

Declaration of Corporate Governance

# 2022

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## 2.12 Declaration of Corporate Governance

The Executive Board and the Supervisory Board submit the Declaration of Corporate Governance for FUCHS PETROLUB SE and the Group in accordance with Sections 315d and 289f of the German Commercial Code (HGB). The statements apply both to FUCHS PETROLUB SE and to the Group, unless stated otherwise below.

### A. Declaration of the Executive Board and the Supervisory Board of FUCHS PETROLUB SE concerning the recommendations by the “Government Commission on the German Corporate Governance Code” pursuant to Section 161 of the German Stock Corporation Act (AktG)

On December 9, 2022, the Executive Board and the Supervisory Board of FUCHS PETROLUB SE agreed to issue the following Declaration of Compliance:

Since issuing its last Declaration of Compliance on December 10, 2021, FUCHS PETROLUB SE has complied with the recommendations set forth in the German Corporate Governance Code dated March 20, 2020, i.e. its version pub-

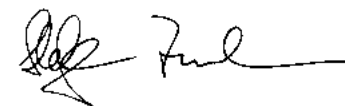
lished in the official section of the Federal Gazette (Bundesanzeiger) on December 16, 2019 by the German Ministry of Justice. FUCHS PETROLUB SE intends to comply in the future with all recommendations without exception as set forth in the German Corporate Governance Code dated June 27, 2022, i.e. its version published in the official section of the Federal Gazette (Bundesanzeiger) on April 28, 2022 by the German Ministry of Justice.

Mannheim, December 9, 2022



Dr. Christoph Loos

Chairman of the  
Supervisory Board



Stefan Fuchs

Chairman of the  
Executive Board

The Declaration of Compliance is available on the company's website at:

→ [www.fuchs.com/group/declaration-of-compliance](https://www.fuchs.com/group/declaration-of-compliance)



## B. Compensation report

The main features of the compensation system and the individual compensation of members of the Executive Board and the members of the Supervisory Board are described in the compensation report.

→ [www.fuchs.com/group/compensation-report](http://www.fuchs.com/group/compensation-report)

## C. Corporate governance practices

FUCHS PETROLUB SE and the Group apply the following key corporate governance practices:

### Governance systems

In accordance with the German Corporate Governance Code, FUCHS describes below the main features of the governance systems (internal control system and risk management system, including the compliance management system) and makes a statement on their appropriateness and effectiveness as a non-management report disclosure.

#### Internal control system (ICS) and risk management system (RMS)

In addition to the risk management system, the FUCHS Group has an internal control system (ICS) that aims to ensure regular, accurate and effective accounting and

financial reporting as well as compliance with the key legal provisions and internal regulations relevant to the company. Sustainability aspects and their specific regulatory development will also be included. The system is incorporated into the underlying business processes in all relevant legal units and Global Functions and is developed on an ongoing basis.

While overall responsibility for our IKS and RMS rests with the Executive Board, local management has responsibility for the implementation, adequacy, and effectiveness of internal controls. The Global Functions develop corresponding specifications in the respective functional areas. The Audit Committee of the Supervisory Board is regularly briefed on the risks, the risk management system, and the internal control system and is the highest management body to oversee the governance systems.

Compliance with requirements is checked through different reporting systems of the respective functional areas. In addition, the audit of the adequacy and effectiveness of the Internal Control System is part of Internal Audit's audit plan, which acts on behalf of the Executive Board. The audit takes a risk-based audit approach. Using samples, the Internal Audit assesses the existence and effectiveness of internal controls and reports the results to the Executive Board in a timely manner through audit reports. At the end of the financial year, the adequacy and effectiveness review activities are summarized and the results

of all identified internal controls and processes with significant potential for improvement are reported to the Supervisory Board.

Nonetheless, there are inherent limitations, so that a statement on the adequacy and effectiveness of the internal control system cannot, by its very nature, be made with definitive certainty. Even with careful design and monitoring of the internal control system, it cannot be ruled out that weaknesses or gaps may not be identified in individual cases. During the past financial year, the Executive Board saw no evidence to suggest that the internal control system was not adequate or effective in any material respect.<sup>1</sup>

There is no evidence that the opportunity and risk management system established by the Executive Board and practiced worldwide is not appropriate and effective in material respects with regard to the opportunity and risk profile of the FUCHS Group. The opportunity and risk management system is constantly being further developed, taking into account new opportunities and risks.

→ [79 Significant features of the internal control and risk management system with regard to the Group accounting process](#)

<sup>1</sup> The disclosures in this paragraph are disclosures not included in the Combined Management Report as defined in the explanatory notes to this Management Report.

### Compliance Management System (CMS)

Alongside the ICS and the RMS, the CMS forms the third pillar of the governance system, which is aligned with the organizational structure and risk situation of the FUCHS Group.

The company understands compliance to mean observing rights, laws and the company's Articles of Association, adherence to internal rules and making voluntary personal commitments. Unlawful conduct harbors the risk of financial harm, weakening the company's own market position, and damaging its image. Without exception, the management and employees are required to observe laws, directives, and social standards applicable to them within the scope of their duties.

FUCHS has set up a compliance management system (CMS) for the prevention of the aforementioned risks and damage. The FUCHS Code of Conduct and the compliance guidelines, particularly those that relate to complying with rules on competition, preventing money laundering, corruption and venality, and dealing with insider information, are essential foundations of the CMS. The Code of Conduct and the compliance guidelines form a binding framework for FUCHS to ensure lawful and social-ethical conduct. They are supplemented by various information and training activities, instructions such as Dos and Don'ts for sensitive situations involving competition law, a compliance risk management system, an electronic whis-

tleblower platform for reporting illegal conduct, the systematic processing and appropriate sanctioning of compliance violations, regular compliance reporting to the Executive Board and Supervisory Board, and compliance audits performed by Internal Audit. The individuals with authorized access to insider information are listed in the mandatory insider list in accordance with Art. 18 of the EU's Market Abuse Regulation (MAR) and informed of their legal obligations and possible sanctions.

The CMS is implemented by a Group-wide compliance organization, overall responsibility for which lies with the Chief Financial Officer (CFO). The Chief Compliance Officer (CCO) appointed by the Executive Board manages the CMS globally with the Group Compliance Committee (GCC), as well as regionally (RCOs) and locally (LCOs) appointed Compliance Officers, and supports and advises employees. The CCO is also responsible for developing the CMS to take account of all topics of relevance for compliance. Alongside the CCO, overall responsibility for personnel and governance also lies with the GCC and the Senior Group Compliance Officer. The GCC works out the strategic focus of the compliance organization setup on the basis of its own rules of procedure, supports the CCO and comprehensively bundles the expertise for the CMS within the company. In addition, the GCC ensures the sharing of information between the central Group and specialist departments that mainly deal with compliance topics, monitors the processing and investigation of events rele-

vant to compliance, and arranges for appropriate sanctions in the event of compliance violations. The RCOs are using the compliance strategy at regional level and deal with all compliance incidents under their respective responsibility with the help of an electronic case handling program. The electronic whistleblower platform gives all employees and business partners, as well as other external parties, the chance to initiate a dialog with the compliance organization offices, while remaining anonymous if so desired. As a result, weaknesses can be identified and the CMS can be further developed from the findings gained. All employees are explicitly required to immediately report conduct and incidents relevant to compliance to the responsible offices.

### Corporate governance policies

The Articles of Association of FUCHS PETROLUB SE, the Code of Conduct, the Declaration of Corporate Governance and other corporate governance documents such as the FUCHS Sustainability Guide are available on the company's website. Compliance guidelines such as the Anti-Corruption Policy and the Antitrust Policy, with accompanying information documents, are available to employees via the global intranet. In accordance with recommendation F.5 of the Code, the company makes non-current declarations of corporate governance and declarations of compliance with the recommendations of the Code available on its website for at least five years.

→ [www.fuchs.com/group/declaration-of-compliance](https://www.fuchs.com/group/declaration-of-compliance)

### **Commitment to sustainable, success-driven and value-oriented corporate governance**

The terms trust, creating value, respect, reliability and integrity form the core values of our Code of Conduct and accordingly shape the company's mission statement for good corporate governance. This mission statement expresses a common attitude on the part of the management levels and provides a clear guideline for acting responsibly. The core values apply to the FUCHS Group as a benchmark for internal objectives and form the basis for individual actions.


Good corporate governance also includes the adoption of sustainable business principles. FUCHS has summarized its basic principles for sustainable activities in a comprehensive Sustainability Guideline. Further information on sustainability is provided in the combined non-financial declaration and the Sustainability Report.

→  [86 Non-financial Group declaration](#)

→  [www.fuchs.com/sustainabilityreport](http://www.fuchs.com/sustainabilityreport)

### **Opportunity and risk management**

Sound corporate governance also includes the responsible handling of opportunities and risks. The Executive Board has set up an internal control and risk management system that is appropriate and effective in terms of the scope of business and risk exposure of the company. The Executive Board and the Supervisory Board regularly discuss existing opportunities and risks, changes therein and the measures to be taken. The internal control system, the risk management system and the internal audit system are developed

on an ongoing basis and adapted to a changing framework. Details on this can be found in the report on opportunities and risks. →  [67 Opportunity and risk report](#)

## **D. Disclosures on the working practices of the Executive Board and the Supervisory Board and the composition and working practices of their committees**

### **1. Management and control structure**

As a European corporation (Societas Europaea – “SE”), FUCHS PETROLUB SE, with its registered office in Mannheim, is subject in particular to the provisions of the SE Regulation, the German SE Implementation Act, the SE Employee Participation Act, the SE Employee Participation Agreement concluded with the employees, and the German Stock Corporation Act (AktG). In accordance with the requirements of German stock corporation law, FUCHS has a two-tier board system with the separation of personnel between the Executive Board as a management body and the Supervisory Board as a monitoring and advisory body, each of which has its own independent responsibilities. Sound corporate governance requires the ongoing development of this two-tier board system, with all divisions being included.

### **2. Corporate management by the Executive Board Working practices of the Executive Board**

The Executive Board manages the company on its own responsibility. As a management body, it has a commitment to the company's interests and to increasing the companies' enterprise value in the long term. In so doing, the members of the Executive Board are jointly responsible for all management activities. Notwithstanding the overall responsibility of the Executive Board, the individual members of the Executive Board also manage the divisions assigned to them under their own responsibility within the scope of Executive Board resolutions.

In particular, the Executive Board makes decisions on corporate strategy, business policy, and annual and multi-year planning. The Executive Board ensures that the risks associated with business operations are handled responsibly by way of a suitable and effective opportunity and risk management system. The Executive Board has put in place an internal control and risk management system that is appropriate and effective in terms of the scope of business and risk exposure of the company. By means of an appropriate compliance management system geared toward the company's risk situation, the Executive Board ensures compliance with legal provisions, official regulations, and internal policies, and works toward their observance within the company (compliance).

The Executive Board pays attention to diversity and adequate representation of women when filling management positions in the company.

Decisions of the Executive Board shall as a matter of principle be taken at regular meetings. Executive Board meetings are to be held once a month. The Executive Board is quorate if all members are invited and at least three members take part in the vote on the resolution. Resolutions are generally adopted by a majority of the votes cast, in the event of a tie, the Chairman of the Executive Board shall have the casting vote. In making their decisions, the Executive Board members must not pursue any personal interests or business opportunities available to the company for their own personal gain. In accordance with recommendation E.2 of the Code, the rules of the procedure of the Executive Board regulate its obligation to disclose possible conflicts of interest to the Chairman of the Supervisory Board and to the Chairman of the Executive Board. There were no conflicts of interest in the reporting year.

The Supervisory Board has adopted rules of procedure and an allocation of responsibilities for the work of the Executive Board. These govern the work and the allocation of responsibilities of the Executive Board members. The rules of procedure contain regulations on the Executive Board's obligations to keep the Supervisory Board informed. In addition, the Supervisory Board has stipulated the need for the approval of the Supervisory Board for certain fundamentally important business processes, such as setting the investment budget or larger acquisitions.

### Composition of the Executive Board

The Board of Directors of FUCHS PETROLUB SE is composed of six members at the time of issuance of the Declaration of Corporate Governance:

- Mr. Stefan Fuchs, Member of the Executive Board since 1999, Chairman of the Executive Board since January 1, 2004
- Ms. Isabelle Adelt, Member of the Executive Board since November 1, 2022
- Dr. Lutz Lindemann, Member of the Executive Board since January 1, 2009
- Dr. Timo Reister, Member of the Executive Board since January 1, 2016
- Dr. Ralph Rheinboldt, Member of the Executive Board since January 1, 2009
- Dr. Sebastian Heiner, Member of the Executive Board since January 1, 2023

Ms. Dagmar Steinert departed from the Executive Board on November 30, 2022. Dr. Lutz Lindemann will depart from the Executive Board on March 31, 2023. Further details and the allocation of duties within the Executive Board (organization of responsibilities, regions and divisions) are shown in detail in the section on organization.

→ [21 Organization](#)

The Supervisory Board is responsible for appointing the Executive Board in accordance with Article 39 of the SE Regulation. Together with the Executive Board, the Supervisory Board ensures long-term succession planning and receives reports on the respective status of planning and

implementation of the criteria specified therein. The Supervisory Board has assigned responsibility for preparing decisions to the Personnel Committee. The number of Executive Board members is based on the requirements resulting from the business and the division of work in the Executive Board. In accordance with recommendation B.3 of the Code, initial appointments of members of the Executive Board are for no more than three years.

As a global innovation-driven company in the lubricants industry, FUCHS PETROLUB SE's systematic management development and long-term succession planning for the Executive Board pays attention to:

- the early identification of suitable candidates of different disciplines, taking varied professional and personal experience into account,
- proven strategic and operating creative drive, and
- a proven role model function as a manager in the implementation of the FUCHS mission statement.

Taking account of the terms of the existing Executive Board mandates and the necessary skills for the respective positions to be (re-)filled, potential candidates within the Group are identified and presented to the Supervisory Board at an early stage. Where necessary, potential external candidates are identified via suitable service providers and taken into account in succession planning.

However, the crucial factor for appointment to the Executive Board at FUCHS PETROLUB SE is ultimately the assessment of the person's professional and personal

qualifications. The current composition of the Executive Board ensures comprehensive compliance with the duties required of the executive board of a listed company.

### Diversity

FUCHS ensures that the Executive Board as a whole has the following profile in line with a diversity concept:

- years of experience in scientific, technical and commercial areas,
- appropriate international experience due to background and/or professional activity,
- at least one female member of the Executive Board (target until December 9, 2026: one female member on a five-member Executive Board) and
- balanced age structure.

In accordance with recommendation B.5 of the Code, the Supervisory Board has set an age limit of 65 years for Executive Board members.

The diversity concept for the Executive Board is implemented by ensuring that the Supervisory Board and the Personnel Committee adequately take account of the aspects specified in the diversity concept when seeking and selecting suitable candidates for an Executive Board position.

### 3. Monitoring and advising of the corporate management by the Supervisory Board

#### Working practices of the Supervisory Board

The Supervisory Board appoints and dismisses the members of the Executive Board and both advises and monitors the Executive Board in its management of the company. The Executive Board informs the Supervisory Board regularly, promptly, and comprehensively about all relevant issues for the company, particularly the strategy, planning, the business development, the risk situation, risk management, and compliance. The Chairman of the Supervisory Board is immediately informed by the Chairman of the Executive Board of any major events that are significant for the assessment of the company's situation and development and for the management of the company. In addition, the Chairman of the Supervisory Board maintains regular contact with the Chairman of the Executive Board and advises him on all important issues for the company. The continuous dialog between the Executive Board and the Supervisory Board, which is based on mutual trust, forms an important foundation for FUCHS' success.

The Supervisory Board is quorate if a duly convened meeting is attended by at least four members, including the Chairman or the Deputy Chairman. Attendance also includes attendance via teleconference or video conference, although this should not be the norm. The Supervisory Board reaches its decisions through resolutions, which are passed by a simple majority of those members of the Supervisory Board participating in the vote. In the event of a tied vote, the Chairman has the casting vote.

Minutes of the Supervisory Board's resolutions and meetings are prepared and then approved by resolution at the next meeting. Decisions may also be taken by order of the Chairman of the Supervisory Board by means of a written statement, a statement made by telephone, or using other common means of communication such as e-mail. In making their decisions, the Supervisory Board members must not pursue any personal interests or business opportunities available to the company for their own personal gain. In accordance with recommendation E.1 of the Code, the rules of procedure of the Supervisory Board require that any member of the Supervisory Board must immediately disclose any conflict of interest to the Chairman of the Supervisory Board. There were no conflicts of interest in the reporting year.

If necessary, separate preliminary meetings of the shareholder representatives and the employee representatives take place. In accordance with recommendation D.6, the Supervisory Board also regularly meets without the Executive Board.

At its meeting on December 9, 2022, the Supervisory Board adopted a new version of the rules of procedure for the Board. The current version of the rules of procedure for the Supervisory Board is available on the website:

→ [www.fuchs.com/sup\\_board](https://www.fuchs.com/sup_board)

The Supervisory Board itself regularly assesses how effectively the Supervisory Board as a whole and its committees are performing their tasks. To this end, the Chairman of the Supervisory Board talks to all regular Supervisory

### Overview of Supervisory Board members' attendance at each meeting in the financial year 2022

Responsibilities	Members	Attendance/ meetings
Supervisory Board	Dr. Christoph Loos (Chairman since May 3, 2022)	7/7
	Dr. Kurt Bock, until May 3, 2022 (Chairman)	2/2
	Dr. Susanne Fuchs (Deputy Chairwoman)	7/7
	Jens Lehfeldt	7/7
	Ingeborg Neumann (Financial Expert)	7/7
	Cornelia Stahlschmidt	7/7
	Dr. Markus Steilemann, since May 3, 2022 (Financial Expert)	5/5

Board members. The results of the survey are then discussed at a meeting of the Supervisory Board. If necessary, measures for improvement are defined. The last self-assessment was conducted at the Supervisory Board meeting on December 9, 2022. The Supervisory Board did not identify any significant need for improvement. In addition, after assuming the chairmanship of the Supervisory Board, Dr. Loos held discussions with all members of the Supervisory Board regarding the desired future cooperation basis. The results of these were discussed at the Board meeting on July 5, 2022. The next routine self-assessment is scheduled for the end of 2023.

#### Composition of the Supervisory Board

The Supervisory Board of FUCHS PETROLUB SE consists of six members. Of these, the shareholders elect four members at the Annual General Meeting. The European Works Council (SE Works Council) and the representatives

of the company's European employees elect two members as employee representatives. The current members of the Supervisory Board and their attendance at meetings are listed in the table.

Mr. Jens Lehfeldt and Ms. Cornelia Stahlschmidt are the employee representatives on the Supervisory Board.

Ms. Ingeborg Neumann is a financial expert, with expertise in the field of accounting and auditing as defined in Section 100(5) of the German Stock Corporation Act (AktG) and in recommendation D.3 on pp. 1 and 2 of the Code. As Chair of the Audit Committee, she thus also meets the requirements of recommendation D.3 on p. 3 of the Code. Ms. Neumann was an auditor for many years at an international audit firm and is a long-term member of the Audit Committee of FUCHS PETROLUB SE and SGL

Carbon SE, as well as a managing partner of Peppermint Holding GmbH, based in Berlin.

Dr. Markus Steilemann, as a financial expert, has expertise in the field of accounting as defined in Section 100(5) of the German Stock Corporation Act (AktG) and in recommendation D.3 pp. 1 and 2 of the Code. Dr. Steilemann, a long-time member of the Executive Board and, since 2018, Chairman of the Executive Board of Covestro AG, is particularly familiar with accounting issues.

Further details, such as the members' CVs, their current position or main occupation, membership of statutory supervisory boards and comparable supervisory bodies, and the date of their first appointment are available online at → [www.fuchs.com/sup\\_board](https://www.fuchs.com/sup_board)

Details on the Board's work in the reporting year are presented in the report of the Supervisory Board.

→ [23 Report of the Supervisory Board](#)

#### Skills profile

The Supervisory Board is composed of people who ensure compliance with the duties of a listed company, in particular providing qualified advice to the Executive Board and performing the Supervisory Board's monitoring duties. On the basis of their expertise and practical experience, integrity, motivation, independence and personality, the members of the Supervisory Board are capable of performing their duties in an international group operating in the lubricants industry and preserving the reputation of the FUCHS Group in public. At its meetings in October and



December, the Supervisory Board held an in-depth discussion on the competence profile of the overall board and revised the objectives for its composition. It regularly focuses on the issue of long-term succession planning for the shareholder representatives, most recently at its meeting on December 10, 2021.

In accordance with the criteria decided by the Supervisory Board, the Supervisory Board as a whole must match the following profile:

- international business experience and/or leadership experience with associations and networks,
- knowledge and experience in the chemical sector or related value chains,
- accounting expertise (specific knowledge and experience in the application of accounting policies, internal control procedures and risk management systems as well as sustainability reporting),
- expertise in the field of statutory auditing (specific knowledge and experience in statutory auditing, auditing of sustainability reporting),
- knowledge and experience in the sustainability issues relevant to the company,
- knowledge and experience in the field of human resources and corporate culture,
- knowledge and experience in the field of innovation and
- knowledge and experience in governance and compliance.

### Skills matrix

	Dr. Christoph Loos (Chairman)	Dr. Susanne Fuchs (Deputy Chairwoman)	Jens Lehfeldt	Ingeborg Neumann	Cornelia Stahlschmidt	Dr. Markus Steilemann
International business experience and/or leadership experience with associations and networks	•	•	•	•		•
Knowledge and experience in the chemical sector or related value chains	•	•	•	•	•	•
Accounting (specific knowledge and experience in the application of accounting policies, internal control procedures and risk management systems as well as sustainability reporting)	•			•		•
Statutory Auditing (specific knowledge and experience in statutory auditing, auditing of sustainability reporting)				•		
Governance and compliance	•	•	•	•		•
Human resources and corporate culture	•	•	•	•	•	•
Sustainability	•	•		•		•
Innovation	•			•		•
Independence from the company and its Executive Board	•		Employee representative	•	Employee representative	•
Independence from controlling shareholders	•		Employee representative	•	Employee representative	•
Internationality	•	•		•		•
Gender	m	f	m	f	f	m
Age	54	58	42	65	64	52
Year of first appointment to the Supervisory Board	2020	2017	2019	2015	2020	2022

All criteria of the competency profile are met by the Supervisory Board in its entirety, as indicated in the previous skills matrix.

In accordance with recommendation D.11 of the Code, FUCHS PETROLUB SE provides the Supervisory Board members with adequate support for their induction and for training measures. Details can be found in the report of the Supervisory Board.

### Diversity

With the objective of maximum benefit for the company, the Supervisory Board strives for sufficient diversity among the shareholder representatives. Diversity is understood not merely in terms of gender or compliance with gender-specific targets, but also in regard to personality, internationality (international experience based on origin, career or activity) and professional background (education and professional experience). Furthermore, members of the Supervisory Board should not be over 75 years old at the time they are elected. This age limit was not exceeded by any of the Supervisory Board members.

Corporate co-determination at FUCHS PETROLUB SE in accordance with the agreement on the involvement of employees contributes to diversity in terms of professional experience and cultural background. Employee representatives for the Supervisory Board are appointed and

elected through the autonomous decision of the employees in accordance with the provisions of laws on SE employee participation and the SE employee participation agreement concluded with the employees.

The diversity concept for the Supervisory Board is implemented by ensuring that the Nomination Committee adequately takes account of the aspects specified in the diversity concept when seeking and selecting suitable shareholder representatives. All the criteria of the diversity concept are met at FUCHS.

### Independence

In the Supervisory Board's opinion, three of the four shareholder representatives listed in the section "Composition of the Supervisory Board," and thus an appropriate proportion of the shareholder representatives, are independent within the meaning of recommendation C.6 of the Code. Namely these are Dr. Christoph Loos, Ms. Ingeborg Neumann and Dr. Markus Steilemann. Dr. Kurt Bock was also considered independent from the company and its Executive Board as well as from the controlling shareholder within the meaning of the recommendations of the Code until his leaving.

The term in office of the Supervisory Board is five years. The current term in office began when the Supervisory

Board members were elected at the Annual General Meeting on May 5, 2020. No member of the Supervisory Board has been on the Board for more than twelve years.

### Committees of the Supervisory Board

The Supervisory Board of FUCHS PETROLUB SE has created an Audit Committee in accordance with Section 107(3) p. 2 and (4) p. 1 of the German Stock Corporation Act (AktG). It has also set up a Personnel Committee and a Nomination Committee in accordance with recommendation D.4 of the Code. In accordance with recommendation D.2 of the Code, the qualified committees prepare and complement the work of the Board as a whole. The committees contribute to the Supervisory Board working efficiently. The Personnel Committee and the Audit Committee usually meet several times a year, while the Nomination Committee convenes for meetings when necessary based on its allocation of duties. The respective chairs of the committees regularly report to the Supervisory Board on the work of the committees.

In accordance with Section 107(3) p. 2 of the German Stock Corporation Act (AktG), the key tasks of the **Audit Committee** include auditing the accounts, monitoring the accounting process, examining the effectiveness of the internal control, risk management and internal audit system, and the audit of the financial statements by the statutory auditor and with Compliance. The chairman of the

Audit Committee and the auditor also regularly exchange views on the progress of the audit outside meetings, and the chairman of the Audit Committee reports on this to the Audit Committee. In addition, the Audit Committee and Executive Board also discuss the interim reports and financial reports to be published on the capital markets in advance. The members of the Audit Committee and their attendance at meetings are listed below:

#### Overview of Audit Committee members' attendance at each meeting in the financial year 2022

Responsibilities	Members	Attendance/ meetings
Audit Committee	Ingeborg Neumann (Chairwoman, Financial Expert)	4/4
	Dr. Susanne Fuchs	4/4
	Dr. Christoph Loos, until May 3, 2022	2/2
	Dr. Markus Steilemann, since May 3, 2022 (Financial Expert)	2/2

The **Personnel Committee** focuses on personnel matters concerning the Executive Board. The members of the Personnel Committee and their attendance at meetings are listed hereafter:

#### Overview of Personnel Committee members' attendance at each meeting in the financial year 2022

Responsibilities	Members	Attendance/ meetings
Personnel Committee	Dr. Christoph Loos (Chairman since May 3, 2022)	4/4
	Dr. Kurt Bock, until May 3, 2022 (Chairman)	2/2
	Dr. Susanne Fuchs	4/4
	Ingeborg Neumann	4/4
	Dr. Markus Steilemann, since May 3, 2022	2/2

The **Nomination Committee** advises on and nominates suitable candidates to the Supervisory Board for its proposals to the Annual General Meeting for the election of Supervisory Board members. In accordance with recommendation D.4 of the Code, the Nomination Committee shall consist exclusively of shareholder representatives. The Nomination Committee did not meet during the financial year 2022.

## E. Gender-specific targets

In accordance with the provisions of the Second Executive Positions Act, the Supervisory Board has set the following targets for the period ending December 9, 2026, as

minimum targets for the proportion and number of female members on the Supervisory Board and Executive Board:

- Female members on the Supervisory Board: 33.3%. For a total of six members, this corresponds to a target of two women on the Supervisory Board.
- Female members on the Executive Board: 20.0%. For a total of five members, this is equivalent to a target number of one woman on the Executive Board.

The aforementioned targets will be met for the Executive Board at the end of the financial year 2022. The Supervisory Board will exceed the abovementioned target size by the end of the financial year 2022.

The Executive Board has defined the two management levels of FUCHS PETROLUB SE below the Executive Board as follows:

- The first level of management comprises the Group Management Committee members employed by FUCHS PETROLUB SE and division heads with a direct line of reporting to a member of the Executive Board.
- The second management level consists of those employed at FUCHS PETROLUB SE
  - as division heads and department heads with a direct line of reporting to a member of the Group Management Committee or (other) division head and
  - department heads with a direct line of reporting to a member of the Executive Board.

The Executive Board has established the following targets for the period ending November 1, 2026, as minimum targets for the proportion of female managers at the two management levels of FUCHS PETROLUB SE below the Executive Board:

- Female managers at the first management level of FUCHS PETROLUB SE: 20.0%. This corresponds to a projected size of the first management level of 20 people in relation to the end of the term of a target number of four female managers.
- Female managers at FUCHS PETROLUB SE's second management level: 32.0%. This corresponds to a projected second management level of 25 people in relation to the end of the term of a target number of eight female managers.

The target for the proportion of female representation at the first management level below the Executive Board will be met, at 20.0% (3 female managers per 15 people) at the end of 2022. The proportion of female representation at the second level of management below the Executive Board, at 18.5% (5 female managers per 27 positions) at the end of 2022, will be significantly below target.

The reason for the failure to meet the target for the second level of management is the impact of a temporary change in the internal organizational structure related to the changes in the area of the Chief Technical Officer. For this purpose, reporting lines had been adjusted in the meantime, and, with the beginning of 2023, were canceled again. The new management positions created in

this context were selected solely based on the qualifications of the individual employees and regardless of their gender. The qualifications of employees will continue to be the sole criterion for selecting management positions, but FUCHS PETROLUB SE will work intensively to enable female employees to acquire the required qualifications in this context by means of an enterprise-wide succession approach.

## F. Corporate reporting and audit

### High transparency through comprehensive information

FUCHS PETROLUB SE keeps capital market participants updated on the economic situation of the Group and key events through regular, prompt, uniform, and comprehensive information. This reporting takes the form of the annual report, half-year financial reports and interim reports. Furthermore, FUCHS PETROLUB SE also provides information through press releases and ad hoc disclosures. In accordance with recommendation F.1 of the Code, the shareholders are immediately provided online with all significant new facts that are communicated to financial analysts and similar addressees. All information can be viewed online at → [www.fuchs.com/group](https://www.fuchs.com/group). The website also features a financial calendar showing the dates of all major events and publications.

The Declarations of Corporate Governance for the past five years are available online at:

→ [www.fuchs.com/decl\\_of\\_cg](https://www.fuchs.com/decl_of_cg)

Also published on the website in accordance with Art. 19 of Regulation (EU) No. 596/2014 of April 16, 2014 on market abuse (Market Abuse Regulation) are share transactions by Executive Board members, Supervisory Board members, and other managers, including certain closely related parties (managers' transactions) that have to be reported. → [www.fuchs.com/direct\\_deal](https://www.fuchs.com/direct_deal)

### Accounting and audit

The consolidated financial statements and half-year financial report of FUCHS PETROLUB SE are prepared in accordance with the International Financial Reporting Standards (IFRS). The statutory annual financial statements, which are relevant for the distribution of dividends, are prepared by FUCHS PETROLUB SE in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). After being prepared by the Executive Board, the auditor elected by the Annual General Meeting audits the annual and consolidated financial statements together with the combined management report. The Supervisory Board approves the annual and consolidated financial statements after reviewing them itself. The annual financial statements are hereby adopted.

The Supervisory Board has agreed with the auditor that the auditor will inform the Chairman of the Audit Committee immediately of any issues identified during the audit that might give rise to grounds for exclusion or bias in the auditor's report unless these issues can be resolved immediately. In accordance with recommendation D.8 of the Code, the auditor shall also inform the Audit Committee immediately of all findings or conclusions that emerge



during the audit and are of significance for the duties of the Supervisory Board. The auditor must also inform the Supervisory Board in accordance with recommendation D.9 of the Code and record it in the audit report if, during the audit, any facts suggesting that any part of the Declaration of Compliance submitted by the Executive Board and Supervisory Board in accordance with Section 161 German Stock Corporation Act (AktG) is inaccurate are detected. In accordance with Section D.107(3) p. 2 of the German Stock Corporation Act, the Audit Committee regularly assesses the quality of the audit. In accordance with recommendation D.10 on p. 1 of the Code, the Audit Committee also discusses the audit risk assessment, the audit strategy and planning, and the audit findings with the statutory auditor.

#### Information on the auditor

Following the proposal of the Supervisory Board, the Annual General Meeting of FUCHS PETROLUB SE on May 3, 2022, elected PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Mannheim branch, as the auditor of the annual and consolidated financial statements for the financial year 2022 and as the auditor for any audit reviews of interim reports for the financial year 2022 and the first quarter of 2023. The responsible auditor is Mr. Dirk Fischer, performing this engagement for the final time due to the internal rotation rules. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft was first appointed as the auditor of the annual and consolidated financial statements for the financial year 2018.

## G. Shareholders and the Annual General Meeting

### Share classes and movements in these classes

FUCHS PETROLUB SE has issued both ordinary and preference shares. The holders of ordinary shares represented at the Annual General Meeting pass resolutions on all matters assigned to the Annual General Meeting by law, such as the appropriation of earnings, amendments to the Articles of Association, the election of members of the Supervisory Board, approval of the actions of the Executive Board and the Supervisory Board, and the election of the auditor. Each ordinary share grants the holder one vote. 55% of the ordinary shares are held by Schutzgemeinschaft Familie Fuchs. The preference shares only grant voting rights in the cases prescribed by law. However, preference shares grant the holders a preference right on the distribution of unappropriated profits and entitle them to an increased (preference) dividend.

Takeover law disclosures can be found in the corresponding sections of the management report:

→ [126 Takeover law disclosures](#)

### Rights of shareholders at the Annual General Meeting

The holders of ordinary and preference shares exercise their co-determination and control rights at the Annual General Meeting held at least once a year. In compliance with the legal conditions and those of the Articles of Association, all shareholders are entitled to participate in the

Annual General Meeting. Shareholders who do not attend the Annual General Meeting in person can have their voting right exercised by a voting representative (proxy), such as a bank or a shareholders' association. In addition, the company offers them the option of having their voting right exercised by a voting representative appointed by the company.

The reports, documents and information, including the Annual Report, required by the German Stock Corporation Act (AktG) to be submitted for annual general meetings are available online, where the agenda of the Annual General Meeting and any counter-motions or nominations by shareholders to be made public can also be found. In addition, the speech by the Chairman of the Executive Board at the Annual General Meeting can be watched online.

### Related parties

The consolidated financial statements explain relationships with shareholders who qualify as related parties for the purposes of the applicable accounting standards.

→ [192 Relationships with related parties](#)

Publications on transactions with related parties in accordance with Section 111c of the German Stock Corporation Act (AktG) can be found on the website:

→ [www.fuchs.com/group/investor-relations/statutory-publications/related-party-transactions](http://www.fuchs.com/group/investor-relations/statutory-publications/related-party-transactions)