

## **Declaration of Conformity 2020**

### **Pursuant to Art. 161 of the Aktiengesetz (AktG, German Stock Corporation Act), the Management Board and the Supervisory Board of Intershop Communications AG declare the following:**

Since the Declaration of Conformity of December 19, 2019 until March 19, 2020, INTERSHOP Communications AG complied with the recommendations of the Government Commission on the German Corporate Governance Code in the version of February 7, 2017 ("GCGC 2017"), subject to the exceptions listed in Section 1. As of March 20, 2020, until today, the recommendations of the Government Commission on the German Corporate Governance Code in the version of December 16, 2019, ("GCGC 2019") have been complied with, subject to the exceptions listed in Section 2, and will continue to be complied with in future with these exceptions.

#### **1. Deviations from the recommendations of the Government Commission on the German Corporate Governance Code in the version of February 7, 2017**

- a) The existing D&O insurance does not include a deductible for the members of the Supervisory Board (section 3.8 of the GCGC 2017) since the Company has not been offered a policy with comparatively more favorable terms. Furthermore, the Management Board and Supervisory Board hold the view that the members of the Supervisory Board also exercise their obligations responsibly without a deductible.
- b) The Management Board ensures that measures suitable for the risk profile of the company are put into place; however, it does not have a stand-alone compliance system (GCGC 2017 paragraph 4.1.3, sentence 2) as the Management Board and Supervisory Board believe that the measures implemented within the framework of the internal control and risk management system are sufficient based on the size of the company. For this reason, a whistleblower system in accordance with GCGC 2017 paragraph 4.1.3, sentence 3 has also not set up by the company.
- c) In the remuneration reports, remuneration of the Management Board was individualized and shown based on fixed and variable components in accordance with the applicable accounting standards under the German Commercial Code. In the opinion of the Management Board and the Supervisory Board there is no requirement for an additional breakdown of remuneration components and costs or reporting of the overall achievable variable remuneration pursuant to section 4.2.5 of the GCGC 2017, since the statutory individualized data already offers sufficient information about the remuneration structure and amount, and the noting of merely a maximum and minimum amount of variable remuneration in the required form - without the context of the underlying remuneration provisions - is misleading and can thus lead to incorrect conclusions.

d) Since the Supervisory Board has only three members, it did not constitute any committees (GCGC 2017, paragraph 5.3.1). The Supervisory Board had not determined a time limit for Supervisory Board membership, a competency profile, or a required number of independent Supervisory Board members in accordance with GCGC 2017 paragraph 5.4.1. The Supervisory Board believes that a time limit for Supervisory Board membership would not be appropriate since, in general, there is no necessary correlation between term of office, independence of the members of the Supervisory Board, and the occurrence of potential conflicts of interest. Furthermore, due to the small number of Supervisory Board members, the Supervisory Board believes that a precise definition of objectives and a competency profile would limit the selection of suitable Supervisory Board members. The Supervisory Board would like to be able to freely and flexibly decide on proposals for the composition of the Board in each specific situation and, when making nominations, took the length of service of the Board members and their independence into account on a case-by-case basis.

## **2. Deviations from the recommendations of the Government Commission on the German Corporate Governance Code in the version of December 16, 2019**

- a) The Management Board ensures that measures suitable for the risk profile of the company are put into place; however, it does not have a stand-alone compliance system (GCGC 2019: Recommendation A.2, sentence 1) as the company believes that the measures implemented within the framework of the internal control and risk management system are sufficient based on the size of the company. For this reason, a whistleblower system in accordance with Recommendation A.2, sentence 2 of GCGC 2019 will also not be set up by the company.
- b) The Supervisory Board has not defined any specific goals and no competence profile in accordance with Recommendation C.1 of the German Corporate Governance Code 2019. The Supervisory Board believes that a precise definition of objectives and a competency profile would limit the selection of suitable Supervisory Board members. The Supervisory Board wishes to make its decisions with regard to proposals about its composition independently and freely based on the respective situation. In this context, the Supervisory Board will ensure diversity in accordance with the recommendation.
- c) The Supervisory Board has rules of procedure. However, in order to maintain confidentiality, these are not made available on the company's website (GCGC 2019: Recommendation D.1).
- d) Since the Supervisory Board has only three members, it does not form any committees (GCGC 2019: Recommendation D. 2 sentence 1). Therefore, the members and chairperson of the committees are not named in the Corporate Governance Statement (GCGC 2019: Recommendation D.2, sentence 2.)

- e) At this time, the Supervisory Board is reviewing the current remuneration regulations for the Management Board and the Supervisory Board and is comparing them with the regulations under ARUG II and the new recommendations of the GCGC 2019. The new remuneration system will be submitted as a proposed resolution to the ordinary Annual Stockholders' Meeting 2021 and will apply for the first time for fiscal year 2021 as required by law. However, at this time, no statement can be made with regard to future deviations from Recommendations G.1 to G.18 of GCGC 2019 for the compensation system. However, the company will report on this in the Remuneration Report as part of the legal regulations and explain any future deviations.

Jena, December 10, 2020

INTERSHOP Communications AG

For the Management Board

Dr. Jochen Wiechen

Markus Klahn

For the Supervisory Board

Christian Oecking

Chairman of the Supervisory Board