



ABOUT YOU[®]

REPORT OF THE SUPERVISORY BOARD
CONVENIENCE TRANSLATION

1.3 REPORT OF THE SUPERVISORY BOARD



SEBASTIAN KLAUKE

Chairman of the
Supervisory Board

“HOWEVER, THE MANAGEMENT BOARD OF ABOUT YOU RECOGNIZED THE MACROECONOMIC DEVELOPMENTS AND THEIR IMPACT ON THE BUSINESS DEVELOPMENT AT AN EARLY STAGE AND STARTED INTENSIFYING THE MEASURES ALREADY PLANNED TO INCREASE PROFITABILITY.”

DEAR SHAREHOLDERS,

Before I report in detail on the work of the Supervisory Board and its committees in the past financial year, I would like to begin by emphasizing the wide range of topics that concerned us in the past year. FY 2022/2023 was dominated by the war in Ukraine, higher than expected inflation in the USA and Europe, a tightening of monetary policy measures and pandemic-related restrictions in China. The negative impact of these events was particularly visible in consumer sentiment, which reached historic lows in the past financial year and has improved only slowly since then.

However, the Management Board of ABOUT YOU recognized the macroeconomic developments and their impact on the business development at an early stage and started intensifying the measures already planned to increase profitability. Initial

successes were already visible in the second half of FY 2022/2023 and should intensify further in the next financial year. Key measures in this context include a reduction in inventories, an improvement in the fulfillment cost ratio, lower marketing expenses, in particular to increase brand awareness, and positive scaling effects in administrative expenses.

As Supervisory Board, we are monitoring the successive implementation of the measures very closely and provide comprehensive support. Progress is regularly reported by the Management Board and discussed at meetings of the Supervisory Board and its committees.

COOPERATION BETWEEN THE SUPERVISORY BOARD AND THE MANAGEMENT BOARD

At the first Annual General Meeting after the Listing, all Supervisory Board members were

confirmed in office by the Annual General Meeting on August 23, 2022. There were no changes to the Management Board.

In the past financial year, the Supervisory Board monitored the Company's affairs and regularly advised the Management Board on the management of the Company. In the process, we were always able to convince ourselves that the Management Board's work was lawful, appropriate, and proper. The Management Board fulfilled its duties to inform the Supervisory Board regularly, promptly, and comprehensively in both written and verbal form. In doing so, the Management Board provided information on all strategy, planning, business development, risk situation, risk development, compliance, and sustainability topics that were relevant for ABOUT YOU and the Group. The information also included deviations from the business operations from business planning. The Supervisory Board always had sufficient opportunity to deal in detail with the reports of the Management Board and the proposed resolutions and to contribute its own suggestions.

The Supervisory Board members were also available to the Management Board in an advisory capacity outside the regular Supervisory Board meetings. As Chairman of the Supervisory Board in particular, I had regular close exchanges with the Management Board to share information and thoughts on current company developments. My colleague and Chairperson of the Audit Committee, Christina Johansson, also had regular discussions with the Management Board, in particular with the Co-CEO Operations & Finance, to discuss accounting and financial

statement-related developments at the Company, including the risk management system ("RMS"), the internal control system ("ICS"), and the compliance management system ("CMS"). The Supervisory Board discussed and gave its approval to the corresponding individual business decisions where this was required by law, the Articles of Association, or the Rules of Procedure for the Management Board.

MEETINGS OF THE SUPERVISORY BOARD AND ITS COMMITTEES

The Supervisory Board and Management Board worked together intensively in FY 2022/2023. At times, the Supervisory Board also held discussions without the participation of the Management Board and in isolated cases external advisers were present at the meetings as experts. The Supervisory Board held a total of six meetings and passed one resolution outside a meeting. The Audit Committee held a total of six meetings and passed two resolutions outside a meeting. The Presidential and Nominating Committee held three meetings.

The meetings of the Supervisory Board and its committees are regularly held in person; in certain individual cases, meetings are held by video conference. In FY 2022/2023, only two meetings of the Audit Committee and one meeting of the Supervisory Board were held by video conference.

In the past financial year, there were no conflicts of interest involving members of the Management Board or Supervisory Board that would have had to be disclosed without delay to the Supervisory Board.

INDIVIDUALIZED DISCLOSURE OF SUPERVISORY BOARD MEMBERS' ATTENDANCE AT MEETINGS

In FY 2022/2023, the Supervisory Board members attended all plenary meetings of the full Supervisory Board and its committees to which they belong and – with one exception – voted on all resolutions adopted outside meetings. The participation of the members of the Supervisory Board in the meetings of the Supervisory Board and the committees is disclosed below in individualized form:

Supervisory Board of ABOUT YOU

Member	Supervisory Board	Audit Committee	Presidential and Nominating Committee	Participation rate in %
Sebastian Klauke	5/5	6/6	3/3	100
Niels Jacobsen	5/5	6/6	3/3	100
Petra Scharner-Wolff	5/5	6/6	–	100
Christina Johansson	5/5	6/6	–	100
Christian Leybold	5/5	–	3/3	100
André Schwämmlein	5/5	–	–	100

MEETINGS OF THE SUPERVISORY BOARD

The range of topics dealt with by the Supervisory Board included the current business situation and earnings developments, as well as the annual and consolidated financial statements as of February 28, 2023. Under the Audit Committee's recommendation and following discussion with the auditors KPMG AG Wirtschaftsprüfungsgesellschaft ("KPMG"), the Supervisory Board approved the annual and consolidated financial statements and the combined management report for FY 2022/2023, thereby adopting the annual financial statements.

Furthermore, the Supervisory Board followed the recommendation proposed by the Audit Committee following completion of the statutory selection process for auditors and will propose to the Annual General Meeting on June 23, 2023 that BDO AG Wirtschaftsprüfungsgesellschaft ("BDO") be appointed as the new auditor of the annual financial statements and consolidated financial statements and for any potential review of interim financial reports for FY 2024/2025.

Other topics included the first-time constitution of the remuneration system for the Management Board and Supervisory Board, changes in legislation affecting the holding of virtual Annual General Meetings, and the reform of the German Corporate Governance Code (GCGC). In addition, the Supervisory Board dealt with the expansion and M&A strategy, the risk situation and development, and the business and strategic plan of the various segments of the Group. There was an intensive exchange of views on the budget and a multi-year planning between the Supervisory Board and the Management Board.

In FY 2022/2023, the Supervisory Board resolved on the submission and publication of the Declaration of Compliance pursuant to §161 of the German Stock Corporation Act (AktG) after examining the recommendations and suggestions of the GCGC. The current Declaration of Conformity, issued in July 2022, refers to the GCGC as amended on April 28, 2022 and is available on the Investor Relations website under [Governance](#) >. Further information on this and on corporate governance in general can be found in the Corporate Governance Statement.

REPORT AND THE WORK OF THE COMMITTEES

The Supervisory Board has formed two committees from among its members, the Audit Committee, and the Presidential and Nominating Committee. The primary task of both committees is to prepare decisions and issues for the full Supervisory Board meetings. To the extent permitted by law, individual decision-making powers have been transferred by the Supervisory Board to the committees. The powers and working methods of the committees are set out in the Rules of Procedure of the Supervisory Board, which are available on the Investor Relations website under [Governance](#) >. The Chairperson of the committees reports on the work of the committees to the Supervisory Board in detail and on a regular basis at the meetings.

The Audit Committee held a total of six meetings in FY 2022/2023 and passed two resolutions outside a meeting. In addition to the Co-CEO Operations & Finance and following the election of KPMG as the auditor at the Annual General Meeting 2022 and their subsequent appointment by the Audit Committee, KPMG's representatives also attended the Audit Committee's balance sheet meeting. The auditors have declared to the Audit Committee that there are no circumstances giving cause to suspect their partiality. The Audit Committee obtained the required declaration of independence from the auditors and concluded a fee agreement with them. Furthermore, a survey on the audit quality of KPMG was conducted within the involved departments; the results as well as the additional services provided by KPMG were discussed in the Audit Committee and subsequently together with KPMG.



The Chairperson of the Audit Committee, Christina Johansson, also maintained a regular exchange of information with the auditors between meetings.

The committee's work focused, among other things, on the audit of the Annual Financial Statement and Consolidated Financial Statements 2022/2023 together with the Combined Management Report, including the separate Non-Financial Group Report, which is part of the ESG Report. In addition, the interim reports at the end of the half-year and the respective quarter were discussed by the Audit Committee. Regarding the Half-Year Report 2022/2023, the auditors' review report was discussed in detail before the aforementioned results were approved by the Audit Committee. Furthermore, the Audit Committee approved individual, permitted non-audit services by KPMG for ABOUT YOU and for the Otto Group. Furthermore, following the initiation and evaluation of the public invitation to tender for the audit of the financial statements starting with FY 2024/2025, the Audit Committee proposed to the Supervisory Board two alternative auditing firms as new auditors and expressed a preference for BDO. The Supervisory Board followed the recommendation for BDO and will propose them as auditors for election at the Annual General Meeting 2023 and for any review of interim financial reports for FY 2024/2025.

The Audit Committee dealt with the monitoring of the accounting process as well as topics relating to the effectiveness and appropriateness of the ICS and its further development. Furthermore, the RMS and internal auditing were subject of the committee meetings. The Management Board also reported in detail to the Audit Committee on significant litigation and the CMS. The Audit Committee also prepared Supervisory Board decisions on the above-mentioned topics and performed its other statutory duties and those set out in the Rules of Procedure of the Supervisory Board in the reporting year. In addition, the Audit Committee consulted with the auditors in advance on the focus of the audit for the reporting period.

The Presidential and Nomination Committee held three meetings in the reporting year and dealt primarily with preparations for the Supervisory Board elections to be confirmed at the Annual General Meeting 2022, preparations for the remuneration system for the Management Board and Supervisory Board, and changes to the variable compensation structure for Group employees.

TRAINING AND PROFESSIONAL DEVELOPMENT

ABOUT YOU supports the members of the Supervisory Board organizationally by assuming the costs of fulfilling their duties on training and further professional development measures, which are generally carried out on their own responsibility. Additionally, the

Management Board regularly includes in the meetings company-related topics to deepen knowledge of ABOUT YOU's business operations, and the Corporate Office of ABOUT YOU participates in topic-specific information and training measures and informs the Supervisory Board about current developments.

AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS, SEPARATE NON-FINANCIAL GROUP REPORT, COMPENSATION REPORT, DEPENDENCY REPORT, AND REMUNERATION REPORT

For FY 2022/2023 ended on February 28, 2023, KPMG audited the annual financial statements, the consolidated financial statements, and the combined management report of the Company and the Group, which were prepared by the Management Board in accordance with the provisions of the German Commercial Code (HGB). The auditors issued unqualified audit opinions in each case.

The Audit Committee discussed the annual financial statements, including the dependency report and the audit reports together with the Co-CEO Operations & Finance and the auditor on May 8, 2023, after the Audit Committee and KPMG had the opportunity to discuss KPMG's audit report without Management Board participation. In addition, the full Supervisory Board discussed it in detail at its balance sheet meeting on May 8, 2023. Another subject of discussion was the separate non-financial Group report for the ABOUT YOU Group pursuant to

§§315b and 315c in conjunction with §§289c to 289e of the German Commercial Code ("HGB"), together with the EU Taxonomy Statement FY 2022/2023 which was subjected to a limited assurance audit by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft ("EY"). The required documents together with the auditors' reports were distributed to all members of the Audit Committee and the Supervisory Board in good time before these meetings, giving them sufficient opportunity to examine them. The auditors reported on the main findings of their audit and were available to the Audit Committee and Supervisory Board to provide additional information. Based on its own examination of the annual financial statements, the consolidated financial statements, and the combined management report of ABOUT YOU and the Group, and on the basis of the report and recommendation of the Audit Committee, the Supervisory Board concurred with the results of the audit by the auditor. No objections were raised. For FY 2022/2023, the Supervisory Board approved the annual financial statements and the consolidated financial statements, as well as the combined management report of the Company and the Group. On the basis of its own examination, the report of the Audit Committee on its preparatory examination and its recommendation and the examination of the non-financial Group report, and the limited assurance report of EY thereon, the Supervisory Board finds that the non-financial Group report is proper and appropriate and has been prepared in accordance with §§315b and 315c in conjunction with §§289c to 289e HGB.

In FY 2022/2023, ABOUT YOU was a dependent company of Otto (GmbH & Co KG) ("Otto") within the meaning of Section 312 of the German Stock Corporation Act (AktG). For this reason, the Management Board prepared a report on relationships with affiliated companies and submitted it to the auditor and the Supervisory Board for review. Based on the audit, which was completed without objections, the auditor issued the following audit opinion:

"Based on our statutory audit and assessment, we confirm that the factual information in the report is correct."

The dependent company report and the related audit report were submitted to all members of the Supervisory Board in good time and were explained in detail in the presence of the auditors at the meeting on May 8, 2023. The auditors reported on the main findings of their audit. Following the final results of its examinations, the Supervisory Board concurred with the auditors' findings and raised no objections to the declaration by the Management Board at the end of the dependent company report, which is also included in the combined management report.

The compensation report was audited separately by KPMG. In addition to the formal audit required by law in accordance with §162 (1) and (2) of the German Stock Corporation Act (AktG), the compensation report was also audited on a substantive basis. Based on the

findings of the audit, KPMG confirms that the compensation report, including the related disclosures, complies in all material respects with the accounting provisions of section 162 of the German Stock Corporation Act (AktG).

The Supervisory Board would like to thank the Management Board and all employees of the Group for their great personal commitment and outstanding achievements in the past year.

May 10, 2023

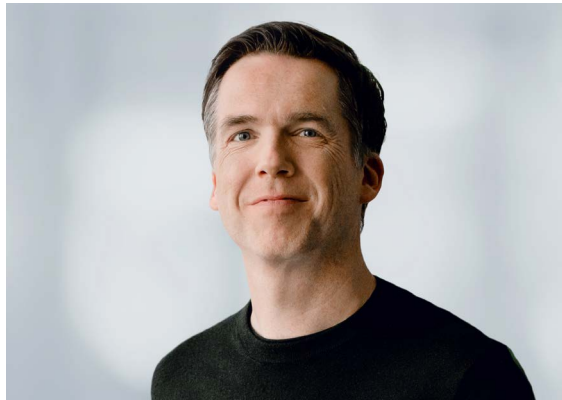
For the Supervisory Board



SEBASTIAN KLAUKE

Chairman of the Supervisory Board

SUPERVISORY BOARD OF ABOUT YOU



SEBASTIAN KLAUKE



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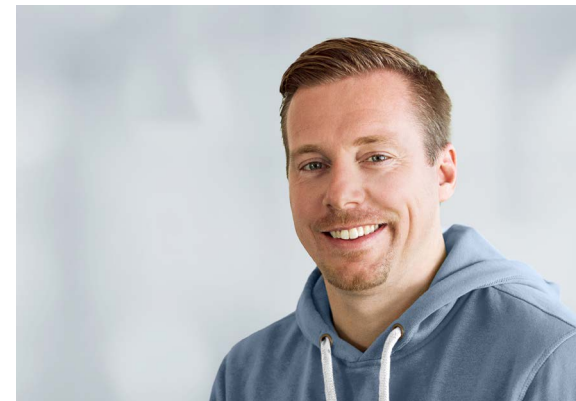
PETRA SCHARNER-WOLFF



CHRISTINA JOHANSSON



CHRISTIAN LEYBOLD



ANDRÉ SCHWÄMMLEIN