

DECLARATION OF COMPLIANCE

DECLARATION BY THE MANAGEMENT AND SUPERVISORY BOARDS OF Q.BEYOND AG PURSUANT TO § 161 OF THE GERMAN STOCK CORPORATION ACT (“AKTG”) REGARDING THE COMPANY’S COMPLIANCE WITH THE GERMAN CORPORATE GOVERNANCE CODE (“DEUTSCHER CORPORATE GOVERNANCE KODEX”)

Since its formation, q.beyond AG (“q.beyond”) has been committed to good corporate governance and has viewed transparency and value-driven management as essential. Consequently, the company implements nearly all of the recommendations set forth in the German Corporate Governance Code and adheres to them in its daily work.

Since submitting its previous Declaration of Compliance, the company complied with the recommendations of the Government Commission “German Corporate Governance Code” in the version dated 7 February 2017 (“DCGK 2017”), with the following exceptions:

No agreement regarding a deductible in the D&O insurance for members of the Supervisory Board (§ 93, Paragraph 2 AktG) (DCGK 2017: Item 3.8, Paragraphs 2 and 3)

q.beyond complied with the recommendation made by DCGK 2017 in that the D&O insurance policy for Supervisory Board members included a deductible of 10 percent of the respective damages per damage event. However, and contrary to the recommendation, the liability per year was capped at 100 percent of the fixed annual remuneration of the Supervisory Board members since q.beyond did not deem it appropriate for the deductible to exceed their annual remuneration.

Management Board does not consist of several members; no taking into account of diversity in composition of Management Board (DCGK 2017: Item 4.2.1 and Item 5.1.2, Paragraph 1, Sentence 2)

Since 1 January 2020, the Management Board has consisted and continues to consist of only one member. The company’s organisational structure allows it to be efficiently managed by just one Management Board member. The Management Board is supported by an extended group of senior managers which regularly holds joint meetings with the Management Board. The Supervisory and Management Boards do not deem it necessary to appoint further members to the Management Board. The appointment of just one Management Board member means that it is not possible to account for diversity considerations.

No regular limit set for length of Supervisory Board membership (DCGK 2017: Item 5.4.1, Paragraph 2, Sentence 2)

The Supervisory Board of q.beyond compiled a competence profile for the board as a whole and set specific targets for its composition that were consistent with the recommendations made in Item 5.4.1 of the Code with the exception of the requirement to set a regular limit for the length of Supervisory Board membership. The Supervisory Board was and is of the opinion that it would not be in the company’s best interests to set an advance limit on the length of individual board membership. It is basically desirable that the Supervisory Board should change its composition at certain intervals; on the other hand, the company should also be able to draw to an appropriate extent on the expertise of experienced Supervisory Board members.

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***No disclosure of personal and business relationships of every candidate with the company, the governing bodies of the company, and any shareholders with a material interest in the company in election proposals to the Annual General Meeting
(DCGK 2017: Item 5.4.1, Paragraphs 6 to 8 of the Code)***

In q.beyond's opinion, the recommendation made in the German Corporate Governance Code does not specify clearly enough which relationships of a candidate must be disclosed and the extent to which such disclosures are required to be made for proposed elections at the Annual General Meeting in order to comply with the recommendation. In the interests of legal certainty with respect to future elections to the Supervisory Board, the Management Board and Supervisory Board have decided to declare a divergence from the recommendation. q.beyond believes that the existing disclosure requirements contained in § 124, Paragraph 3 Sentence 4 and in § 125, Paragraph 1 Sentence 5 AktG are sufficient to meet the informational needs of the shareholders and will, at an appropriate date, investigate and decide - voluntarily and without binding itself to the Code's recommendation - whether to disclose additional information about candidates proposed for election at the Annual General Meeting.

The company will in future comply with the recommendations of the Government Commission "German Corporate Governance Code" in the version dated 16 December 2019 ("DCGK 2019") and published in the Federal Gazette ("Bundesanzeiger") on 20 March 2020, with the following exceptions:

***No taking into account of diversity in composition of Management Board
(DCGK 2019 B.1)***

The comments above in respect of DCGK 2017 Item 5.1.2, Paragraph 1, Sentence 2 apply accordingly.

***No disclosure of personal and business relationships of every candidate with the company, the governing bodies of the company, and any shareholders with a material interest in the company in election proposals to the Annual General Meeting
(DCGK 2019 C.13)***

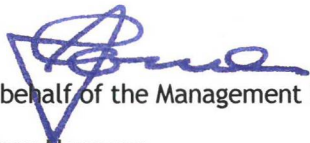
The comments above in respect of DCGK 2017 Item 5.4.1, Paragraphs 6 to 8 apply accordingly.

***New recommendations in respect of Management Board remuneration will be complied with in future
(DCGK 2019 G.1 to G.16)***

The Supervisory Board has reviewed the existing remuneration system for the Management Board and adopted a new Management Board remuneration system pursuant to § 87a AktG. This fully complies with the recommendations made in DCGK 2019 G.1 to G.16 and will be presented to the 2021 Annual General Meeting for approval. The current contract with the (sole) Management Board member nevertheless does not comply with all recommendations made in DCGK 2019 G.1 to G.16. According to DCGK 2019, changes to the Code do not have to be factored into existing Management Board contracts. If they are to be complied with, such changes only require inclusion in existing Management contracts when such are extended at a time subsequent to the new DCGK 2019 taking effect.

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Cologne, 25 November 2020



On behalf of the Management Board

Jürgen Hermann



On behalf of the Supervisory Board

Dr. Bernd Schlobohm