



(1) Remuneration report under Section 162 of the German Stock Corporation Act (AktG) on the remuneration of Management Board members

The current remuneration system for the members of the Management Board of Bijou Brigitte modische Accessoires AG was developed to comply with the amended requirements resulting from the Act Implementing the Second European Shareholders' Rights Directive (ARUG II), which came into force on 1 January 2020, and the German Corporate Governance Code (GCGC) as amended on 16 December 2019. It was approved by the Annual General Meeting on 17 June 2021 and has been published on the company's website:

https://group.bijou-brigitte.com/images/pdf/de/investor_relations/corporate_governance/Verguetungssystem_Vorstand_2021.pdf

The remuneration of the Management Board of Bijou Brigitte modische Accessoires AG is based on the size, complexity and economic situation of the company as well as the performance of the Management Board as a whole. Its design is intended to help foster sustainable corporate success and the achievement of strategic corporate goals. Its core objectives are sustainable corporate growth and high profitability while maintaining financial independence and strength, as well as fostering an environmentally sustainable approach to working. The remuneration system uses incentives to ensure the company's long-term and sustainable development, thereby safeguarding jobs and promoting a way of working that conserves resources. The amount of remuneration is based on the experience, the areas of activity and responsibility and the performance of each Management Board member and is therefore determined on an individual basis. The Supervisory Board ensures that the remuneration is commensurate with the situation of the company.

The following remuneration components were paid to the members of the Management Board in the 2021 financial year:

	Roland Werner (Chairman of the Management Board)	Marc Gabriel (Member of the Management Board)	Jürgen Gödecke (Member of the Management Board)
Fixed remuneration in TEUR			
Cap for fixed remuneration	600	340	310
Annual basic salary	532	305	260
Relative share in %	100	100	100
Variable remuneration in TEUR			
Cap for variable remuneration	1,400	700	700
Performance-related remuneration with short-term incentive effect	0	0	0
Relative share in %	0	0	0
Performance-related remuneration with long-term incentive effect	0	0	0
Relative share in %	0	0	0
Performance-related eco-premium with long-term incentive effect*	-	-	-
Relative share in %	-	-	-

*In accordance with the currently applicable remuneration system, the eco-premium will first be paid out for the 2026 financial year at the earliest for all Management Board contracts to be concluded in the future, provided that the relevant requirements are met.

In accordance with the applicable remuneration system, the fixed remuneration of the Management Board members in the reporting year included the non-cash benefit for the provision of a company car and, as a fringe benefit, a statutory employer's contribution to health insurance was granted.

The individual remuneration cap set for each member of the Management Board of Bijou Brigitte modische Accessoires AG for both fixed and variable remuneration was complied with in the 2021 financial year.

The basis for assessing the performance-related remuneration with short-term incentive effect is the earnings before taxes (EBT) reported in the consolidated financial statements for the financial year. Each member of the Executive Board receives an individually determined percentage share of this, the focus therefore being on increasing Bijou Brigitte's profitability while taking into account the collective performance of the Management Board. In the 2021 business year, the reported earnings before taxes (EBT) amounted to EUR 19.06 million. Due to the fact that interim aid III of EUR 20.4 million, which was approved and paid in December 2021, has the condition that no profit distributions can be made, the performance-based remuneration with short-term incentive effect was not paid out for the 2021 financial year.

The performance-related remuneration with long-term incentive effect has an assessment basis of three years and is only paid out on condition that the company generates an increase in the Group earnings margin (Group earnings/Group revenue as reported in the consolidated financial statements for the financial year) retrospectively for three years in a row. This remuneration component therefore helps take account of Bijou Brigitte's long-term and sustainable corporate development. In the event of a payout, an amount of EUR 10,000 is paid for each percentage point increase in the Group earnings margin during the period under review. The amount is capped at EUR 100,000. The Group earnings margin was 8.8% for FY 2021, -16.5% for FY 2020 and 11.2% for FY 2019. This means that the above-mentioned payment condition was not met, resulting in no performance-related remuneration with long-term incentive effect being paid out in the 2021 financial year.

The performance-based eco-premium with long-term incentive effect is aimed at fostering environmentally sustainable action in the company. This premium will only be paid if a 25% reduction in electricity consumption is achieved by 2026 relative to 2022, measured by the average electricity consumption per branch in Germany as determined by an energy audit. A bonus of EUR 25,000 per Management Board member is paid if targets are met. The premium increases by EUR 1,000 for each percentage point reduction in consumption above 25%. The performance-based eco-premium is due for payment after the approval of the consolidated financial statements for the financial year in which the assessment period ends, but no earlier than after the energy audit report has been submitted. The remuneration system for the members of the Management Board of Bijou Brigitte modische Accessoires AG stipulates that the energy audits for the years 2022 and 2026 are to be compared when calculating the eco-premium, which means that this premium will be first paid for the 2026 financial year at the earliest.

Share-based payment is not provided for under the current remuneration system.

The option to reclaim variable remuneration components was not exercised in the reporting year as no variable remuneration components were paid in advance.

No third-party benefits with regard to the activities of Management Board members were granted or promised for any of the Management Board members.

As a general rule, no benefits are provided for Management Board members whose employment has terminated, whether prematurely or ordinarily.

The remuneration system for the members of the Supervisory Board of Bijou Brigitte modische Accessoires AG takes into account the fact that the Supervisory Board, unlike the Management Board, is not operationally active and makes its contribution to the long-term development of the company primarily through its supervisory activities.

The current remuneration system for the members of the Supervisory Board of Bijou Brigitte modische Accessoires AG was developed to comply with the amended requirements resulting from the Act Implementing the Second European Shareholders' Rights Directive (ARUG II), which came into force on 1 January 2020, and the German Corporate Governance Code (GCGC) as amended on 16 December 2019. It was approved by the Annual General Meeting on 17 June 2021 and has been published on the company's website:

https://group.bijou-brigitte.com/images/pdf/de/investor_relations/corporate_governance/Verguetungssystem_Aufsichtsrat_2021.pdf

No provisions are made as a general rule for variable remuneration components for the members of the Supervisory Board under the current remuneration system, which means there is also no need for a clawback provision. Share-based payment is also not provided for under the current remuneration system.

The remuneration of the individual members of the Management Board, the remuneration of the individual members of the Supervisory Board and the average remuneration of the employees on a full-time equivalent basis developed as follows in a year-on-year comparison:

	Total remuneration 2021 in TEUR	FY FY 2020 in TEUR	Total remuneration FY 2020 in TEUR	Change in %
Management Board				
Roland Werner (Chairman of the Management Board)	532		543	-2.0
Marc Gabriel (Finance Director)	305		315	-3.2
Jürgen Gödecke (Sales Director)	260		267	-2.6
Supervisory Board				
Dr Friedhelm Steinberg (Chairman)	45.0		45.0	0.0
Claus-Matthias Böge (Deputy Chairman)	30.0		30.0	0.0
Matthias Ebermann (Employee representative)	15.0		15.0	0.0
	Financial year 2021		Financial year 2020	Change in %
Sales of Bijou Brigitte modische Accessoires AG in EUR millions	135.6		144.0	-5.9
Net income for the year of Bijou Brigitte modische Accessoires AG in EUR millions	12.2		-7.7	258.8
Average annual employee remuneration per FTE in TEUR	28.3		28.5	-0.7

The information on the total remuneration of the members of the Management Board and the Supervisory Board pertains to the remuneration granted and owed.

The average annual employee remuneration was calculated by taking into account all employees in sales and administration at Bijou Brigitte modische Accessoires AG, including all trainees and interns.

Report of the independent auditor on the audit of the remuneration report pursuant to section 162 (3) AktG

To Bijou Brigitte modische Accessoires AG, Hamburg

Auditor's opinion

We have formally audited the remuneration report of Bijou Brigitte modische Accessoires AG, Hamburg, for the financial year from 1 January to 31 December 2021 to determine whether the disclosures pursuant to section 162 (1) and (2) AktG have been made in the remuneration report. In accordance with section 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the accompanying remuneration report complies, in all material respects, with the disclosures required by section 162 (1) and (2) of the AktG. Our audit opinion does not cover the content of the remuneration report.

Basis for the audit opinion

We conducted our audit of the remuneration report in accordance with section 162 (3) AktG and IDW Auditing Standards: The audit of the remuneration report in accordance with section 162 (3) AktG (IDW PS 870). Our responsibility under this regulation and standard is further described in the Auditor's Responsibility section of our report. As an auditing practice, we have complied with the requirements of the IDW Quality Assurance Standard: Requirements for Quality Assurance in Auditing Practice (IDW QS 1). We have complied with the professional duties pursuant to the Auditors' Code and the professional statutes for auditors/sworn auditors, including the requirements for independence.

Responsibility of the legal representatives and the supervisory board

The legal representatives and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, which complies with the requirements of § 162 AktG. They are further responsible for such internal control as they determine is necessary to enable the preparation of the remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Responsibility of the auditor

Our objective is to obtain reasonable assurance about whether the disclosures pursuant to § 162 (1) and (2) AktG have been made in all material respects in the remuneration report and to express an opinion thereon in an audit report. to express an opinion thereon in a report.

We planned and performed our audit to obtain evidence about the formal

completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by section 162 (1) and (2) AktG. In accordance with section 162 (1) and (2) AktG, we did not audit the accuracy of the disclosures, the completeness of the individual disclosures or the fair presentation of the remuneration report.

Hamburg, 20 April 2022

PricewaterhouseCoopers GmbH
Auditing firm

Thorsten Dzulko
Auditor

ppa. Harld van Voorst
Auditor