

# Declaration on Corporate Governance (Including the Declaration of Compliance)

**The following reproduces the full version of the Declaration on Corporate Governance as published on KWS' website.**

## **Declaration on corporate governance in accordance with Sections 289f and 315d of the German Commercial Code (HGB)**

KWS SAAT SE & Co. KGaA (also referred to hereinafter as the “company”) has the following governance bodies prescribed by law: the Annual Shareholders’ Meeting, the Supervisory Board, and the personally liable partner KWS SE, represented by its Executive Board.

Responsible corporate governance has always been of great importance at KWS SAAT SE & Co. KGaA. The Supervisory Board of KWS SAAT SE & Co. KGaA and the Executive Board of KWS SE, the personally liable partner of KWS SAAT SE & Co. KGaA, (also referred to hereinafter as the Executive Board), run and accompany KWS with the goal of ensuring it creates sustainable value added. Since it was founded 167 years ago, our company’s successful development has been founded on thinking long term and acting in terms of sustainability.

### **The company complies almost fully with the recommendations of the German Corporate Governance Code**

The Executive Board and the Supervisory Board once again examined in the year under review whether the company complies with the stipulations of the German Corporate Governance Code. As a result, the following Declaration of Compliance was issued to the effect that the company complies almost fully with the code’s recommendations; the declaration can also be found at [www.kws.com/corp/en/company/investor-relations/corporate-governance](http://www.kws.com/corp/en/company/investor-relations/corporate-governance).

### **2022/2023 Declaration of Compliance in Accordance with Section 161 of the German Stock Corporation Act (AktG)**

The Executive Board of KWS SE, the personally liable partner of KWS SAAT SE & Co. KGaA, (hereinafter referred to as the Executive Board), and the Supervisory Board of KWS SAAT SE & Co. KGaA declare in compliance with Section 161 of the German Stock Corporation Act (AktG) that the company has complied with the recommendations of the German Corporate Governance Code in the version dated April 28, 2022, since the last Declaration of Compliance was issued in September 2022 and will comply with them in the future, with the exception of the deviation presented and allowing for the following special aspects specific to its legal form.

#### **Special aspects due to the legal form of a partnership limited by shares (KGaA)**

The company is a partnership limited by shares (KGaA). The German Corporate Governance Code is tailored to companies with the legal form of a stock corporation or a European Stock Corporation (Societas Europaea or SE) and does not take into account the special aspects of the legal form of a partnership limited by shares.

The personally liable partner is responsible for managing the business of a partnership limited by shares; the company’s sole personally liable partner is KWS SE, whose Executive Board is therefore responsible for management of the company’s business.

The rights and obligations of the Supervisory Board at a partnership limited by shares are limited compared to those at a stock corporation or SE; in particular, the Supervisory Board at a partnership limited by shares does not hold personnel responsibility as regards management. The Supervisory Board at a partnership limited by shares is therefore not responsible for appointing or removing personally liable partners and their Executive Board members. It is therefore also not

responsible for defining the contractual terms and conditions for them, such as in particular their compensation. The Supervisory Board at a partnership limited by shares is likewise not responsible for setting an age limit for members of the Executive Board of the personally liable partner or the term they are appointed to serve, succession planning, enacting bylaws for the Executive Board, or defining business transactions requiring its consent. These tasks are discharged by the Supervisory Board of KWS SE. However, if the German Corporate Governance Code contains recommendations on a Supervisory Board's tasks that are discharged by the Supervisory Board of KWS SE due to its legal form, these recommendations of the German Corporate Governance Code (recommendations B.1 to B.5 and G.1 to G.16) shall apply accordingly to the Supervisory Board of KWS SE.

The Annual Shareholders' Meeting of a partnership limited by shares basically has the same rights as the Annual Shareholders' Meeting of a stock corporation or SE. It also adopts resolutions on whether to approve the company's annual financial statements and ratify the acts of the personally liable partner. Certain resolutions adopted by the Annual Shareholders' Meeting of a partnership limited by shares also require the approval of the personally liable partner.

#### **Deviation from recommendations in the German Corporate Governance Code**

Recommendation F.2 of the German Corporate Governance Code states that the consolidated financial statements shall be made publicly accessible within 90 days from the end of the fiscal year and mandatory interim financial information within 45 days from the end of the reporting period. KWS SAAT SE & Co. KGaA has complied with this recommendation except with regard to the Quarterly Report Q1 2022/2023 and intends to comply fully with this recommendation in the future.

Einbeck, September 2023

The Supervisory Board

The Executive Board

## Compensation Report

The Compensation Report outlines the principles and salient features of the compensation systems for the Executive Board of KWS SE, the managing partner of KWS SAAT SE & Co. KGaA, and its Supervisory Board. The Compensation Report pursuant to Section 162 of the German Stock Corporation Act (AktG) for the fiscal year 2022/2023, together with the independent auditor's report, the last resolution on compensation in accordance with Section 113 (3) of the German Stock Corporation Act (AktG) and the applicable compensation system in accordance with Section 87a (1) and (2) Sentence 1 of the German Stock Corporation Act (AktG) can be found on our website at [www.kws.de/ir](http://www.kws.de/ir).

## Relevant corporate governance practices above and beyond requirements prescribed by law

The various regulations enshrined in national and international law and the recommendations drawn up by the Government Commission for the German Corporate Governance Code form the framework for corporate governance at the company, insofar as no deviation from these has been declared. We have also developed our own governance practices above and beyond the requirements prescribed by law. The various areas have been published in a portal on the subject and can be called up by our employees at all times. Worthy of particular note is our compliance culture, which is implemented and developed further at the KWS Group under the responsibility of a separate department, the Group Compliance Office. The KWS Compliance Management System (CMS) is used to control all aspects and areas of compliance work that are the responsibility of the Group Compliance Office.

The CMS is based on seven criteria in accordance with IDW PS 980: culture, objectives, risks, program, organization, communication and monitoring. In order to continuously develop the CMS further, we primarily use findings from compliance risk assessments and auditing projects. If adaptations to the system are required due to growth, expansion of our international business activity into new markets, an increase in the workforce or other factors, the steps that need to be initiated are examined.

KWS' compliance regulations are binding on our employees in all markets worldwide in which we operate. They are geared toward the strictest legal regulations within our field of activity. The KWS Group's "International Anti-Corruption Policy" also prohibits corruption, for example, in countries where the law does not proscribe bribery as an offense or where individual acts of bribery are not punishable. In this policy, we have also clearly defined the constraints that apply to gifts, donations, invitations and other benefits. The fundamental document relating to compliance work is the "Code of Business Ethics" (CoBE), which is binding on all employees of the KWS Group and which we also have published in a short version on our website at [www.kws.com/corp/en/company/investor-relations/corporate-governance](http://www.kws.com/corp/en/company/investor-relations/corporate-governance). In addition to statutory regulations, it specifies ethical standards in everyday business and what the response of the company is to misconduct.

The stipulations relating to compliance with the various aspects of labor and social standards are defined in the Group Standards, Human Resources. Key points include the prohibition of child labor and any form of forced or compulsory labor, and equal opportunity for all persons regardless of their gender and sexual identity. Extensive global rules and regulations on the issues of health

protection, occupational and industrial safety, and environmental protection are defined in the Group Standards Group Governance & Risk Management in the form of HSE Guidelines.

We have also implemented a global risk management system at the KWS Group. The objective of central risk management is to identify high risks at an early stage, mitigate financial, reputational, environmental, legal, strategic or health-related damage, and ensure compliance with key corporate principles and social standards. We consequently understand the term “risks” as denoting events and potential developments, both inside and outside the KWS Group, that have a negative impact on achievement of our corporate objectives or principles. That also includes events that impair our value chain and harm the environment and which we can influence.

We strive to address risks openly. A proactive and open risk culture is part of that. Speaking about risks should be established practice in our daily work. KWS applies an entrepreneurial attitude to risk, i.e. deliberate risks can be taken if that offers opportunities that are consistent with the KWS Group’s strategic planning and corporate objectives. If a risk does not entail any relevant opportunities, or if risks jeopardize achievement of the Group’s key financial targets, they are to be avoided or their impact must be reduced as far as possible, taking cost-benefit considerations into account. To assess our risk-bearing capacity, we compare our equity and liquidity with the aggregate risk situation. As part of that, we also consider anticipated developments for the coming fiscal year. The results are included in the Executive Board’s overall assessment of the risk situation. You can find detailed information on the current risk situation in the KWS Group’s Combined Management Report for 2022/2023 starting on page 76. Plant breeding as a key technology for sustainable agriculture: With its Sustainability Ambition 2030, the plant breeding company KWS is setting ambitious and measurable objectives at the economic, ecological and social levels. Its focus is on issues such as securing food production, minimizing the use of resources in agriculture, increasing crop and varietal diversity, and supporting sustainable nutrition. The company will also improve its own ecological footprint.

As part of its **Sustainability Ambition 2030**, KWS has formulated six core objectives in the areas of “product impact” and “corporate responsibility”:

**Sustainability objectives for 2030 in the category “product impact”:**

- 1) Achievement of an annual increase in agricultural yields of 1.5% through
  - Progress in plant breeding
  - The use of digital solutions on >6 million hectares of arable land
- 2) Minimizing the use of resources in agriculture through
  - Investment of >30% of KWS’ annual research and development budget in reducing the use of resources
  - Suitability of >25% of KWS’ varieties for low-input farming
- 3) Enhancing crop diversity by increasing the number of crops from 24 to 27 by means of targeted breeding programs
- 4) Supporting more sustainable nutrition by increasing the share of KWS’ varieties that can be used directly in human nutrition to >40%

## **Sustainability objectives for 2030 in the category “corporate responsibility”:**

- 1) Improving the company’s own ecological footprint by
  - Reducing Scope 1 and Scope 2 CO<sub>2</sub> emissions by 50% by 2030; achievement of our goal of being net zero by 2050
  - Rolling out scorecards to enable transparent documentation of the ecological footprint of all production sites
- 2) Strengthening our social commitment through
  - Expenditure of at least 1% of annual EBIT (operating income) in social projects worldwide
  - Measuring and continuously improving employee loyalty
  - Continuously reducing the number of occupational accidents and the illness rate

As part of the Non-Financial Declaration in the Annual Report – supplemented by a separate Sustainability Report – KWS reports on its progress in achieving these objectives. You can find more information on KWS’ sustainability objectives for 2030 and its sustainability approach at [www.kws.com/corp/en/company/corporate-responsibility/sustainability-approach/our-ambition-2030/](https://www.kws.com/corp/en/company/corporate-responsibility/sustainability-approach/our-ambition-2030/).

### **Description of the working practices of the Executive Board and the Supervisory Board, the latter’s profile of skills and expertise, and the composition and working practices of their committees**

KWS SAAT SE & Co. KGaA has a system of dual management in which the responsibilities are strictly assigned as follows: The Executive Board of the personally liable partner is responsible for management of the company’s business. The Supervisory Board of KWS SAAT SE & Co. KGaA supervises how the company is run and managed by the personally liable partner.

At the end of the fiscal year 2022/2023 and following the departure of its Spokesperson Hagen Duenbostel in December 2022, the Executive Board comprised four members. Felix Büchting has held the position of Spokesperson of the Executive Board since December 2022. The Supervisory Board of KWS SAAT SE & Co. KGaA consists of four representatives of the limited partners and two employee representatives.

The Executive Board and the Supervisory Board worked together constructively in a spirit of mutual trust. Both bodies were committed to the common goal of generating sustainable and long-term growth on the basis of the established corporate philosophy. There was constant close contact between the Chairperson of the Supervisory Board and the Spokesperson of the Executive Board and individual members of the Executive Board. There were also monthly meetings between the Chairperson of the Supervisory Board and the Executive Board as a whole. Among other subjects, the current business performance, questions of strategy, the risk situation, risk management, compliance at the company, and occurrences of special importance were discussed intensively at these meetings.

#### ***Working practices of the Executive Board***

The personally liable partner KWS SE, represented by the Executive Board of KWS SE, was jointly responsible for conducting the business of KWS SAAT SE & Co. KGaA in accordance with the law, the company’s Articles of Association and the bylaws, with the goal of increasing the

company's value lastingly and achieving the defined corporate objectives. It did so taking into account the interests of the shareholders, employees and other groups associated with the company (stakeholders). The Executive Board was careful to ensure diversity in selecting professionally qualified candidates to fill management posts and in particular ensure appropriate consideration of women for them. It observed the recommendations of the German Corporate Governance Code and reported on deviations from it.

The task areas of the Executive Board were divided into divisions, which are documented in writing in the distribution-of-business plan. The distribution-of-business plan has been published on our homepage at <https://www.kws.com/corp/en/company/investor-relations/corporate-governance/> in the section "Executive Board." The individual members were directly responsible for the divisions assigned to them; this does not affect the fact that they have joint responsibility for managing the company's business. The Executive Board decided in its entirety on significant matters relating to the company. These have been specified in the bylaws for the Executive Board of KWS SE, which can also be viewed in the above-mentioned section "Executive Board" of our homepage at [www.kws.com/corp/en/company/investor-relations/corporate-governance](http://www.kws.com/corp/en/company/investor-relations/corporate-governance).

The Executive Board of KWS SE developed the company's strategic orientation, coordinated it with the Supervisory Boards of KWS SE and KWS SAAT SE & Co. KGaA, and ensured that it was implemented. The corporate planning covers relevant financial and sustainability-related targets. The Executive Board also coordinated and controlled the company's main activities and decided on how resources were distributed. It defined the guidelines and principles of the corporate policy, was responsible for ensuring compliance with them and with statutory regulations, and ensured adequate risk management and risk controlling at the company. That also includes the risks and opportunities for the company associated with social and environmental factors, as well as the ecological and social impacts of the company's activities.

The Executive Board convened every week (for half a day) or every two weeks (for a whole day). These meetings were used to adopt resolutions by the Executive Board as a whole as well as to reach mutual agreement and provide information on all important events at the individual divisions. Any member of the Executive Board was able to ask for a meeting of the body to be convened. According to the bylaws, necessary resolutions must be adopted unanimously or, after prior discussion, by the majority of the votes.

The Spokesperson of the Executive Board, who is appointed by the Supervisory Board of KWS SE, represented the Executive Board and the company publicly in matters of principle. He was responsible for organizing the Executive Board meetings and for monitoring implementation of the resolutions adopted by the Executive Board. The Executive Board provided the Chairperson of the Supervisory Board with regular, prompt and extensive information on all questions of relevance to the company relating to strategy and planning, business performance, the risk situation, risk management and compliance at the company. As in the previous year, the Executive Board did not form any committees in the year under review. No conflicts of interest were reported to the Supervisory Board by Executive Board members in the past fiscal year. Finally, in the year under review no member of the Executive Board reached the age limit of 65 stipulated for its members by the Supervisory Board of KWS SE in the bylaws for the Executive Board.



## Profile of skills and expertise for the Supervisory Board of KWS SAAT SE & Co. KGaA

The profile of skills and expertise reflects the changes in statutory requirements that were made in 2017 and the latest recommendations of the German Corporate Governance Code in its version dated April 28, 2022, and is as follows:

### 1. General requirements profile

The Supervisory Board of KWS SAAT SE & Co. KGaA is to have a composition that ensures that its members have the qualifications to be able to advise and supervise the management of KWS SAAT SE & Co. KGaA and therefore KWS SE's Executive Board in a professional manner. The Supervisory Board's members overall are to have the knowledge, skills and professional experience required so that it can properly discharge its duties as a Supervisory Board of a listed corporation that operates internationally in the seed industry.

### 2. Description of the targets for the Supervisory Board's composition

- **Number of independent members of the Supervisory Board in accordance with recommendations C.6 to C.12 of the German Corporate Governance Code:**

The Supervisory Board of KWS SAAT SE & Co. KGaA is to have an appropriate number of independent members from the group of shareholder representatives, thereby taking into account the shareholder structure. A Supervisory Board member is considered independent if he or she is independent of the company and its Executive Board, and independent of any controlling shareholder (cf. recommendation C.6 of the German Corporate Governance Code).

In addition, more than half of the shareholder representatives is to be independent of the company and the Executive Board. Supervisory Board members are to be considered independent of the company and its Executive Board if they have no personal or business relationship with the company or its Executive Board that may cause a substantial – and not merely temporary – conflict of interest (cf. recommendation C.7 of the German Corporate Governance Code).

If one or more of the indicators set out in recommendation C.7 of the German Corporate Governance Code are met and the Supervisory Board member concerned is still considered independent, the reasons for that are given in the Declaration on Corporate Governance.

The Chairperson of the Supervisory Board and the Chairperson of the Audit Committee are to be independent of the company and the Executive Board. The Chairperson of the Audit Committee is also to be independent of the controlling shareholder.

No more than two former members of the Executive Board are to be members of the Supervisory Board.

Supervisory Board members shall not be members of governing bodies of, or exercise advisory functions at, competitors.

- **Age limit for members of the Supervisory Board:**

Only candidates who are not 72 or above should be proposed to the Annual Shareholders' Meeting for election to the Supervisory Board.

- **Regular limit to Supervisory Board members' term of office**



The Supervisory Board has not defined a regular limit to the length of time members can serve on it, since such a regular limit in a business with a tradition of family ownership like KWS SAAT SE & Co. KGaA would significantly restrict the rights of the family shareholders, who hold a majority stake in the company.

- **Target for the minimum ratio of women to men on the Supervisory Board:**

The target for the minimum ratio of women to men on the Supervisory Board of KWS SAAT SE & Co. KGaA for the period of time up to June 30, 2027, has been set at 16.6% (corresponding to one member of the six-member board), with the minimum ratio for shareholder representatives being 25% (corresponding to one member from among the four shareholder representatives).

This reflects the Supervisory Board's view that the personal and professional qualifications of members of the Supervisory Board are key aspects in proposing suitable candidates. At the same time, the objective is to achieve diversity by avoiding a situation where the Supervisory Board is composed solely of men or women.

- **International expertise**

At least half of the shareholder representatives are to have many years of international experience at a stock corporation.

### **3. Description of the fields of expertise required on the Supervisory Board**

The Supervisory Board as a whole should have qualifications covering all necessary fields of expertise, particularly those fields suggested by the following factors. Supervisory Board members are to have entrepreneurial or business experience and a general knowledge of the seed industry or related industries. The fields of expertise are to be covered by the Supervisory Board as a whole. At least one member is to have the respective expertise. The members of the Supervisory Board should complement each other with their professional experience and expertise in such a way that the board as a whole has the broadest possible range of experience and different specialist knowledge. The members of the Supervisory Board of KWS SAAT SE & Co. KGaA, as well as the members of the Audit Committee, must – taken as a whole – have intimate knowledge of the sector in which KWS SAAT SE & Co. KGaA operates.

The fields of expertise include in particular:

- Experience in managing and supervising comparable international companies
- Experience in developing corporate strategies
- Knowledge of KWS' business model and fields of business (e.g. key markets and customer groups, products)
- Technological factors influencing the future of the seed industry
- Basic knowledge of research
- Basic knowledge of breeding
- Expertise on sustainability issues of importance to the company
- Know-how in the field of accounting, including sustainability reporting

- Know-how in the field of auditing of financial statements, including auditing of sustainability reporting
- Basic knowledge in the field of controlling
- Basic knowledge in the field of governance, compliance and risk management
- International experience and diverse language skills
- Expertise in communications
- Knowledge in the field of digitization
- Knowledge in the field of new media

The individual members of the Supervisory Board are to have the minimum expertise necessary for them to exercise their office, in particular:

- General knowledge of the seed industry and the KWS Group's markets
- The ability to understand and critically examine the business model
- The ability to examine the annual financial statements with the assistance of the independent auditor
- The ability to assess the appropriateness, cost-effectiveness, expediency and legality of the business decisions to be evaluated and to examine their plausibility.

#### **4. Minimum requirements for personal skills**

In addition, the individual Supervisory Board members should have certain personal skills that enable them to serve on a Supervisory Board. This includes a particularly high degree of integrity, willingness to perform, sound judgment and the ability to discharge the duties of a member of a Supervisory Board at a large international company and safeguard the company's public reputation.

Candidates elected by the Supervisory Board for the position of Chairperson of the Audit Committee should have particular experience in the areas of accounting, auditing of financial statements, compliance and risk management.

#### **5. Description of the time members need to spend on their duties**

Each member of the Supervisory Board must ensure that they have the time required to be able to discharge their duties on the board. In particular, they must take into account that they will have to spend time on the following activities:

- Participation in five regular Supervisory Board meetings in person or via video or telephone conference, including preparation of and follow-up work on these meetings
- Attendance at the Annual Shareholders' Meeting
- In addition, any extraordinary Supervisory Board meetings to deal with special issues
- Depending on whether they are members of one or more Supervisory Board committees, additional time required for work on the relevant committees, in particular attendance at committee meetings, including preparation and follow-up work for them
- Dealing with regular reports

- Examination of the documents relating to the annual and consolidated financial statements

## 6. Qualification matrix

There was the following profile of skills and expertise for the shareholder representatives on the Supervisory Board of KWS SAAT SE & Co. KGaA up to the Annual Shareholders' Meeting in December 2022:

Qualification matrix of the Supervisory Board of KWS SAAT SE & Co. KGaA Shareholder representatives from 12/2017 to 12/2022				
Fields of expertise	Dr. Andreas Büchting	Dr. Marie Th. Schnell	Victor Balli	Cathrina Claas-Mühlhäuser
Ecologically important sustainability issues for KWS	⊗	X	✓	⊗
Socially important sustainability issues for KWS	⊗	⊗	○	X
Accounting principles	X	○	⊗	⊗
Internal control procedures	X	○	⊗	X
Risk management	X	○	⊗	X
Compliance Management System	⊗	○	⊗	X
Auditing of financial statements	X	○	⊗	X
Sustainability reporting	X	○	⊗	X
Expertise in research and breeding	⊗	○	✓	⊗
Development of corporate strategies	⊗	○	⊗	⊗
Knowledge of KWS' business model	⊗	X	○	X
Knowledge of KWS' fields of business	⊗	X	○	X
Supervision of comparable international companies	○	✓	⊗	⊗

⊗ | Expert  
 X | Know-How  
 ○ | Experience  
 ✓ | Intimate Knowledge

After it was updated, the following profile of skills and expertise applies to the shareholder representatives on the Supervisory Board of KWS SAAT SE & Co. KGaA:

Qualification matrix of the Supervisory Board of KWS SAAT SE & Co. KGaA				
Fields of expertise	Philip von dem Bussche	Dr. Marie Th. Schnell	Victor Balli	Prof. Dr. Stefan Hell
Ecologically important sustainability issues for KWS	⊗	X	✓	✓
Socially important sustainability issues for KWS	X	⊗	○	✓
Accounting principles	⊗	○	⊗	○
Internal control procedures	X	○	⊗	○
Risk management	X	○	⊗	○
Compliance Management System	⊗	○	⊗	X
Auditing of financial statements	X	○	⊗	○
Sustainability reporting	X	○	⊗	✓
Expertise in research and breeding	○	○	✓	⊗
Development of corporate strategies	⊗	○	⊗	X
Knowledge of KWS' business model	⊗	X	○	✓
Knowledge of KWS' fields of business	⊗	X	○	✓
Supervision of comparable international companies	X	✓	⊗	✓

⊗ | Expert  
 X | Know-How  
 ○ | Experience  
 ✓ | Intimate Knowledge

The Supervisory Board of KWS SAAT SE & Co. KGaA does not have a **Personnel Committee**, since the Supervisory Board of KWS SAAT SE & Co. KGaA does not hold personnel responsibility as regards management and, accordingly, authority for issues relating to the compensation of the Executive Board lies in the hands of KWS SE's Supervisory Board.

**Diversity concept and information on the defined target figures and periods in accordance with Section 76 (4) and Section 111 (5) of the German Stock Corporation Act (AktG)**

The composition of the Executive Board and the Supervisory Board in the year under review complied with the principles defined in the German Corporate Governance Code. The issue of diversity was also heeded in selecting their members.

**Diversity in the governance bodies**

At June 30, 2023, the Executive Board of KWS SE had four members, one of whom was a woman, and the Supervisory Board of KWS SAAT SE & Co. KGaA had six members, two of whom were women.

Consequently, the ratio of women was 25% on the Executive Board and 33% on the Supervisory Board.

KWS consequently complies with the target figures for the Executive Board (25%) and the Supervisory Board (25%) that were set in 2017 in accordance with Section 111 (5) of the German Stock Corporation Act (AktG) and that had to be achieved by June 30, 2023.

<b>Executive Board and Supervisory Board by gender</b>		
	<b>Ratio on the Executive Board</b>	<b>Ratio on the Supervisory Board</b>
Female	25%	33.3%
Male	75%	66.7%

<b>Executive Board and Supervisory Board members by age group</b>		
	<b>Ratio on the Executive Board</b>	<b>Ratio on the Supervisory Board</b>
Younger than 30	0%	0%
Between 30 and 50 years	25%	16.6%
Aged 50 and above	75%	83.4%

## **Information on the defined target figures and periods in accordance with Section 76 (4) and Section 111 (5) of the German Stock Corporation Act (AktG)**

In accordance with Section 111 (5) of the German Stock Corporation Act (AktG), the Supervisory Board has to define a target for the ratio of women to men on the Supervisory Board and the date by which that target is to be achieved. Accordingly, the Supervisory Board decided at its meeting on June 23, 2022, that the ratio of women to men among the shareholder representatives on the future Supervisory Board of KWS SAAT SE & Co. KGaA should not be less than 25% by June 30, 2027.

The regulations for election of employee representatives on the Supervisory Board do not specify any targets or minimum figure for the ratio of women and men; the target for the ratio of women as shareholder representatives on the Supervisory Board is at least 16.6%. However, there is no statutory obligation to set targets for the ratio of women and men on the Executive Board of KWS SE. The ratio of women on the Executive Board is currently 25%.

The targets for the Supervisory Board and the Executive Board apply until June 30, 2027.

Given the special shareholder structure and the sustainability of the business model, professional and personal qualifications, skills and aptitude are among the most important considerations in selecting suitable candidates for the Supervisory Board and Executive Board. Diversity is also important and is achieved at KWS by paying special attention to the ratio of women and men on both boards.

The targets defined by the Executive Board in accordance with Section 76 (4) of the German Stock Corporation Act (AktG) apply to the ratio of women in the two management tiers below the Executive Board. These targets are 25% in management tier 1 and 30% in management tier 2. These targets apply to the KWS Group and KWS SAAT SE & Co. KGaA for the period from July 1, 2022, to June 30, 2027, and are to be achieved by June 30, 2027.

At June 30, 2023, the ratio of female employees in management tier 1 was 23.5% (KWS Group: 19%). The ratio in management tier 2 was 28.8% (KWS Group: 27.4%).

In the year under review, changes in responsibilities in certain positions, as well as the fact that some posts had to be refilled, had a negative impact on the ratio of women in management tiers 1 and 2.

However, a global diversity concept was drawn up in the year under review. It takes a long-term organizational approach, with the aim of further promoting diversity in the workforce and in the management teams, as well as equal opportunity as part of an inclusive workplace culture.

The resultant Diversity & Inclusion program envisages measures over a period of five fiscal years that impact all diversity dimensions, in particular age, gender and nationality. Its implementation will commence in fiscal 2023/2024.

### *Working practices and composition of the Supervisory Board of KWS SAAT SE & Co. KGaA*

In accordance with Section 8 of the company's Articles of Association, the Supervisory Board of KWS SAAT SE & Co. KGaA consists of six members, with four members being elected by the

Annual Shareholders' Meeting and two members being elected by KWS employees from its workforce in the European Union. Their term of office is approximately five years, unless otherwise specified when they were elected. In accordance with the board's bylaws, members must not be 72 or above at the time they are elected by the Annual Shareholders' Meeting.

**The Supervisory Board of KWS SAAT SE & Co. KGaA** still consisted of six members in the period under review. Dr. Andreas Büchting stepped down as Chairperson of the Supervisory Board in December 2022 and has since held the title of "Honorary Chairperson of the Supervisory Board." Cathrina Claas-Mühlhäuser likewise departed from the Supervisory Board in December 2022. Dr. Andreas Büchting was succeeded as Chairperson of the Supervisory Board by Philipp Freiherr von dem Bussche, who was elected to the Supervisory Board at the Annual Shareholders' Meeting on December 6, 2022. Professor Stefan W. Hell was also elected to the Supervisory Board at that time.

Jürgen Bolduan stepped down as an employee representative on the Supervisory Board. Christine Coenen (Chairperson of European Employees' Committee) was reelected; she has been a member of the Supervisory Board since December 2017. Eric Gombert, an employee of KWS France and likewise a member of the European Employees' Committee, was elected to the board for the first time. The election for the employee representatives was held by KWS' European Employees' Committee (EEC) on July 26, 2022.

Dr. Arend Oetker still bore the title of "Honorary Member of the Supervisory Board."

The Honorary Member and Honorary Chairperson of the Supervisory Board are not members of the Supervisory Board or of equal rank to them. In particular, they do not have the rights vested in a member of the Supervisory Board.

You can find an overview of the members of the Supervisory Board of KWS SAAT SE & Co. KGaA on our homepage at [www.kws.com/corp/en/company/investor-relations/corporate-governance](http://www.kws.com/corp/en/company/investor-relations/corporate-governance).

The rights and obligations of the Supervisory Board at a partnership limited by shares are limited compared to those at a stock corporation or SE; in particular, the Supervisory Board at a partnership limited by shares does not hold personnel responsibility as regards management. The Supervisory Board at a partnership limited by shares is not responsible for appointing or removing personally liable partners and their Executive Board members. It is therefore also not responsible for defining the contractual terms and conditions for them, such as in particular their compensation. The Supervisory Board at a partnership limited by shares is likewise not responsible for setting an age limit for members of the Executive Board of the personally liable partner or the term they are appointed to serve, succession planning, enacting bylaws for the Executive Board, or defining business transactions requiring its consent. These tasks are discharged by the Supervisory Board of KWS SE. However, if the German Corporate Governance Code contains recommendations on a Supervisory Board's tasks that are discharged by the Supervisory Board of KWS SE due to its legal form, these recommendations of the German Corporate Governance Code shall apply accordingly to the Supervisory Board of KWS SE.

The Supervisory Board of KWS SAAT SE & Co. KGaA is responsible for overseeing how the business of KWS SAAT SE & Co. KGaA is run and managed by its personally liable partner, KWS SE. It supervises entrepreneurial decisions with regard to whether they are proper,

expedient and cost-effective. The oversight and advisory duties of the Supervisory Board also include in particular sustainability issues. The Supervisory Board also examines the annual financial statements of KWS SAAT SE & Co. KGaA and the consolidated financial statements, taking into account the audit reports by the independent auditor and the Non-Financial Declaration. In addition, the Supervisory Board draws up proposed resolutions for all items on the agenda on which the Annual Shareholders' Meeting is to adopt resolutions; these usually relate to the proposal on the appropriation of the net retained profit and the appointment of the independent auditor, for example.

The composition of the current Supervisory Board was based on the profile of skills and expertise adopted in 2017 and complies with the recommendations of the German Corporate Governance Code in its version dated April 28, 2022. In this regard, the Supervisory Board also addressed the question of an appropriate number of independent members representing the shareholders on the Supervisory Board. Under recommendation C.6 of the German Corporate Governance Code, a Supervisory Board member is considered independent if he or she is independent of the company and its Executive Board, and independent of any controlling shareholder. The Supervisory Board considers that at least two shareholder representatives on the Supervisory Board should be independent within the meaning of the recommendation.

That target has been met. In the period under review, before the new elections for the Supervisory Board in December 2022, the Supervisory Board had two shareholder representatives – Victor W. Balli and Cathrina Claas-Mühlhäuser – who were independent of the company and the Executive Board and also independent of any controlling shareholder. Following the Annual Shareholders' Meeting in December 2022, the Supervisory Board has had three shareholder representatives – Victor W. Balli, Professor Stefan W. Hell and Philip Freiherr von dem Bussche – who are independent of the company and the Executive Board and also independent of any controlling shareholder.

Moreover, all the other shareholder representatives – i.e. all the shareholder representatives and, therefore, also the Chairperson of the Supervisory Board, the Chairperson of the Audit Committee and the Chairperson of the committee that deals with Executive Board compensation – are independent of the company and the Executive Board.

In assessing the independence of the former Chairperson of the Supervisory Board, Dr. Drs. h.c. Andreas J. Büchting, from the company and the Executive Board, the shareholder representatives also took into consideration that Dr. Andreas J. Büchting meets two of the criteria stated in recommendation C.7 of the German Corporate Governance Code: First, he has been a member of the company's Supervisory Board since December 2007, i.e. for more than 14 years, and, second, his son Dr. Felix Büchting has been a member of the Executive Board since January 2019.

According to Commission Recommendation 2005/162/EC, a Supervisory Board member can be considered independent owing to the specific circumstances of his or her person, even though he or she does not meet the criteria for independence.

Dr. Andreas J. Büchting was considered by the Supervisory Board as independent of the company and the Executive Board, since in his case the length of time he has served on the Supervisory Board and the fact that he is related to one of the four Executive Board members cannot on their own cause a “substantial – and not merely temporary – conflict of interest” on the



part of Dr. Andreas J. Büchting in the assessment of the shareholder representatives. In all the time he had worked for the company and been a member of the Supervisory Board, Dr. Andreas J. Büchting contributed important know-how, in-depth knowledge of the industry, vision and his great knowledge of the company. He also had a very strong sense of integrity and responsibility, as well as the necessary experience, to maintain a professional distance from the company and the Executive Board, which is necessary for a member to discharge his or her office independently. Moreover, Dr. Andreas J. Büchting not only served on the company's Supervisory Board, but also on that of its personally liable partner KWS SE, as a result of which he was particularly able to fulfill his supervisory duties.

All the other targets for the Supervisory Board's composition have likewise been met or exceeded. That goes for the age limit, the target for the ratio of women and men, and international expertise. The ratio of women is currently 33% on the Supervisory Board and 25% among its shareholder representatives, i.e. the targets of 16.6% for the Supervisory Board as a whole and 25% for the shareholder representatives have been met.

The fields of expertise required in the profile of skills and expertise dating from 2017 are also fully covered by the members of the Supervisory Board. That not only relates to commercial and business experience and general knowledge of the seed industry or related sectors, but also the requirements for personal skills, such as a high degree of integrity, willingness to perform, sound judgment, and the ability to discharge the duties of a member of a Supervisory Board at a large international company and safeguard the company's public reputation.

All members of our Supervisory Board also made sure that they had sufficient time to discharge their duties as members and that the necessary education and further training measures were carried out. The company supported them in that to the best of its abilities.

Every member of the Supervisory Board must disclose conflicts of interest to the Supervisory Board immediately. Conflicts of interest that have arisen are reported to the Annual Shareholders' Meeting.

### **Supervisory Board committees**

In the year under review, **the Supervisory Board of KWS SAAT SE & Co. KGaA** had two committees, which – where permissible under the law – discharge the tasks entrusted to them in the name of and on behalf of the Supervisory Board as a whole. They were the Audit Committee and the Nominating Committee. The Audit Committee under its Chairperson Victor Balli also comprised Dr. Andreas J. Büchting and Jürgen Bolduan, who were succeeded by Philip Freiherr von dem Bussche and Christine Coenen in December 2022. The Nominating Committee under its Chairperson Dr. Marie Th. Schnell initially comprised Dr. Drs. h.c. Andreas J. Büchting and Cathrina Claas-Mühlhäuser, who were succeeded by Philip Freiherr von dem Bussche and Victor W. Balli in December 2022. The Chairperson of each committee reported to the Supervisory Board on its discussions and resolutions.

The **Audit Committee** convened four times in the year under review. The Chief Financial Officer and the Spokesperson of the Executive Board took part in the meetings and telephone conferences. Victor W. Balli, the Chairperson of the Audit Committee, fulfilled the applicable statutory requirements regarding independence. He also has specialist know-how and experience

in applying accounting principles and internal control procedures and has intimate knowledge of auditing financial statements, i.e. he qualifies as a financial expert.

The Audit Committee monitored the company's accounting and accounting process, as well as risk and compliance management. Its tasks also included submitting a recommendation on appointment of the independent auditor to the Annual Shareholders' Meeting, defining the focal areas of the independent auditor's audit, examining the independent auditor's independence and qualifications, agreeing on its fee and awarding the audit assignment.

The audit assignment was awarded to Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, pursuant to the resolution adopted by the 2022 Annual Shareholders' Meeting. Before the proposal on appointing the auditor was submitted to the Annual Shareholders' Meeting, a statement of independence from the auditor was obtained. It was agreed with the independent auditor that the Chairperson of the Supervisory Board or the Audit Committee be informed immediately of possible reasons for excluding the auditor or for establishing a lack of impartiality that arise during the audit, unless these were remedied immediately. Moreover, the independent auditor reports immediately to the Supervisory Board on all findings and occurrences that are of importance to the Supervisory Board and Audit Committee in discharging their duties and that arise in the course of its audit of the financial statements.

A further task of the Audit Committee was to discuss the adequacy and proper functioning of the internal control system for financial reporting with the Executive Board. As part of preparation of the annual and consolidated financial statements, the Audit Committee was responsible for conducting a preliminary examination of the documents relating to the single-entity and consolidated financial statements and the Combined Management Report. The Audit Committee prepared the decisions of the Supervisory Board as a whole on approval of the annual financial statements of KWS SAAT SE & Co KGaA and the consolidated financial statements of the KWS Group on the basis of the report by the independent auditor and drew up a proposal on the resolution to be adopted by the Supervisory Board regarding its proposal on the appropriation of the profits to the Annual Shareholders' Meeting. The Audit Committee also discussed the quarterly reports, the semiannual financial report and the accompanying press releases in direct dialogue with the Chief Financial Officer and the Spokesperson of the Executive Board.

The Supervisory Board of KWS SAAT SE & Co. KGaA formed a **Nominating Committee** in accordance with Section 6 of its bylaws. The Nominating Committee deals with succession planning for the Supervisory Board, proposes suitable candidates to the Supervisory Board for its nominations to the Annual Shareholders' Meeting and obtains all the information required to assess the candidates' suitability. In addition to the proposed candidates having the necessary knowledge, skills and professional experience, the targets specified by the Supervisory Board for its composition and the aspects of independence and diversity are also to be taken into account. In accordance with recommendation C.1 of the German Corporate Governance Code, the nominations to the Annual Shareholders' Meeting are to take into account the targets for the Supervisory Board's composition and also ensure that the profile of skills and expertise for the Supervisory Board is satisfied.

Four in-person meetings and one hybrid meeting of the Supervisory Board of KWS SAAT SE & Co. KGaA were convened in fiscal 2022/2023. The meetings were always attended by all its members.

Information on the focal topics at the individual meetings can be found starting on page 6 of the 2022/2023 Annual Report. Every member of the Supervisory Board must disclose conflicts of interest to the Supervisory Board immediately. Conflicts of interest that have arisen are reported to the Annual Shareholders' Meeting. Conflicts of interest on the part of individual members were not reported to the Chairperson of the Supervisory Board or, had any involved the Chairperson, to the Deputy Chairperson of the Supervisory Board in the past fiscal year. More details of the work of the Supervisory Board and its committees are presented in the Report of the Supervisory Board starting on page 6 of the KWS Group's 2022/2023 Annual Report.

### **Self-assessment**

The Supervisory Board of KWS SAAT SE & Co. KGaA last conducted an extensive self-assessment in fiscal 2021/2022 with the assistance of Deloitte GmbH Wirtschaftsprüfungsgesellschaft.

#### *Working practices and composition of the Supervisory Board of KWS SE*

In principle, all decisions on business operations are made by the general partner at a partnership limited by shares. However, the Supervisory Board of a partnership limited by shares, which at KWS has two employee representatives in addition to the shareholder representatives, must be informed about the main decisions relating to business operations. The duties of the personally liable partner to report to the Supervisory Board of KWS SAAT SE & Co. KGaA, which are discharged by the Executive Board of KWS SE, are defined by the German Stock Corporation Act (AktG) and largely correspond to those under the Council Regulation on the Statute for a European Company for reporting by the Executive Board of KWS SE to its Supervisory Board. So as to ensure that the employee representatives are provided with extensive information, the Supervisory Boards of KWS SAAT SE & Co. KGaA and KWS SE hold joint meetings as far as legally permitted. The advantage of that is that the employee representatives can discuss upcoming decisions in advance with the shareholder representatives and be integrated in the process early on.

The Supervisory Board's bylaws can be viewed in the section "Supervisory Board" of our homepage at [www.kws.com/corp/en/company/investor-relations/corporate-governance](http://www.kws.com/corp/en/company/investor-relations/corporate-governance).

**The Supervisory Board of KWS SE has two committees:** a Committee for Executive Board Affairs, which was chaired by Dr. Drs. h.c. Andreas J. Büchting until December 2022 and has been chaired by Philipp Freiherr von dem Bussche since December 2022, and a Nominating Committee chaired by Dr. Marie Th. Schnell.

The **Committee for Executive Board Affairs** (or Personnel Committee) comprised its Chairperson Dr. Drs. h.c. Andreas J. Büchting, Dr. Marie Th. Schnell and Victor W. Balli up to December 2022. Dr. Drs. h.c. Andreas J. Büchting was succeeded by Philipp Freiherr von dem Bussche in December 2022. The Committee for Executive Board Affairs prepared the decisions of the Supervisory Board as a whole relating to the conclusion, extension, modification and termination of contracts of employment between the company and the members of the Executive Board. The committee also ensures long-term succession planning. The basis for that is extensive talks with the members of the Executive Board and various managers. Potential successors are also invited to the meetings of the two Supervisory Boards so that members of the Supervisory Board can gain an impression of the candidates as part of their presentations.

The **Nominating Committee** of KWS SE comprised its Chairperson Dr. Marie Th. Schnell, Dr. Drs. h.c. Andreas J. Büchting and Cathrina Claas-Mühlhäuser up to December 2022. Since December 2022, the Nominating Committee has comprised Dr. Marie Th. Schnell, Victor W. Balli and Philip Freiherr von dem Bussche. Subject to ratification by a vote taken at the Annual Shareholders' Meetings of both companies, it is envisaged that the members of the Supervisory Board of KWS SE will also act at the same time as shareholder representatives on the Supervisory Board of KWS SAAT SE & Co. KGaA in the future. The Nominating Committees of both boards have therefore jointly drawn up the profile of skills and expertise presented above and the list of nominated candidates.