

# Corporate Governance Statement



Artist's impression of Container Terminal Damietta Alliance, Egypt.

## CORPORATE GOVERNANCE STATEMENT

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The following joint Corporate Governance Statement made by the Personally Liable General Partner and the Supervisory Board of EUROKAI GmbH & Co. KGaA (in the following "EUROKAI") pursuant to Sections 289 f and 315 d of the German Commercial Code (HGB) is the central element of corporate governance reporting in accordance with Principle 22 of the German Corporate Governance Code in the current version of 16 December 2019 published by the German Federal Ministry of Justice in the official section of the Federal Gazette on 20 March 2020 (in the following "Code"). It also includes the Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG) and is made publicly accessible on the EUROKAI website. The address is [www.eurokai.com/Investor-Relations/Corporate-Governance](http://www.eurokai.com/Investor-Relations/Corporate-Governance).

As a company listed on the German stock exchange and having its head office in Germany, the general corporate governance framework for EUROKAI is governed by the applicable laws, the Articles of Association and the Code. Apart from justified exceptions, EUROKAI complies with the recommendations of the German Corporate Governance Code.

EUROKAI is a partnership limited by shares and as such is an independent legal entity pursuant to Section 278 (1) of the German Stock Corporation Act (AktG), in which at least one partner is generally liable with the entirety of its assets vis-à-vis the company's creditors (Personally Liable General Partner) and the other partners have a stake in the authorised capital, which is divided into shares, without being personally liable for the company's liabilities (limited liability shareholders).

The personally liable managing partner of a KGaA (partnership limited by shares) can in many respects be compared to the management board of a stock corporation (AG). Section 283 AktG therefore rules that a number of provisions governing the management board of a stock corporation shall apply analogously to the personally liable general partner of a KGaA. There is, however, one significant difference. The personally liable general partner of a KGaA – contrary to the management board of an AG pursuant to Section 84 AktG – is not appointed and dismissed by its supervisory board; rather, it is a shareholder. Thus the supervisory board of a KGaA does not have the power to make personnel appointments or dismissals.

Furthermore, special provisions apply if the personally liable general partner is not a natural person but a company, such as in the case of EUROKAI a private limited company (GmbH). In this case, the internal regulations of the GmbH apply with respect to the appointment and dismissal of the managing directors of the GmbH and to the terms of their employment contracts.

Personally Liable General Partner of EUROKAI is Kurt F.W.A. Eckelmann GmbH, Hamburg. Its Managing Directors are appointed and dismissed by its Administrative Board. The latter also concludes the senior executive agreements with the Managing Directors. Currently appointed as Managing Directors are Mr Thomas H. Eckelmann (Chairman) and Ms Cecilia Eckelmann-Battistello.

Furthermore, the duty of the supervisory boards of listed companies to set target quotas for the proportion of women on their executive board, as required under Section 111 (5) AktG, therefore cannot apply to the appointment of the Management Board of Kurt F.W.A. Eckelmann GmbH, because this responsibility does not lie with the Supervisory Board. If, regarding the composition of the governing body entitled to represent the company – pertaining here to Kurt F.W.A. Eckelmann GmbH – Section 289 f (2) no. 6 HGB requires a description of the pursued diversity concept, this is not possible for the same reasons; this is a decision taken not by the Supervisory Board of EUROKAI, but autonomously by the Administrative Board of Kurt F.W.A. Eckelmann GmbH. For the same reasons, long-term succession planning as recommended in B.2 of the Code cannot be carried out by the Supervisory Board, nor can the other recommendations set out in Section B of the Code regarding Appointments to the Management Board.

EUROKAI has no employees of its own. Tasks not related to the management structure of EUROKAI, such as finances, financial control and accounting are handled by EUROGATE GmbH & Co. KGaA, KG, Bremen (in the following "EUROGATE") within the scope of a service agreement.

EUROKAI is a financial holding company. Its principal ownership interests are the 66.6% holding in Contship Italia S.p.A., Melzo/Milan, Italy, as well as the 50% interest in EUROGATE, the holding company of the EUROGATE Group, in which BLG Logistics Group AG & Co. KG, Bremen, a company owned by the Free Hanseatic City of Bremen (municipality), also holds 50%. The EUROGATE Group, in turn, has a 33.4% stake in Contship Italia S.p.A. Thus EUROKAI effectively holds a total 83.3% interest in the CONTSHIP Italia Group. Ms Cecilia Eckelmann-Battistello is President of Contship Italia S.p.A. and Mr Thomas H. Eckelmann is Chairman of the Group Management Board of EUROGATE, as well as a member of the Board of Directors of Contship Italia S.p.A.

## SHAREHOLDERS AND GENERAL MEETING

The shareholders of EUROKAI exercise their rights at the General Meeting. The ordinary General Meeting held once a year decides on all matters determined by law and the Articles of Association. Contrary to a stock corporation, in which pursuant to Section 172 German Stock Corporation Act (AktG) the Supervisory Board is generally responsible for approving the annual financial statements (for exceptions see Section 173 AktG), in a KGaA, pursuant to Section 286 (1) AktG, the General Meeting resolves upon the approval of the

annual financial statements. This ruling requires the consent of the Personally Liable General Partner. Under the provisions of Section 285 (2) AktG, resolutions of the General Meeting also require the consent of the Personally Liable General Partner.

A nominal value of EUR 1.00 for each voting share entitles its holder to one vote.

All shareholders who have registered in due time and who duly prove their entitlement to participate in the General Meeting are entitled to participate in the (virtual) General Meeting. Shareholders entitled to vote may exercise their voting rights in person at the General Meeting or assign their voting rights by proxy to a chosen representative (for example a bank, a shareholders' association or a proxy appointed by the company acting on their instructions) to vote on their behalf. Voting instructions may be given to the respective proxy before and during the General Meeting up until the end of the general debate. Following 2020, the 2021 General Meeting was again held as a virtual General Meeting due to the special circumstances arising from the COVID-19 pandemic and on the basis of the legal framework created for this purpose. Shareholders' rights could be exercised before and during the General Meeting via an online General Meeting portal.

The convening of the General Meeting, as well as the reports and information required for the passing of resolutions and any shareholder countermotions or candidate proposals that the company is obliged to make accessible are published in compliance with the requirements under stock corporation law and made available on the EUROKAI website at [www.eurokai.com/Investor-Relations/General-meeting](http://www.eurokai.com/Investor-Relations/General-meeting).

## **PERSONALLY LIABLE GENERAL PARTNER**

The Management Board of the Personally Liable General Partner is composed of two Managing Directors, Ms Cecilia Eckelmann-Battistello and Mr Thomas H. Eckelmann. Mr Thomas H. Eckelmann is Chairman of the Management Board. Under the rules of procedure for the Management Board, he is responsible for coordinating the activities of the Management Board, representing the company in the public domain, overseeing business communications with the Administrative Board constituted in this company and with the shareholders. Notwithstanding the fact that the Managing Directors are jointly responsible for the management, they carry out independently the duties assigned to them in the schedule of responsibilities. Mr Thomas H. Eckelmann is specifically responsible for EUROGATE, of which he is Chairman of the Group Management Board, and Ms Cecilia Eckelmann-Battistello is specifically responsible for the CONTSHIP Italia Group, of which she is President. Under the rules of procedure, the authorisation to independently conduct the tasks assigned to them reaches its limits where, for example, both areas of responsibility or transactions of material importance are affected, or in the case of measures requiring the consent of the Administrative Board. These and other cases set forth in the rules of procedure require a

joint resolution to be adopted by both Managing Directors. Under the provisions set out in the rules of procedure the Managing Directors reach their decisions in meetings that – based on the needs of this pure financial holding company – are held regularly at least twice per month and additionally on a case-by-case basis as required. These are chaired by the Chairman of the Management Board. Use is made of the possibilities to adopt resolutions outside meetings in written or electronic form. Should the Managing Directors not be able to come to an agreement, the Chairman of the Administrative Board shall be responsible for arbitration.

## **Remuneration of the Personally Liable General Partner, Remuneration Report**

The Remuneration Report on the compensation of the Managing Directors of the Personally Liable General Partner and the auditor's report are available at [www.eurokai.com/Investor-Relations/Corporate-Governance](http://www.eurokai.com/Investor-Relations/Corporate-Governance). On account of the special features of a GmbH & Co. KGaA described above and due to the fact that the Managing Directors of the Personally Liable General Partner of EUROKAI receive no remuneration either from EUROKAI itself or from Kurt F. W. A. Eckelmann GmbH, neither a description of the remuneration system, nor the approval of the remuneration system at the General Meeting of EUROKAI are provided for in the Remuneration Report. It should also be taken into account that the regulations relating to the remuneration system for the management board of an AG according to Sections 87a, 120a (1-3) AktG do not apply to EUROKAI in its legal form as a GmbH & Co. KGaA, although no statutory decision has yet been taken on this issue and it is legally controversial.

## **SUPERVISORY BOARD**

### **Composition, objectives, diversity concept and profile of skills and expertise**

Pursuant to Section 11 of the Articles of Association, the Supervisory Board of EUROKAI is composed of six members, who are elected by the shareholders. They are appointed for a term of four years. In compliance with the recommendations of the German Corporate Governance Code, Supervisory Board members are elected individually.

Giving consideration to the fact that EUROKAI is a pure financial holding company whose investment holdings operate nationally and internationally almost exclusively in the field of port handling, as well as indirectly in related upstream and downstream areas of activity in the transport sector, the Supervisory Board has specified concrete objectives regarding its composition. These objectives are intended on the one hand to ensure that the Supervisory Board of EUROKAI GmbH & Co KGaA in its entirety is familiar with the sector in which the company operates within the meaning of Section 100 (5) of the German Stock Corporation Act (AktG), and at the same time they define a profile of skills and expertise that its members as a group

should possess in accordance with Recommendation C.1 of the Code and describe the diversity concept pursued within the meaning of Section 289f (2) no. 6 of the German Commercial Code (HGB). These objectives do not, however, constitute binding requirements to be heeded by shareholders eligible to elect members, who remain completely free in making their decisions. Rather, election recommendations made by the Supervisory Board to the General Meeting should take these objectives into account as a basis for implementation by corresponding resolution of the General Meeting. The current composition of the Supervisory Board and its Audit Committee can be found in the Report of the Supervisory Board.

The diversity concept aims to comply with the recommendation of the Code under Principle 11, namely that the composition of the Supervisory Board has to ensure “that its members collectively possess the knowledge, skills and professional expertise required to properly perform their duties”.

The Supervisory Board has specified the following concrete objectives:

1. Irrespective of the gender of the respective person concerned, professional qualifications and personal independence and expertise, as well as discretion, integrity and sufficient available time are the most important prerequisites for appointments to seats on the Supervisory Board. When proposing Supervisory Board candidates for election, irrespective of their gender, the Supervisory Board will always give top priority to these prerequisites, which are essential for fulfilling its legal duties.
2. Overall, the Supervisory Board's objective is to be able to optimally meet its monitoring and advisory duties by having a diversity of members. Diversity covers many aspects, which may be weighted differently from time to time. This may, for example, be the case if the profile of the EUROKAI, EUROGATE and/or CONTSHIP Italia Group or that of the respective markets changes, making it necessary to evaluate these aspects at regular intervals. Obviously, not all Supervisory Board members need to satisfy all of these aspects; however, the Board as a whole should do so as far as possible. Within the company-specific situation of EUROKAI, these aspects shall reflect internationality, knowledge of the respective product and geographical markets, basic financial expertise (particularly in the areas of accounting and financial reporting), expertise concerning the sustainability issues relevant to EUROKAI, capability to understand and critically scrutinise business decisions and experience in commercial law gained from practice. To ensure the composition of the Supervisory Board fulfils the overall profile of required skills and expertise, consideration shall be given generally to age, gender, general educational and professional background, as well as the ability to work in a team, integrity, professionalism and motivation. It goes without saying that each Supervisory Board member must ensure that they have sufficient time available to discharge their duties. Lastly, care shall be taken to ensure that there are no potential conflicts of interest and that the Supervisory Board includes an appropriate number of independent members within the meaning of C II of the Code. In the following, a number of concrete objectives are identified.
3. At least two members of the Supervisory Board shall have international business experience; they do not necessarily have to be foreigners themselves and do not necessarily need to have acquired the relevant experience abroad.
4. At least one Supervisory Board member shall have experience and expertise in the business segments that are significant for the company.
5. As defined by Section 100 (5) of the German Stock Corporation Act (AktG), at least one member of the Supervisory Board shall possess expertise in the field of accounting and financial reporting and one member in the field of auditing. This shall also apply to the Audit Committee.
6. The Supervisory Board shall include at least one legal expert with experience in commercial law gained through practice.
7. The members as a group shall be familiar with the business sector in which the company operates.
8. As long as EUROKAI by virtue of its shareholder structure – as is currently the case – can be considered to be a family-owned company, the Supervisory Board shall have at least (i) one family member and (ii) one member who has experience in managing a medium-sized or large family-owned company. The family member shall, if possible, be a member of the Audit Committee.
9. The Supervisory Board shall include what it considers an adequate number of independent members, as defined by C II of the Code. This recommendation further implies that any other activities and functions exercised by the members of the Supervisory Board shall be such that they are not likely to cause a substantial – and not merely temporary – conflict of interest. Given that by virtue of its shareholder structure the company can currently be considered to be a family-owned company, the Supervisory Board considers it desirable that at least two of its members are independent, whereby these members shall be independent from both EUROKAI and the family.
10. No one shall be proposed for election to the Supervisory Board who simultaneously serves on a body of or advises a major competitor of the company, or provides consultancy services thereto.
11. The Supervisory Board considers it generally desirable to integrate women into the work of the company, as is currently and has for many years been the case regarding the work of the Management Board of the Personally Liable General Partner, and consequently also the tasks of the Supervisory Board. The Supervisory Board has determined a target to integrate at least one (1) female member into the governing body in the short term, and over the medium term, at the latest by the end of the ordinary General Meeting 2021, two (2) female members, bringing the proportion of seats reserved for women to 1/3.
12. As a general rule, an age limit of 75 shall apply for members of the Supervisory Board. Exceptions are permitted in isolated cases, in the knowledge that age in itself is not a criterion for

qualifications and expertise and that the many years of experience accumulated by members of the Supervisory Board constitute a valuable asset to the company.

13. The Supervisory Board reviews these objectives on a regular basis. It publishes its objectives and the status of their implementation annually in the Corporate Governance Statement.

The Supervisory Board is of the opinion that all of the above objectives were satisfied in the 2021 financial year; except for no. 11. above:

- This applies with respect to nos. 3 and 4 at any rate to Dr Klaus-Peter Röhler and Messrs Jochen Döhle and Max Warburg.
- With respect to no. 5 at any rate to Dr Klaus-Peter Röhler and Mr Christian Kleinfeldt. They are experts in the fields of both financial accounting and auditing. The Act to Strengthen Financial Market Integrity (FISG) amended the German Stock Corporation Act to the effect that the Audit Committee should also include at least one member who has expertise in the field of financial accounting and one other member who has expertise in the field of auditing. After the end of the transition period, this requirement will be met.
- With respect to no. 6 to Dr Winfried Steeger and Dr Klaus-Peter Röhler.
- No. 7 is satisfied.
- With respect to no. 8 to Ms Katja Both, who is the daughter of the Chairman of the Management Board of the Personally Liable General Partner, Mr Thomas H. Eckelmann, and additionally a co-partner in the Eckelmann family holding company, which indirectly holds a majority interest in EUROKAI. She has been a member of the Audit Committee since 4 April 2018. Moreover, Dr Winfried Steeger and Mr Christian Kleinfeldt have extensive experience in mentoring and managing family-owned companies.
- With respect to no. 9 in particular to Dr Winfried Steeger, Dr Klaus-Peter Röhler and Mr Christian Kleinfeldt; in the assessment of the Supervisory Board also to Messrs Jochen Döhle and Max Warburg, who although members of the Supervisory Board for longer than 12 years, are nevertheless to be regarded as completely independent. This is borne out by the discussions at the meetings and telephone/video conferences of the Supervisory Board, in which both gentlemen have repeatedly demonstrated their independence through objective criticism and questions. The terms of office of the individual members of the Supervisory Board are also detailed in the Report of the Supervisory Board.
- Nos. 10 and 12 are satisfied.
- This does not apply with effect from 11 March 2021, the day on which Mr Christian Kleinfeldt was appointed to the Supervisory Board by the court, to the objective stated in no. 11 to integrate two women into the work of the Supervisory Board. Despite intensive efforts to the contrary, it was not possible to find a suitably qualified female successor to Dr Sebastian Biedenkopf, who

had resigned his mandate with effect from 31 December 2020, with sufficient expertise in the fields of financial accounting and auditing as defined by Section 100 (5) of the German Stock Corporation Act (AktG) and who would therefore have been able to take over as Chair of the Audit Committee in Dr Biedenkopf's place as required. There will be no election of Supervisory Board members at the 2022 General Meeting, so that the objective stated in no. 11 will not be satisfied in 2022 either.

Former Managing Directors of the Personally Liable General Partner of EUROKAI whose appointed term ended less than two years ago are not represented on the Supervisory Board.

The objectives defined by the Supervisory Board for its composition are also published on the website at [www.eurokai.com/Investor-Relations/Corporate-Governance](http://www.eurokai.com/Investor-Relations/Corporate-Governance) and were decided on anew at the meeting of 5 April 2022.

### Committees of the Supervisory Board

The Supervisory Board of EUROKAI has set up an Audit Committee, which is composed of three members of the Supervisory Board. Where appropriate, the Committee prepares decisions that are deliberated at the meetings of the Supervisory Board and complements the work of the Supervisory Board. In as far as the law and the Articles of Association permit, the Supervisory Board may form additional advisory and decision-making committees as and where necessary.

The principal tasks of the Audit Committee are to discuss the half-yearly financial report with the Management Board of the Personally Liable General Partner, to audit the disclosures included in the single-entity annual financial statements and consolidated financial statements, management report and commentary including CSR reporting, Dependency Report and – in consultation with the auditor – the auditor's findings and reports; additionally to prepare the decision of the Supervisory Board on the approval of the single-entity financial statements and the consolidated financial statements, the appointment of the auditor, as well as the proposal of the Personally Liable General Partner for the appropriation of net retained profits. Furthermore, the Audit Committee monitors the financial accounting, the financial reporting process, the effectiveness of the internal control and risk management system including compliance, the internal auditing system and the annual audit, and in particular the selection and independence of the auditor, including preparation of the resolution recommendation to the General Meeting and any services additionally provided by the auditor, determination of the focus points of the audit and fee agreements with the auditor as well as the quality of the audit.

Under the rules of procedure, the Chairman of the Supervisory Board is "automatically" a member of the Audit Committee; however, in line with the recommendation under No.D.4 of the German Corporate

Governance Code, he is not Chairman of the Audit Committee. The Chairman of the Audit Committee in 2021, Mr Christian Kleinfeldt, is independent and has gained extensive professional know-how and experience in the application of accounting and financial reporting principles, internal control procedures and auditing. On the proposal of the company, Mr Christian Kleinfeldt was appointed by court order of 11 March 2021 as the designated successor to Dr Sebastian Biedenkopf on the Supervisory Board and, on account of his requisite expertise (financial expert) pursuant to Section 100 (5) AktG, also elected by the members of the Supervisory Board as Chairman of the Audit Committee. Dr Biedenkopf had resigned from his mandate on the Supervisory Board and on the Audit Committee due to other professional commitments with effect from 31 December 2020. The other members of the Audit Committee are Ms Katja Both and Dr Winfried Steeger.

The Audit Committee usually convenes twice a year.

The Supervisory Board did not form a Human Resources Committee since, due to its function as a pure holding company, EUROKAI has no employees of its own and the appointment and dismissal of the Managing Directors of the Personally Liable General Partner are the responsibility of its Administrative Board.

### **Working procedures of the Supervisory Board**

The working procedures of the six-member Supervisory Board are based on the Supervisory Board's rules of procedure. These were completely revised in the preceding financial year and can be found on the EUROKAI website at [www.eurokai.com/The-Company/Supervisory-board](http://www.eurokai.com/The-Company/Supervisory-board) under the menu point Downloads. The Supervisory Board usually convenes four ordinary meetings during the year, the dates of which are determined annually in advance. These meetings are regularly also attended by the Management Board of the Personally Liable General Partner; however, where necessary or in cases where the auditor is consulted as an expert (Section 109 (1) sentence 3 AktG), the Supervisory Board will decide whether it will also conduct its meetings without the presence of the Management Board. In addition, the Supervisory Board where necessary adopts resolutions outside meetings using modern means of communication, so that resolutions in written or electronic form are sufficient. The Supervisory Board has a Chairman, currently Dr Winfried Steeger, who invites members to the meetings, chairs meetings and is responsible for adoption of the resolutions passed. As provided for by law, resolutions require a simple majority and may only be passed on items of the agenda announced beforehand in due form in the convention documents, unless all members of the Supervisory Board consent to the passing of a resolution. The work of the Supervisory Board in the meetings is intensive and characterised by the specialist expertise of its members.

The Chairman of the Supervisory Board maintains regular contact with the Management Board in order to be informed on an ongoing basis about the course of business. The Supervisory Board is also

kept regularly informed by the Management Board about the development of the company through legally stipulated reports and special reports, as and when required.

The Supervisory Board regularly conducts an efficiency audit of its own work and that of its Committee; the next efficiency audit is planned for early 2022.

### **Remuneration of the Supervisory Board**

The presently valid remuneration of the Supervisory Board is specified in Section 13 (1) of the Articles of Association, which was revised at the 2019 ordinary General Meeting and has the following wording:

“In addition to reimbursement of all necessary expenses and an attendance fee of EUR 500.00 for each meeting attended, each member of the Supervisory Board shall receive annual remuneration in the amount of EUR 15,000.00. The Deputy Chairman of the Supervisory Board shall receive one-and-a-half times this amount, the Chairman of the Supervisory Board shall receive three times the amount. Each member of the Audit Committee shall additionally receive annual remuneration of EUR 2,000.00. The Chairman of the Audit Committee shall receive twice this amount.”

The remuneration of the Supervisory Board is thus fixed and does not include any performance-based components. EUROKAI thus follows the recommendation of the Code under No. G.18.

The General Meeting of 9 June 2021 confirmed the remuneration and remuneration system for the members of the Supervisory Board in a resolution. The Remuneration Report and the description of the remuneration system for the Supervisory Board are available at [www.eurokai.com/Investor-Relations/Corporate-Governance](http://www.eurokai.com/Investor-Relations/Corporate-Governance).

For information regarding the remuneration of the governing bodies of the company, we refer to No. 31 of the notes to the consolidated financial statements as well as to the Report of the Supervisory Board.

### **Cooperation between Personally Liable General Partner and Supervisory Board**

The Personally Liable General Partner and the Supervisory Board of EUROKAI give high priority to responsible and transparent management committed to corporate responsibility and geared towards long-term success, as well as to the appropriate management of risks. The Personally Liable General Partner informs the Supervisory Board in a regular, timely and comprehensive manner on all matters relevant to the company and the Group, as well as the joint ventures included in the consolidated financial statements, relating to the corporate strategy, business policy, corporate planning (in particular financial, investment and personnel planning including liquidity and refinancing planning). It also reports on the development of business, especially the revenue performance, the financial position of the company, the

cash flows and financial performance, and profitability, and explains any deviations – stating reasons – from projections, risk exposure, especially transactions having a possible material impact on the company's profitability or liquidity, as well as risk management, the internal control system and auditing practices, including compliance. Furthermore, it ensures compliance with legal requirements, in particular the measures stipulated in Section 91 (2) of the German Stock Corporation Act (AktG), and uses its influence to ensure their compliance within the Group companies.

The Supervisory Board advises and supervises the Personally Liable General Partner in the running of the company. In the case of exceptional business transactions, the Personally Liable General Partner must obtain the prior approval of the Supervisory Board pursuant to Section 7 of the Articles of Association. Furthermore, it must submit a budget estimate/income statement as well as an annual investment and financial plan to the Supervisory Board for approval and report on their implementation on a three-monthly basis. The Supervisory Board reviews and approves the single-entity financial statements and the management report of the company as well as the consolidated financial statements and Group management commentary, the report on relations with affiliated companies, the non-financial report and non-financial Group report, and the management's proposal on the appropriation of net retained profits. The Supervisory Board, together with the Management Board of the Personally Liable General Partner, is responsible for the preparation of the Remuneration Report.

The Chairman of the Supervisory Board coordinates work performed by the Board, chairs its meetings and represents the Board's interests vis-à-vis third parties. Between meetings he regularly consults with the Management Board of the Personally Liable General Partner.

The Supervisory Board has more precisely defined the reporting and information requirements of the Personally Liable General Partner and made them available on the website at [www.eurokai.com](http://www.eurokai.com).

For more information we refer to the Report of the Supervisory Board on page 34 of our Annual Report. The Annual Report is also published on our website at [www.eurokai.com/Investor-Relations/Financial-Reports](http://www.eurokai.com/Investor-Relations/Financial-Reports).

## **INFORMATION ON CORPORATE GOVERNANCE PRACTICES**

### **Transparency**

EUROKAI informs the general public in a regular and timely manner on the economic situation of the Group. The Annual Report and the half-yearly financial report are published within the statutory periods ([www.eurokai.com](http://www.eurokai.com) under Investor-Relations/Financial-Reports). First- and third-quarterly interim statements are also published on a voluntary basis. Newsworthy events and new developments are reported in press releases and, where necessary, ad-hoc announcements, which are subsequently published on the EUROKAI website

([www.eurokai.com/Investor-Relations](http://www.eurokai.com/Investor-Relations) under Ad-hoc Announcement and Further Publications). The legally stipulated reports, documents and information required for the General Meeting are available on the website together with the agenda of the General Meeting and any counter motions or nominations on the part of the shareholders that the company is obliged to make accessible to the public.

The planned dates for the main recurring events and publications – such as General Meeting, Annual Report, half-yearly financial report and interim statements – are listed in a financial calendar which is published sufficiently in advance and made permanently available on the EUROKAI website ([www.eurokai.com/Investor-Relations/Financial-calendar](http://www.eurokai.com/Investor-Relations/Financial-calendar)).

### **Risk management**

EUROKAI regards the responsible management of business risks as an important principle of good and sustainable corporate governance. Early identification of risks and minimisation of risk positions form an integral part of this. To ensure this, EUROKAI employs an internal control and risk management system, including compliance, and an internal auditing system, which identify, assess and control risks. Continuous adaptation of the systems – in particular of the manuals pertaining to the early risk identification system of the CONTSHIP Italia and the EUROGATE Group – to changed general conditions, as well as monitoring their effectiveness, is a permanent task for the Personally Liable General Partner and the Supervisory Board, with the support of the auditor.

The Personally Liable General Partner informs the Supervisory Board regularly and promptly of existing risks and their development.

For further details, we refer to the report on expected developments, opportunities and risks under No. 7 of the Group management commentary.

### **Compliance management system**

Within EUROKAI, the umbrella term "compliance" relates to the adherence to legal norms and internal guidelines and working towards their observance in the EUROKAI Group companies.

This goal is pursued through the establishment, coordination and ongoing development of a Group-wide compliance management system designed as far as possible to prevent compliance violations and avoid damage to EUROKAI's good reputation, liability claims or other legal prejudice to the EUROKAI Group, its employees and governing bodies.

A further objective and at the same time a central task of the compliance management system is to identify and continuously assess significant compliance risks, while implementing appropriate measures and processes to minimise such risks.

Moreover, the compliance management system seeks to raise awareness amongst the employees of the EUROKAI Group of the need to observe the relevant legal regulations and internal guidelines which apply to their work and thus create awareness amongst the workforce of possible compliance risks and strategies for managing such risks.

For the EUROKAI Group companies, the following applies:

Since EUROKAI is a pure financial holding company with, in terms of personnel, only two Managing Directors of the Personally Liable General Partner and two authorised representatives, it has not been deemed necessary to set up a specific compliance management system.

The CONTSHIP Italia Group established a code of conduct in 2012, which was further developed as part of a Group-wide revision of the regulatory system in 2018, and states that all activities of the CONTSHIP Italia Group shall be in compliance with the legislative framework, the principles of fair competition, honesty, integrity, fairness, good faith, and respect for the legitimate interests of its customers, staff, shareholders, business and financial partners. Principles are also established in particular in respect of compliance-relevant issues such as conflicts of interest, money laundering and the giving or accepting of undue advantage. Internal company policies define additional principles for dealing with compliance issues. The CONTSHIP Italia Group implemented an anonymous whistleblower system in 2019, which is supervised by an external ombudsman. No confirmed cases of corruption were reported through the whistleblower system in 2021.

Responsibility for compliance with compliance-relevant issues rests with the Management Board of Contship Italia S.p.A., the holding company of the CONTSHIP Italia Group, and the management boards of the respective companies within the CONTSHIP Italia Group. Internal audits support the identification of improvement potential with regard to compliance with the Group's guidelines. On the basis of the audit results, each company develops an action plan should significant discrepancies have been identified. The compliance supervisory bodies introduced in 2018 are responsible for monitoring compliance with the guidelines.

The compliance management system for the EUROGATE Group companies is laid down in the compliance policy that came into force on 1 January 2017, which is permanently available to employees of the EUROGATE Group for download on the intranet. EUROGATE has also implemented an anti-corruption policy and a code of conduct, which are accessible on the intranet and on the EUROGATE website at <http://www1.eurogate.de/en/SERVICE/Downloads> under the point

Compliance. They also contain the contact details of the compliance officer and the external ombudsman to whom employees and third parties can turn, anonymously if they so wish (whistleblower hotline). The compliance policy describes in detail the relevant duties and responsibilities within the Group. The duties are performed interdisciplinarily by various bodies, with the compliance officer being involved in each case. Additionally, the responsibilities of the governing bodies, relating in particular to the Supervisory Board and the Group Management Board, on each of which a central contact is named, and of the compliance officer are defined. In order to guarantee the independence and objectivity of the compliance officer, his or her appointment may only be countermanded for cause through application of Section 626 of the German Civil Code (BGB). Once a year, the compliance officer submits an internal report to the Group Management Board and the supervisory bodies. This contains, among other things, an inventory of the main compliance risks as well as proposals for new measures or changes.

Technical responsibility for the compliance management system lies with the legal department in Hamburg. There were no cases of compliance breaches in the 2021 reporting year.

### **Financial accounting and reporting and audit of the annual and consolidated financial statements**

EUROKAI prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. The single-entity annual financial statements are prepared according to the requirements of the German Commercial Code (HGB). They are audited by the auditor as well as by the Audit Committee and the Supervisory Board. The half-yearly financial report is reviewed by the Audit Committee together with the Personally Liable General Partner prior to being published.

The consolidated financial statements and single entity financial statements of EUROKAI were audited and each issued an unconditional audit certificate by the auditor FIDES TREUHAND GmbH & Co. KG, Bremen ("FIDES"), which was appointed by the 2021 General Meeting. FIDES was first proposed to the 2021 General Meeting by the Supervisory Board in line with the recommendation of its Audit Committee. To this end, the Audit Committee had conducted an in-depth audit tender process in 2020 in accordance with the EU Statutory Audit Regulation, after Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, was not allowed to be proposed again due to the rotation rules specified in the EU Statutory Audit Regulation. At the General Meeting 2022, in line with the recommendation of the Audit Committee, the Supervisory Board will propose that FIDES Treuhand GmbH & Co. KG, Bremen, be granted the audit mandate for the single-entity financial statements and the consolidated financial statements for the 2022 financial year and, as a precautionary measure, also be appointed to review the half-yearly financial report for the 2022 financial year.

## **DECLARATION OF COMPLIANCE OF EUROKAI GMBH & CO. KGAA WITH THE GERMAN CORPORATE GOVERNANCE CODE IN ACCORDANCE WITH SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)**

Pursuant to Section 161 of the German Stock Corporation Act (AktG), the Management Board of Kurt F. W. A. Eckelmann GmbH, Hamburg, as Personally Liable General Partner, and the Supervisory Board of EUROKAI GmbH & Co. KGaA, Hamburg (hereinafter "EUROKAI"), taking into account the specific organisational distinctions of the legal form of a partnership limited by shares (KGaA) as set out in the following (cf. Section I), and the structuring of this legal form through EUROKAI's Articles of Association, declare that, with the exception of the deviations set out in the following (cf. Section II), in the period since the last Declaration of Compliance of March 2021, EUROKAI has complied with and will continue to comply with the recommendations of the "Government Commission German Corporate Governance Code" in the version dated 16 December 2019 and published in the Federal Gazette on 20 March 2020 (hereinafter the "Code").

### **I. SPECIFIC ORGANISATIONAL DISTINCTIONS OF THE LEGAL FORM OF A PARTNERSHIP LIMITED BY SHARES (KGAA)**

- EUROKAI is a Kommanditgesellschaft auf Aktien – ("KGaA" – partnership limited by shares). In a KGaA, the duties of the management board of a stock corporation ("AG") are the responsibility of the personally liable general partner. The sole Personally Liable General Partner of EUROKAI is Kurt F. W. A. Eckelmann GmbH, Hamburg, whose Management Board is thus responsible for conducting the business of EUROKAI. EUROKAI does not hold an interest in the Personally Liable General Partner. The sole shareholder of the Personally Liable General Partner is Familie Thomas Eckelmann GmbH & Co. KG, Hamburg, which is controlled entirely by the family of Mr Thomas H. Eckelmann.
- In comparison with the supervisory board of a German stock corporation, the role of a supervisory board of a KGaA is limited. In particular, the Supervisory Board of EUROKAI is not responsible for appointing general partners or for regulating the terms and conditions of their contracts. For this reason, the Supervisory Board is not able to fulfil the recommendations in Sections B and G.I of the Code regarding Appointments to the Management Board and Remuneration of the Management Board. Similarly it is not within the competence of the Supervisory Board to issue rules of procedure for the Management Board or determine business transactions requiring approval. For this reason, Section 7 of EUROKAI's Articles of Association requires that the Personally Liable General Partner obtain the prior approval of the Supervisory Board for all extraordinary transactions. To this end, Section 7 of the Articles of Association contains a catalogue of business transactions requiring approval. The duty of the management board of a stock corporation to report to and

inform the supervisory board, as governed by Section 90 AktG, applies analogously to EUROKAI as a KGaA. EUROKAI has also separately regulated the information and reporting duties of the Personally Liable General Partner. These can be found on the company's website under [www.eurokai.com/Investor-Relations/Corporate-Governance](http://www.eurokai.com/Investor-Relations/Corporate-Governance).

- The general meeting of a KGaA fundamentally has the same rights as the general meeting of an AG; it additionally resolves on the adoption of EUROKAI's annual financial statements. However, many of the resolutions made by the General Meeting require the consent of the Personally Liable General Partner; particularly the adoption of EUROKAI's annual financial statements.
- Although the concrete wording of the recommendations of the Code does not in all instances take into account the specific organisational distinctions of the legal form of a KGaA, the Personally Liable General Partner, Kurt F. W. A. Eckelmann GmbH, and the Supervisory Board have agreed to currently and in future comply with the recommendations of the Code as far as possible. The deviations from the recommendations of the Code are presented in Section II below.

### **II. DEVIATIONS FROM THE RECOMMENDATIONS OF THE CODE**

The following are the only provisions of the Code that were not applied and will not be applied in the future:

#### **II.1 No. C.2 – Specification of an age limit for Supervisory Board members**

Both the Personally Liable General Partner and the Supervisory Board believe that setting a fixed age limit is detrimental due to its lack of flexibility. They consider a standard limit to be sufficient.

#### **II.2 No. D.5 – Nomination Committee**

Pursuant to Recommendation D.5 of the Code, the Supervisory Board shall form a nomination committee, composed exclusively of shareholder representatives, which names suitable candidates to the Supervisory Board for its proposals to the General Meeting.

The Personally Liable General Partner and the Supervisory Board are of the opinion that a nomination committee is not required since the Supervisory Board is composed of only six representatives of the shareholders and is therefore in a position to directly and efficiently make election recommendations to the General Meeting.

#### **II.3 No. D.7 – The Supervisory Board shall also meet on a regular basis without the Management Board**

Where necessary or in cases where the auditor is consulted as an expert (Section 109 (1) sentence 3 AktG), the Supervisory Board will decide whether it will also conduct its meetings without the presence

of the Management Board. The Supervisory Board believes regular meetings at fixed intervals are not required.

#### **II. 4 No. F.2 – Financial Reporting**

Pursuant to Recommendation F.2 of the Code, the consolidated financial statements and the group management report shall be made publicly accessible within 90 days from the end of the financial year, while mandatory interim financial information shall be made publicly accessible within 45 days from the end of the reporting period.

EUROKAI does not apply this provision, and practically is not in a position to do so. EUROKAI is a pure financial holding company and therefore relies on the figures provided by its investment holdings, which it regularly does not receive in time to comply with the recommendation. The consolidated financial statements are published pursuant to the requirements of Section 325 (4) of the German Commercial Code (HGB) and the half-yearly report pursuant to the requirements under Section 115 of the German Securities Trading Act (WpHG).

Hamburg, April 2022

Personally Liable General Partner  
Kurt F. W. A. Eckelmann GmbH, Hamburg

Thomas H. Eckelmann  
Cecilia E. M. Eckelmann-Battistello

Supervisory Board  
Dr Winfried Steeger