

Report of the Supervisory Board of Uzin Utz SE for the financial year 2023

General

Uzin Utz's sales moved sideways in the 2023 financial year, while earnings declined slightly. In the past financial year, sales stagnated at the previous year's level of 479.3 million euros, in which the highest sales in the company's history of 487.1 million euros were achieved. This represents a percentage decrease of 1.6% compared to the previous year, which is primarily due to the challenging market environment and the associated decline in sales in the core markets. Earnings before interest and taxes (EBIT) fell from 36.3 million euros in the previous year to 34.5 million euros in the 2023 financial year. This corresponds to a decrease of 5.1% and is mainly due to exchange rate effects, higher depreciation and amortization and the increase in personnel expenses. Due to the continuing strain on national economies as a result of high interest rates and geopolitical uncertainties, Uzin Utz's economic development in the 2024 financial year is again characterized by challenges. On the other hand, the market environment also offers opportunities that we want to realize with our strengths. This results in slight growth potential for the 2024 financial year.

There were no personnel changes on the Management Board in the course of the 2023 financial year. We bid farewell to Mr. Dreisörner from the Supervisory Board after his long and successful work for Uzin Utz SE. He was succeeded by Ms. Aurenz Maldonado.

The Supervisory Board committees performed their regular duties in 2023. The Personnel Committee with its members Prof. Dr. Kögel (Chairman), Dr. Utz and Mr. Dreisörner (or Mr. Wiegmann from 16 May 2023) held two virtual meetings in the reporting period. All members of the committee were present in each case. The Audit Committee with Mr. Bauder (Chairman), Prof. Dr. Kögel and Mr. Wiegmann held two meetings in person in the 2023 financial year. All members of the committee were present in each case.

In accordance with the provisions of AktG, the Supervisory Board monitored the Executive Board and assisted it in an advisory capacity in the management of the Company. The Supervisory Board was informed by the Management Board regularly, promptly and comprehensively, both verbally and in writing, about the business situation and policy, fundamental issues of financial, investment and personnel policy, as well as the profitability and risk situation of Uzin Utz SE and the Group.

The monitoring and advisory activities of the Supervisory Board were carried out on the basis of these detailed, verbal and written reports of the Executive Board on the business situation of Uzin Utz SE and the Group. In addition, the Supervisory Board was provided with monthly status reports, which provide information both per month and cumulatively on the sales and earnings situation with plan/actual deviation and current forecast. The reports document the most important key figures for the individual companies. More detailed information was made available as required or on current key topics.

The Supervisory Board discussed all business transactions requiring its approval in detail with the Executive Board before adopting resolutions. The Supervisory Board was also informed by the Executive Board between meetings about projects of particular importance or urgency. In addition, the Supervisory Board was in regular contact with the Executive Board via its Chairman. It continuously obtained information from the Executive Board on current developments, the business situation and important individual transactions. The Chairman of the Supervisory Board was informed immediately by the Executive Board of any extraordinary events of major significance for the situation and development of the Company and the Group.

The Supervisory Board performed the duties incumbent upon it under the law and the Company's Articles of Association with great care. On the basis of the reports and information provided by the Management Board, the Supervisory Board satisfied itself of the proper conduct of business. By questioning the Management Board and the auditor, the Supervisory Board satisfied itself that the requirements for the risk management system at Uzin Utz SE and in the Group were met. The further development of the internal control system was also once again a focus topic for the Supervisory Board in the past financial year.

Organs of Uzin Utz SE

Supervisory Board

Dr. H. Werner Utz

Chairman

Timm Wiegmann

Deputy chairman

Prof. Dr. Rainer Kögel

Paul-Hermann Bauder

Amelie Klußmann

Michaela Aurenz Maldonado

Board of Directors

Christian Richter

Julian Utz

Philipp Utz

Main focus of the Supervisory Board meetings

Four ordinary Supervisory Board meetings were held in 2023, three of which were held in person and one in hybrid form (one member was connected via video conference). All members of the Supervisory Board attended each of the meetings. In addition to the Supervisory Board meetings, two resolutions were passed by way of circulation. The subject of the ordinary meetings of the Supervisory Board was the discussion of the current business development of the Uzin Utz Group and the planning by the Management Board focussing on the development of sales, costs and earnings as well as the financial situation. The Personnel and Audit Committees reported on their respective activities at the ordinary meetings. Decisions were made by the entire committee in each case. The Supervisory Board also used the ordinary meetings for internal coordination without the Executive Board.

The Executive Board answered the detailed questions of the Supervisory Board members, which arose from the regularly submitted written reports and presentations as well as the verbal statements made during the meetings, in detail. The Supervisory Board's deliberations and reviews at the Supervisory Board meetings focussed primarily on the following matters:

The Supervisory Board meeting on 27 March 2023 focused on the audit of the annual financial statements, the consolidated financial statements, the management reports of Uzin Utz SE and the Group, including the separate non-financial statement in accordance with Section 315c of the German Commercial Code (HGB) for the 2022 financial year. In addition to its own audit activities as part of the preparations for the Supervisory Board meeting on the financial statements, the Supervisory Board discussed in detail the report of the Chairman of the Audit Committee on the preparatory activities of the Audit Committee. The auditors also took part in the discussion of these points. The Supervisory Board adopted the annual financial statements of Uzin Utz SE, approved the consolidated financial statements and agreed to the proposal for the appropriation of profits. At this meeting, the Supervisory Board also adopted the report of the Supervisory Board and the declaration of compliance with the German Corporate Governance Code. The agenda for the Annual General Meeting on 16 May 2023 was also discussed and approved. Finally, the Supervisory Board dealt in detail with the business situation as well as the market and competitive situation. In particular, options for implementing greater transparency on causation in the Group's standard reporting on various topics were discussed. Other topics included the Uzin Utz Group's 2023 risk management report, the age structure and succession planning within the Group, the results of the 2022 efficiency audit, the succession of Mr Dreisörner on the Supervisory Board, the development of Uzin Utz North America Inc., the 100-day programme of the newly established Management Board since the beginning of the year, the future orientation of the finance function within the Group and the determination of gender quotas for the Supervisory Board and Management Board. Finally, the rules of procedure for the Supervisory Board and the Management Board, which had been adapted to reflect the conversion from an AG to an SE, were also adopted.

At the meeting on 16 May 2023, the Supervisory Board took stock of the previous Annual General Meeting. The current business situation was also discussed. In addition, the short-term outlook for business development up to the first half of 2023, the factors influencing the EBIT development of Uzin Utz SE, the 100-day programme of the Management Board, the project to switch to SAP S4 "Hana" and the Supply Chain Due Diligence Act were discussed in particular. Ms Michaela Aurenz Maldonado took part in a Supervisory Board meeting for the first time as Mr Dreisörner's successor. All positions within the Supervisory Board were also redefined at this meeting; Mr Wiegmann is the new Deputy Chairman of the Board and supports the Personnel Committee as a new member.

At the meeting on 4 September 2023, the Supervisory Board once again dealt in detail with the business situation, including the outlook until the end of the year, as well as the market and competitive situation. Other topics included the status of the construction of the second plant in the USA, the progress of succession planning for key positions in the Group, the completion of the measures from the Executive Board's 100-day programme, the results of the 2023 managers' meeting and a flood at the plant in Slovenia.

The business situation was discussed at the meeting on 13 December 2023. In addition, the planning for the Group as a whole and some subsidiaries as well as the planning assumptions for the 2024 financial year were reported on. The Supervisory Board unanimously approved the proposed planning for the 2024 financial year. At the meeting, the Management Board presented a comprehensive, medium-term 5-year plan for the Uzin Utz Group. The liquidity development and financing of the Group were discussed. Other topics included the Audit Committee's report on preparations for the audit of the annual financial statements, a concept to support reconstruction efforts in Ukraine, the revision of the European logistics concept, the Group's innovation pipeline and an update on succession planning for key positions within the Group.

The Supervisory Board passed two circular resolutions, one in writing and one by telephone, concerning the waiver of the assertion of a claim and the conclusion of contracts with the Managing Director of Uzin Utz North America Inc..

In the 2023 financial year, the Supervisory Board took part in comprehensive training in the form of a full-day classroom seminar on current developments in sustainability reporting, in particular the Corporate Sustainability Reporting Directive and the EU Taxonomy Regulation of the EU Commission.

Annual and consolidated financial statements 2023

Rödl & Partner GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, audited the annual financial statements of Uzin Utz SE and the consolidated financial statements as of December 31, 2023, as well as the management reports for the SE and the Group, including the accounting, and issued an unrestricted audit opinion in each case.

The audit also showed that the Board of Management has taken the measures required under Section 91 para. 2 AktG in an appropriate manner and that the monitoring system is suitable in all material respects for the early identification, with reasonable assurance, of developments that could jeopardize the continued existence of the Company. During the performance of the audit, the auditors and the Company also exchanged information on improvements and further developments resulting from the findings of the audit relating to the requirement under Section 91 para. 3 AktG for an appropriate and effective internal control system and risk management system in view of the scope of the Company's business activities and risk situation.

Each member of the Supervisory Board received a copy of the audit report from the auditor, including the audit opinion on the remuneration report. The financial statement documents, including the audit reports prepared by the auditor, were sent to all Supervisory Board members in good time to ensure a careful and thorough examination by the Supervisory Board. The Audit Committee meeting concerning the annual and consolidated financial statements was held on March 22, 2024. It was attended by the members of the Audit Committee, the Executive Board member responsible for finance, and the Company's auditor. At the meeting of the Audit Committee, the annual financial statements of Uzin Utz SE and the consolidated financial statements as of December 31, 2023, the management reports for the SE and the Group, and the audit reports were discussed in detail with the auditor. At this meeting, the auditor reported on the course of his audit and its main findings. The Supervisory Board held its meeting to approve the Company's financial statements on March 27, 2024. The Chairman of the Audit Committee reported here in detail on the Audit Committee's proposed resolution and its background. All members of the Supervisory Board, the Management Board and the auditors attended.

The Supervisory Board examined the annual financial statements and the consolidated financial statements, the management reports for Uzin Utz SE and the Group, as well as the proposal of the Executive Board for the appropriation of distributable profit. The subject of the Supervisory Board's review was also the separate non-financial statement of the Uzin Utz Group for the financial year 2023, prepared in accordance with Sections 289b, 315b, 315c of the HGB. The Supervisory Board raised no objections following the final results of its review and concurred with the results of the auditor's review of the annual financial statements and the consolidated financial statements. The Supervisory Board approved the annual financial statements of Uzin Utz SE and the consolidated financial statements for the 2023 financial year prepared by the Management Board; the annual financial statements are thus adopted. The approval of the Supervisory Board for the management reports of the SE and the Group, in particular for the statements on the further development of the company and the disclosures pursuant to Sections 289 para. 4, 289a and 315 para. 2, 315a of HGB, has been given. The Supervisory Board also approved the declaration on corporate governance.

Following its own review, the Supervisory Board concurred with the appropriation of distributable profit submitted by the Executive Board.

The remuneration report pursuant to Art. 162 para. 1 sentence 1 AktG was prepared in cooperation between the Executive Board and the Supervisory Board. The report, which provides information on the remuneration granted and owed in the past financial year, was subject to a formal audit by Rödl & Partner pursuant to Section 162 para. 3 AktG. The audit revealed that the compensation report contains the information required by Section 162 para. 1 and para. 2 AktG in all material respects.

Declaration of Compliance

At its meeting on March 27, 2024, the Supervisory Board dealt with the further development of corporate governance on the basis of the German Corporate Governance Code. The Declaration of Conformity was issued by the Supervisory Board at the same meeting and will be made permanently available to shareholders on the website <https://de.uzin-utz.com/investoren/corporate-governance>.

We would like to express our sincere appreciation and deep gratitude to all employees for their outstanding commitment and personal dedication during the past reporting year. Given the challenges of a demanding market environment, the success achieved was only possible through a joint effort. We look forward with confidence to the coming financial year, in which we look forward to continuing our close and trusting cooperation.

Ulm, March 27, 2024

Dr. H. Werner Utz

Chairman of the Supervisory Board