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Tuff Group AG

Declaration of Compliance with the German Corporate Governance Code (*Deutscher Corporate Governance Kodex (DCGK)*)

According to paragraph 161 of the German Stock Corporation Act (AktG), the Management Board and the Supervisory Board of Tuff Group AG are obliged to declare annually that the recommendations of the "Government Commission German Corporate Governance Code" () (the "**Code**") published by the Federal Ministry of Justice in the official part of the Federal Gazette in the currently valid version was and is complied with or which recommendations were or are not applied with and why not.

The Management Board and the Supervisory Board of Tuff Group AG declare pursuant to paragraph 161 of the German Stock Corporation Act (AktG):

Since the delivery of the last Declaration of Compliance, Tuff Group AG follows the recommendations of the German Corporate Governance Code in the version of February 7, 2017 ("**DCGK 2017**"), respectively on December 16, 2019, which was published in the Federal Gazette on March 20, 2020, and so became effective ("**DCGK 2019**") with the following exceptions:

D&O Insurance, Section 3.8 DCGK 2017:

D&O insurance policies for the Management Board and the Supervisory Board do not provide for a deductible for members of the Supervisory Board (Section 3.8 DCGK 2017). The Company is of the opinion that the agreement of a deductible for Supervisory Board members is not necessary to encourage the members of the Supervisory Board to act more responsibly, since they are anyway obliged to act responsibly in the interest of the Company due to their office, and that the agreement of a deductible could possibly hold potential candidates for the Supervisory Board position from taking over the office.

Compliance Management System, Whistleblower Hotline, Section 4.1.3 DCGK 2017 and A.2 DCGK 2019:

The Management Board provides compliance with legal requirements and internal corporate guidelines and works toward their observance by the Group companies. A Compliance Management System was established for this purpose (Section 4.1.3 DCGK 2017 / A.2 DCGK 2019). The establishment of a whistleblower hotline was waived. Due to the size of the Company, the small number of employees and the flat hierarchies, the Company is of the opinion that it has a



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functioning Compliance Management System even without the establishment of a whistleblower hotline and that any compliance offences will be promptly detected and avoided or prevented even without such a whistleblower hotline.

Diversity, Section 4.1.5 DCGK 2017 and A.1 DCGK 2019:

The Management Board waives from setting fixed targets for the consideration of diversity and the appropriate consideration of women in management positions according to Section 4.1.5 of the DCGK 2017 and A.1 DCGK 2019. The Management Board also refrains from setting a target for the proportion of women in management positions. Rather, the Management Board considers it appropriate to determine the issue of diversity and the representation of women in individual cases and not to make it dependent on targets, especially abstract targets.

Compensation components of the members of the Management Board, Section 4.2.3 DCGK 2017:

Contrary to Section 4.2.3 Paragraph 6 DCGK 2017, the Chair of the Supervisory Board has so far refrained from outlining to one General Meeting the salient points of the remuneration system because the main features of the compensation system and the exact amount of the respective compensation have been described in the consolidated financial statements (Compensation Report). In the future, the information on the remuneration system will be subject to the legal regulations according to Sections 87a 120a AktG.

Diversity, age limits for members of the Management Board and Supervisory Board, Sections 5.1.2 and 5.4.1 DCGK 2017 and B.1, B. 5 and C.2 DCGK 2019, respectively:

In accordance with Section 5.1.2 DCGK 2017 and B.1 DCGK 2019, the Supervisory Board refrains from observing diversity requirements in the composition of the Management Board and from setting a target figure for the proportion of women on the Management Board. Rather, the Supervisory Board considers it appropriate to determine the issue of diversity and the representation of women on an individual basis and not to make it dependent on abstract requirements, especially target figures. Furthermore, the Supervisory Board refrains from providing for a long-term succession planning together with the Management Board, since the current age structure of the members of the Management Board does not require such a planning.

There is no age limit for members of the Management Board and Supervisory Board (Sections 5.1.2 and 5.4.1 DCGK 2017 and B.5 and C.2 DCGK 2019). The Company is of the opinion that the determination of an age limit is not appropriate, since the knowledge and experience of older persons should also be available to the Company within the scope of the Management Board and Supervisory Board activities.



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Committees, Section 5.3 DCGK 2017 or D.2 to D.5 DCGK 2019:

In view of its small number of members, the Supervisory Board has refrained from forming committees (Section 5.3 DCGK 2017 and D.2 to D.5 DCGK 2019).

Composition of the Supervisory Board, Section 5.4.1 DCGK 2017 and C1 to C.3 DCGK 2019:

In accordance with Section 5.4.1 DCGK 2017 and C1 to C.3 DCGK 2019, the Supervisory Board refrains from naming concrete aims for its composition and from developing a profile of skills and expertise for the entire Board. Furthermore, the Supervisory Board refrains from setting an age limit for members of the Supervisory Board, a control limit for the length of time they may serve on the Supervisory Board or diversity requirements. Rather, the Supervisory Board will base its composition on the respective current requirements of the company and does not consider a predefinition within the framework of specified objectives, profiles of skills and expertise or further specifications, e.g. age limits, to be purposeful.

Independence, Section 5.4.2 DCGK 2017 or C.6, C.7 and C. 10 DCGK 2019:

In the foreground of the composition of the Supervisory Board focuses on personal and professional suitability. The Company is of the opinion that Supervisory Board members, Chair of the Supervisory Board or the entirety of the Supervisory Board members may also be suitable divergent from Section 5.4.2 DCGK 2017 or C.6, C.7 and C. 10 DCGK 2019 if they do not meet the criteria for independence mentioned there.

Publication of consolidated financial statements and financial information during the year in accordance with Section 5.1.2 DCGK 2017 and B.1 DCGK 2019, Section 7.1.2 DCGK 2017 and F.2 DCGK 2019:

Divergent to Section 7.1.2 DCGK 2017 and F.2 DCGK 2019, the consolidated financial statements and the financial information during the year are made available within the time limits according to legal provisions and not within the stricter periods of Section 7.1.2 DCGK 2017 and F.2 DCGK 2019 of 90 days after the end of the financial year (consolidated financial statements and group management report) and 45 days after the end of the reporting period (financial information during the year). The Company does not currently see any improvement in capital market transparency if business figures are published faster than required by law.

Duration of Membership of the Supervisory Board, C.3 DCGK 2019:

Divergent to C.3 DCGK 2019, the Company has so far refrained from disclosing the duration of the membership of members in the Supervisory Board. The Company has only been operating for a short time, so that the duration of the membership of members in the Supervisory Board should be known



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to shareholders and other capital market participants anyway and therefore no further publication is required so far.

Publication of the Rules of Procedure of the Supervisory Board, D.1 DCGK 2019:

Divergent to D.1 DCGK 2019, the Company has refrained from publishing the rules of procedure of the Supervisory Board. The Supervisory Board has adopted rules of procedure that are customary and appropriate to the Company's circumstances. The Company therefore does not see any additional value for shareholders or other capital market participants in the publication.

Concept for informing shareholders outside of regular reporting, F.3 DCGK 2019:

According to current estimates, the Company refrains from formulating an explicit concept for informing shareholders outside of regular reporting. The effort required for publication is not sufficiently proportionate to the information profit for the shareholders. Next to the annual and half-year financial reports the Company informs the public about all information channels on current events in connection with the Company.

Compensation of the Supervisory Board, Section G. 17 DCGC 2019

The recommendation in Section G.17 DCGK 2019, after which the compensation of the Supervisory Board should also include the higher time effort of the Chair of the Supervisory Board and the members of committees appropriate, is currently not complied with. The General meeting of the Company of 16 September 2018 has decided that every member of the Supervisory Board receives the same annual remuneration. Management Board and Supervisory Board are of the opinion, that a committed activity as a member of the Supervisory Board is nevertheless guaranteed.

Munich, January 2021

Tuff Group AG

The Management Board

The Supervisory Board