



**BIJOU BRIGITTE**

Remuneration report

**FOR THE FINANCIAL YEAR FROM  
1 JANUARY TO 31 DECEMBER 2023**

## Remuneration report under Section 162 of the German Stock Corporation Act (AktG) on the remuneration of Management Board and Supervisory 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 28 April 2022. It was approved by the Annual General Meeting on 20 June 2023 and has been published on the company's website:

[https://group.bijou-brigitte.com/wp-content/uploads/2023/06/Verguetungssystem\\_Vorstand\\_28-03-2023\\_HV-Beschluss.pdf](https://group.bijou-brigitte.com/wp-content/uploads/2023/06/Verguetungssystem_Vorstand_28-03-2023_HV-Beschluss.pdf)

Since the Annual General Meeting of 20 June 2023 approved the 2022 remuneration report with a majority of 96.70%, there is no need to adjust the remuneration reporting.

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 remuneration contracts of Mr Gabriel and Mr Gödecke were newly agreed in 2022 for a term of five years, with effect from 1 January 2023. Their contracts will expire on 31 December 2027. The remuneration contract of Mr Werner was also newly agreed for a term of five years, with effect from 1 January 2024. His contract will expire on 31 December 2028.

The following remuneration components were incurred for the members of the Management Board for the 2023 financial year (Table 1):

<b>TABLE 1</b>	Roland Werner (Chairman of the Management Board)	Marc Gabriel (Member of the Management Board)	Jürgen Gödecke (Member of the Management Board)
<b>Fixed remuneration in TEUR</b>			
Cap for fixed remuneration	600	500	500
Annual basic salary	550	337	299
Relative share in %	60	65	62
<b>Variable remuneration in TEUR</b>			
Cap for variable remuneration	1,400	700	700
Performance-related remuneration with short-term incentive effect <sup>1</sup>	370	185	185
Relative share in %	40	35	38
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 %	-	-	-

<sup>1</sup>The payment will be made in part in the 2024 financial year. The total performance-related remuneration awarded in the 2023 financial year will be paid out in the following year less the advance payments made in 2023.

\*In accordance with the currently applicable remuneration system, the eco-premium will first be paid out for the 2026 financial year at the earliest, 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 2023 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 Management 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 2023 financial year, the reported earnings before taxes (EBT) amounted to EUR 36.0 million. The respective amounts for the individual members of the Management Board for the 2023 financial year are shown in the aforementioned table.

A correction of an error in accordance with IAS 8 due to the adoption of a new valuation approach for items which qualify as discontinued items led to a EUR 5.2 million increase in retained earnings as of 1.1.2022. This corresponds to a EUR 7.6 million rise in Group earnings before income taxes for the financial years prior to 2022. None of the members of the Management Board chose to make any subsequent adjustment to their bonuses. The correction also resulted in the EBT figure for 2022 going down from EUR 46.3 million to EUR 45.8 million (EUR -0.5 million). This did not result in any changes to bonuses, which had already been granted and paid in full.

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 11.7% for FY 2023, 14.9% for FY 2022 and 9.2% for FY 2021. 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 2023 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 2024 relative to 2020, 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 comparison has been submitted. In accordance with the remuneration system for the members of the Management Board of Bijou Brigitte modische Accessoires AG, the first payment of this bonus will be made at the earliest for financial year 2026.

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

In the reporting year, there was no need to reclaim the variable remuneration components paid out as advance payments.

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 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 28 April 2022. It 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 Management Board and Supervisory Board assessed whether the remuneration of the Supervisory Board was appropriate and in line with standard practices in the last financial year. This assessment determined that the remuneration provided to the members of the Supervisory Board of Bijou Brigitte modische Accessoires AG is lower than the remuneration provided at other comparable companies. It was also determined that Supervisory Board remuneration had remained unchanged over the last ten years despite a significant increase in the responsibilities of the Supervisory Board over the same period. Changes were made to the remuneration system for the members of the Supervisory Board in 2023. The remuneration provided to Supervisory Board members was also increased. The current Supervisory Board remuneration system was approved by the Annual General Meeting on 20 June 2023 and has been published on the company's website:

[https://group.bijou-brigitte.com/wp-content/uploads/2023/06/Verguetungssystem-AR\\_Stand\\_28-03-2023\\_HV-Beschluss.pdf](https://group.bijou-brigitte.com/wp-content/uploads/2023/06/Verguetungssystem-AR_Stand_28-03-2023_HV-Beschluss.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 (Table 2):

<b>TABLE 2</b>	<b>Total remuneration FY 2023 in TEUR (Change from previous year in %)</b>	<b>Total remuneration FY 2022 in TEUR (Change from previous year in %)</b>	<b>Total remuneration FY 2021 in TEUR (Change from previous year in %)</b>	<b>Total remuneration FY 2020 in TEUR</b>
<b>Management Board</b>				
Roland Werner Chairman of the Management Board	920 (-9.6)	1,018 (91.4)	532 (-2.0)	543
Marc Gabriel Finance Director	522 (-4.9)	549 (80.0)	305 (-3.2)	315
Jürgen Gödecke Sales Director	484 (-5.3)	510 (96.2)	260 (-2.6)	267
<b>Supervisory Board</b>				
Dr Friedhelm Steinberg Chairman	60.0 (33.3)	45.0 (0.0)	45.0 (0.0)	45.0
Claus-Matthias Böge Deputy Chairman	40.0 (33.3)	30.0 (0.0)	30.0 (0.0)	30.0
Matthias Ebermann Employee representative	20.0 (33.3)	15.0 (0.0)	15.0 (0.0)	15.0

The information on the total remuneration provided in 2022 was amended. In a departure from the previous year's approach, the actual amount granted under each board member's contract is now disclosed instead of the remuneration recognised in the form of a provision during the financial year.

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

<b>TABLE 3</b>	<b>Financial year 2023 (Change from previous year in %)</b>	<b>Financial year 2022 (Change from previous year in %)</b>	<b>Financial year 2021 (Change from previous year in %)</b>	<b>Financial year 2020</b>
Sales of Bijou Brigitte modische Accessoires AG in EUR millions	226.2 (11.3)	203.3 (50.0)	135.6 (-5.9)	140.5
Net income of Bijou Brigitte modische Accessoires AG in EUR millions	26.2 (40.2)	18.8 (53.3)	12.2 (-)	-7.7
Average annual employee remuneration per FTE in TEUR	37.6 (7.4)	35.0 (13.6)	30.8 (3.0)	29.9

The average annual employee remuneration was calculated taking all employees of Bijou Brigitte modische Accessoires AG into account, including all trainees and interns.

The performance-based remuneration provided to the members of the Management Board each financial year as a short-term incentive is mainly determined by the operating earnings before taxes (EBT) disclosed in the respective consolidated financial statements. Table 4 below provides an indication of trends in the sales and EBT figures disclosed in the consolidated financial statements of Bijou Brigitte modische Accessoires AG.

<b>TABLE 4</b>	<b>Financial year 2023 (Change from previous year in %)</b>	<b>Financial year 2022 (Change from previous year in %)</b>	<b>Financial year 2021 (Change from previous year in %)</b>	<b>Financial year 2020</b>
Group sales of Bijou Brigitte modische Accessoires AG in EUR millions	327.9 (7.0)	306.5 (41.9)	216.0 (5.4)	204.9
EBT disclosed in consolidated financial statements of Bijou Brigitte modische Accessoires AG in EUR millions	36.0 (-21.4)	45.8 (130.2)	19.9 (-)	-33.7

**Independent auditors' report on the audit of the remuneration report pursuant to Section 162 (3) AktG [Aktiengesetz, German Stock Corporation Act]**

for Bijou Brigitte modische Accessoires AG, Hamburg

*Audit opinion*

We have formally audited the remuneration report of Bijou Brigitte modische Accessoires AG for the financial year from 1 January to 31 December 2023 for compliance with the disclosures required under Section 162 (1) and (2) AktG [Aktiengesetz, German Stock Corporation Act]. In line with Section 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures pursuant to Section 162 (1) and (2) AktG have, in all material respects, been made in the attached remuneration report. 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 in compliance with the Auditing Standard of the IDW [Institute of Public Auditors in Germany] on the audit of the remuneration report pursuant to Section 162 (3) AktG (IDW EPS 870 (02.2023)). Our responsibilities under those requirements and this standard are further described in the "Responsibilities of the auditors" section of our report. Our audit firm applied the IDW Standard on quality management: Requirements for Quality Management in the Audit Firm (IDW QMS 1(09.2022)). We complied with our professional duties under the German Public Auditors Act [Wirtschaftsprüferordnung] and the Professional Code for Public Auditors and Sworn Auditors [Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer], including the independence requirements.

### *Responsibilities of the Management Board and Supervisory Board*

The Management Board and Supervisory Board are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. In addition, they are responsible for such internal control as they determine necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, either due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

### *Responsibilities of the auditors*

Our objective is to obtain sufficient assurance that the disclosures pursuant to Section 162 (1) and (2) AktG are made, in all material respects, in the remuneration report and to express an opinion thereon in a report.

We planned and performed our audit so as to establish, through a comparison of the disclosures made in the remuneration report with the disclosures required under Section 162 (1) and (2) AktG, whether the remuneration report was formally complete. In line with Section 162 (3) AktG, we did not review the accuracy of the disclosures, the completeness of the individual disclosures or the appropriateness of the presentation of the remuneration report.

### *Procedure in the event of misrepresentations*

In connection with our audit, our responsibility is to read the remuneration report in the light of our knowledge from the audit of the financial statements and, in doing so, to be alert to signs that the remuneration report contains misrepresentations in relation to the accuracy of the content of the disclosures, the completeness of the content of the individual disclosures and to the appropriateness of the presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is such a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Hamburg, 24 April 2024

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Florian Riedl  
Wirtschaftsprüfer [German Public Auditor]

Thomas Wülfing  
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