be held in this regard, we declare a deviation from this recommendation of the Code as a precautionary measure.

The Executive Board and Supervisory Board of GESCO SE declare in accordance with Section 161 AktG that the recommendations of the "Government Commission on the German Corporate Governance Code" published in the official section of the Federal Gazette on 27 June 2022 in the version dated 28 April 2022 are complied with, with the following exceptions:

- **A.1: Systematic identification and assessment of risks and opportunities and of the environmental and social impacts of the company's activities, and consideration of environmental and social objectives in corporate strategy and planning**

GESCO SE identifies and assesses risks and opportunities as well as the environmental and social impact of its business activities and takes environmental and social objectives into account in its corporate strategy and planning. However, the implementation of CSRD in Germany is currently an ongoing process that has not yet been finalised by the legislator. This means that the companies concerned do not have finalised requirements to be observed. Against this background, we declare a deviation from this recommendation of the Code as a precautionary measure. GESCO SE intends to fully comply with the recommendations in the future.

- **A.3: Coverage of sustainability-related objectives in the internal control and risk management system**

GESCO SE has integrated sustainability criteria into its corporate strategy, defined sustainability targets and key figures and published a Sustainability Code declaration in accordance with the CSR Directive Implementation Act. The inclusion of sustainability-related targets in the internal control system, including the definition of processes and systems for recording and processing sustainability-related data, is an ongoing process that is being implemented successively, not least because the CSRD implementation has not yet been finalised by the legislator. Against this background, we declare a deviation from this recommendation of the Code as a precautionary measure. GESCO SE intends to fully comply with the recommendations in the future.

- **A.5: Description of the main features of the overall internal control and risk management system and statement on its adequacy and effectiveness**

The content of recommendation A.5 goes well beyond the legal requirements of Sections 289 para. 4 and 315 para. 4 HGB. GESCO SE therefore currently continues to describe the key features of the internal control system with regard to the accounting process and the risk management system in the combined management report, as required by law. In the future, GESCO SE intends to expand its reporting in line with the more extensive recommendation.

- **D.4: Formation of a nomination committee**

The Supervisory Board of GESCO SE consists of four members. Due to the small size of the Supervisory Board, both overarching strategic issues and detailed questions can be discussed and decided on intensively by the full Supervisory Board without any loss of efficiency. We therefore do not consider it expedient to form committees over and above the Audit Committee required by law. Instead, we believe that the fact that all members of the Supervisory Board are equally involved in all topics is a particular strength.

- **F.2, 1st half-sentence: Publication of financial information (90-day deadline)**

Personnel changes at the company and the associated increased coordination effort with the auditor mean that the consolidated financial statements and the Group management report cannot be published within 90 days of the end of the financial year. Publication in accordance with the GCGC is planned for the 2025 financial year.

- **G.18: Remuneration of the Supervisory Board**

The remuneration system for the Supervisory Board of GESCO SE approved by the Annual General Meeting on 29 May 2024 includes a fixed component as well as a performance-related component based on Group net income after minority interest. Any Group net losses are carried forward to the next year and offset against positive amounts. We are convinced that this arrangement is in line with a sustainable and entrepreneurial mindset and should also fulfil the focus on the long-term development of the company required by the Code. However, as it cannot be ruled out that other opinions may be held in this regard, we declare a deviation from this recommendation of the Code as a precautionary measure.

Wuppertal, December 2024

GESCO SE

For the Supervisory Board

For the Executive Board

Stefan Heimöller
(Chairman of the Supervisory Board)

Johannes Pfeffer
(CEO)