

Supervisory Board Report

Dear Shareholders,

In the 2021 financial year, the **Supervisory Board** dealt with the **situation and development of the EQS Group** in detail. It closely monitored and supported the work of the Executive Board on the basis of the comprehensive reports from members of the Executive Board, and advised it on important issues. The information was provided both in writing and verbally. There was a **regular exchange of information** between the chairperson of the Supervisory Board and the CEO. This applied both to the chairperson in office until the end of the Annual General Meeting, Rony Vogel, and to me as his successor. The Audit Committee was also in close contact with the CFO. The Supervisory Board was therefore always informed about the company's objectives and the related planned business strategy, corporate planning, investment projects including M&A transactions, the current business performance, the company's profitability and financial situation as well as the situation of the company and the Group. As in the previous year, special attention was paid to the impact of the COVID-19 pandemic on the EQS Group.

The **collaboration** between the **Supervisory Board and Executive Board** was always characterised by **open discussions based on trust**. Opportunities and risks in the two business segments were discussed at length, corporate planning was presented in detail, and the revenue, comprehensive income and liquidity were compared with planning on the basis of the Executive Board's quarterly reports and additional monthly reports, and deviations from these were questioned. The Supervisory Board continued to obtain regular information on risk management, the progress of product developments and customer feedback on newly launched products.

The **Supervisory Board** was **involved in all important decisions**. If the approval of the Supervisory Board was required for decisions or measures by the Executive Board due to legal provisions, the Articles of Association or the Rules of Procedure, the members of the Supervisory Board reviewed the draft resolutions in the meetings and voted on them.



*Robert Wirth
(Chairman)*



*Laurenz Nienaber
(Deputy Chairman)*



Prof. Kerstin Lopatta



Rony Vogel

Changes on the Supervisory Board

Long-term member **Peter Conzatti retired** from the Supervisory Board, after having been a member of this body since 2005. He has been supporting the company since its foundation in the year 2000, in particular thanks to his capital market expertise. On behalf of the Supervisory Board and the Executive Board, we would like to take this opportunity to express **our sincere thanks** for working together with us in a spirit of trust over all these years. Peter Conzatti will remain associated with EQS Group AG.

Prof. Dr. Kerstin Lopatta, Professor for Accounting, Auditing and Sustainability at the University of Hamburg, was **newly elected** to the **Supervisory Board**. She is a recognised **expert** in the fields of **accounting, corporate governance and sustainability** and also contributes her expertise to the German Accounting Standards Committee. She gained international experience in Europe, the USA and Asia. With Prof. Lopatta, EQS Group AG wins an expert whose profile covers both the requirements for a member of the Supervisory Board and the business segments served by EQS Group AG.

The Supervisory Board elected **Robert Wirth** as the new **chairperson of the Supervisory Board** and Laurenz Nienaber as his deputy during the constituent meeting on 14 May 2021. The body consists of a total of four members, including newly elected Prof. Dr. Kerstin Lopatta, and the former chairperson of the Supervisory Board Rony Vogel.

The Supervisory Board's Work

In the **2021 financial year**, a total of **five ordinary Supervisory Board meetings** were held, at which the Executive Board provided information about the economic situation and business development. The **Supervisory Board was fully represented** at all meetings. Members of the Executive Board generally attended the Supervisory Board meetings, although not all members of the Executive Board were always present depending on the topic. The Supervisory Board also held consultations without the Executive Board. In addition to the ordinary meetings, there were other extraordinary meetings as well as resolutions on current topics that were adopted by written circular. The Supervisory Board formed two committees, the Audit Committee and the Remuneration Committee, which were newly appointed after the Annual General Meeting on May 14, 2021. The **Audit Committee** consists of Prof. Dr. Kerstin Lopatta as chairperson and Laurenz Nienaber. With this appointment, we already meet the requirements of the Financial Market Integrity Act (**FISG**). Kerstin Lopatta is a proven expert in accounting and auditing, while Laurenz Nienaber has extensive knowledge of accounting and is constantly expanding this knowledge through his work as a fund manager in practice. Rony Vogel took over the chair of the **Remuneration Committee**, which Robert Wirth is also a member of.

Supervisory Board Meetings and Priorities

The Supervisory Board focused on the following topics in its individual meetings:

At an ordinary meeting in February, the Supervisory Board dealt with the **integration of Got Ethics A/S** and discussed the market entry or **opening of new locations in Spain, Austria, the Czech Republic and Scandinavia**. The Supervisory Board also received a detailed explanation of the **sales strategy** for the Integrity Line **whistleblowing system**. In addition to the presentation of **possible takeover targets**, a lot of time was devoted to reporting on the ongoing audit by the auditing firm BDO and on the status of planning for the 2021 financial year. Other topics discussed at the meeting included the possible adjustment of the remuneration structures for the Executive Board and Supervisory Board in line with the German Corporate Governance Code, the possibility for investors to contact the Supervisory Board, the EQS Group AG 2021 Annual General Meeting and other legal and insurance law topics.

In an extraordinary meeting in February, the Supervisory Board dealt with the Executive Board's proposal for a **capital increase** with partial utilisation of the Authorised Capital 2020/I created by the Annual General Meeting on 17 July 2020 in accordance with Article 4 (3) of the Articles of Association and approved the issue of up to 357,361 new no-par value registered shares against cash contributions. The capital increase was subsequently successfully placed with institutional investors at a price of EUR 38.00 per share.

In March, the Supervisory Board adopted written resolutions on the planning for the 2021 financial year, the invitation and agenda for the Annual General Meeting and followed a proposal by the Remuneration Committee to change the Executive Board's pay.

In an ordinary meeting in March, the Supervisory Board dealt with the **annual financial statements, adopted them and approved the 2020 consolidated financial statements including the management report**. Furthermore, the Supervisory Board approved the **acquisition of the outstanding shares in C2S2 GmbH** and the establishment of an office in Vienna.

In an extraordinary meeting in April, the Supervisory Board dealt with a **possible acquisition of Business Keeper GmbH**.

In the run-up to the Annual General Meeting, the Supervisory Board updated its Rules of Procedure. In an ordinary meeting following the Annual General Meeting, Robert Wirth was elected as the new chairperson of the Supervisory Board and Laurenz Nienaber as his Deputy. Newly elected Prof. Dr. Kerstin Lopatta took over the chair of the Audit Committee, which Laurenz Nienaber is a member of. Rony Vogel chairs the Remuneration Committee, which Robert Wirth is also a member of.

In an extraordinary meeting in June, the Supervisory Board dealt in detail with a possible **acquisition of Business Keeper GmbH and its financing** and granted the necessary **approvals**.

The Supervisory Board approved the repurchase of up to 12,000 shares in EQS Group AG by written resolution in September to fulfil the employee stock option plan.

In an ordinary meeting in September, the Supervisory Board dealt in detail with the status of the **integration of the acquired companies**, in particular Business Keeper GmbH. Other topics were the international location strategy, the introduction of sustainability reporting and the **Audit Committee's** report on **accounting and internal risk control systems**.

In an ordinary meeting in December, the Supervisory Board dealt with **questions regarding the long-term financing and strategy** of EQS Group AG and discussed corporate governance and ESG issues.

In December, the Supervisory Board adopted by written resolution the Executive Board's proposal to **increase the share capital** by up to 187,225 shares by partially using the authorised capital. The capital increase was subsequently successfully placed with institutional investors at a price of EUR 41.00 per share.

In February 2022, the Supervisory Board adopted by written resolution the Executive Board's proposal to **increase the share capital** by up to 1,364,736 shares by partially using the authorised capital. The capital increase was subsequently successfully placed at a price of EUR 33.00 per share.

The Supervisory Board considers sustainable economic activity and sustainable corporate governance to be indispensable. The Executive Board's efforts to introduce sustainability reporting are therefore logical and we have always supported this. A new job has been created for this purpose. The basic work of collecting data for our company also provided us with valuable information for our own product range development. The result is a stand-alone sustainability report, which will be published for the first time with the Q1 2022 figures. This now serves as a starting point to define and implement action points to improve the performance record and then to re-evaluate the formulated targets and their achievement. This also lays the foundation for aligning part of the management remuneration **with ESG criteria. It is also worth mentioning that the introduced compliance** management system has become well established.

Annual and consolidated financial statements

The Annual General Meeting on May 14, 2021 appointed BDO Wirtschaftsprüfungsgesellschaft, Hamburg as auditors for the 2021 financial year. It audited **EQS Group AG's annual financial statements and the management report dated December 31, 2021 and the consolidated financial statements in accordance with IFRS as of December 31, 2021**, including the Group management report and further notes as of December 31, 2021 and issued an **unqualified audit opinion** in each case.

The annual financial statements, consolidated financial statements and management report as well as the auditor's report were available to all members of the Supervisory Board. The documents were discussed on the Audit Committee and at the balance sheet meeting with the Executive Board and the entire Supervisory Board. The auditor attended the balance sheet meeting, explained the auditing principles, reported in detail on the audit and significant audit findings and addressed the audit report. All the Supervisory Board members' questions were answered.

The Supervisory Board has examined EQS Group AG's annual financial statements and management report as of December 31, 2021, as well as the consolidated financial statements in accordance with IFRS as of December 31, 2021, together with the Group management report and further notes as of December 31, 2021, taking into account the auditor's audit reports, and has satisfied itself as to the accuracy and completeness of the factual information. The Supervisory Board concurred with the results of the audit by the auditor and determined that there were no objections to be raised. The **Supervisory Board approved EQS Group AG's 2021 annual and consolidated financial statements** at the balance sheet meeting on March 24, 2022. The 2021 annual financial statements are therefore adopted within the meaning of Section 172 of the German Stock Corporation Act (AktG). The Supervisory Board concurs with the Executive Board's proposal for the appropriation of EQS Group AG's balance sheet profit, which does not provide for any dividends.

The Supervisory Board continued to address the principles of good corporate governance in the 2021 financial year. In March 2022, the Supervisory Board and Executive Board issued an updated voluntary declaration of compliance in accordance with Section 161 of the German Stock Corporation Act (AktG) and made it permanently available to shareholders on the EQS Group AG website. EQS Group AG complies with the Government Commission's recommendations on the **German Corporate Governance Code** in accordance with the version of the Code published in the Federal Gazette in March 2021, with the exception of the deviations listed and justified in the **Declaration of Conformity**.

The Supervisory Board would like to thank all employees for their successful work and high level of personal commitment. At the same time, the Supervisory Board expresses its recognition and high esteem to the Executive Board and the entire management for their outstanding performance.

Munich, March 24, 2022



Robert Wirth

Chairperson of the Supervisory Board

