

CHAPTER 5

ADDITIONAL INFORMATION

276

**RESPONSIBILITY
STATEMENT**

277

**INDEPENDENT
AUDITOR'S REPORT**

289

**INDEPENDENT AUDITOR'S
REPORT ON THE AUDIT
OF THE CONTENT OF THE
REMUNERATION REPORT
PREPARED TO COMPLY
WITH SEC. 162 AKTG**

291

**INDEPENDENT
AUDITOR'S LIMITED
ASSURANCE REPORT**

295

GENERAL INFORMATION

295

**FORWARD-LOOKING
STATEMENTS**

296

TEN-YEAR OVERVIEW

297

CONTACTS

297

LEGAL NOTICE

298

FINANCIAL CALENDAR 2022

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the management report, which is combined with the management report of HUGO BOSS AG, includes a fair review of the development and performance of the business and the position of the HUGO BOSS Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Metzingen, February 24, 2022

HUGO BOSS AG
The Managing Board

Daniel Grieder
Yves Müller
Dr. Heiko Schäfer
Oliver Timm
Ingo Wilts

INDEPENDENT AUDITOR'S REPORT

To HUGO BOSS AG

Report on the audit of the consolidated financial statements and of the group management report

Opinions

We have audited the consolidated financial statements of HUGO BOSS AG, Metzingen, and its subsidiaries (the Group), which comprise the consolidated income statement, and the consolidated statement of comprehensive income for the fiscal year from 1 January to 31 December 2021, the consolidated statement of financial position as at 31 December 2021, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year from 1 January to 31 December 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of HUGO BOSS AG, which has been combined with the management report of the Company, for the fiscal year from 1 January to 31 December 2021. In accordance with the German legal requirements, we have not audited the content of the non-financial statement pursuant to Sec. 315d HGB ["Handelsgesetzbuch": German Commercial Code], included in the "combined non-financial statement" section of the group management report and the group's corporate governance statement pursuant to Sec. 315d HGB published on the Company's website and referenced in the management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2021 and of its financial performance for the fiscal year from 1 January 2021 to 31 December 2021, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the group management report does not cover the content of the combined non-financial statement or the content of the statement on corporate governance referred to above.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the fiscal year from 1 January 2021 to 31 December 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

1) Impairment of the non-current assets assigned to the Group's directly-operated stores (DOS)

Reasons why the matter was determined to be a key audit matter:

A significant portion of the business activities of the HUGO BOSS Group is conducted via the Group's directly-operated stores (DOS). The assets allocated to the DOS make up the bulk of the non-current assets of the HUGO BOSS Group. For the purpose of impairment testing, the respective DOS are defined as independent cash-generating units (CGUs).

The varying development of regional and local sales markets necessitates extensive estimates and assumptions with regard to the valuation model applied, the calculation of indicators for impairment testing (particularly the development of sales and profitability indicators) and also regarding the fair value determined, the calculation of the discount rate as well as the calculation of expected future cash inflows, particularly with regard to the effects of the sustained COVID-19 pandemic. This applies in particular to the specific growth rates used to roll forward the budget of the Company. The impairment testing of the non-current assets assigned to the DOS was a key audit matter due to the judgment exercised.

Auditor's response:

We discussed the methods used to determine any impairment losses or any need to reverse previous impairment losses with the executive directors of the Company and assessed them. With the support of internal valuation experts, we verified the discounted cash flow valuation model, particularly its mathematical accuracy, the composition of the carrying amounts of the assets assigned as well as the discount rates used. We analyzed the derivation of the discount rate and its individual components with the involvement of our internal valuation specialists, in particular by analyzing the peer group, comparing market data with external evidence and verifying the mathematical accuracy of the calculation.

We reviewed the value-in-use for each individual DOS by making an analytical comparison with the prior year, taking into account the underlying revenue and EBIT planning at the level of the individual DOS. In addition, we assessed the composition of the carrying amounts and the amortized costs of the assets allocated to the DOS using a samples-based method and reconciled the planning assumptions used in the detailed planning for each of the respective DOS with the planning assumptions approved by the Managing Board and ratified by the Supervisory Board. In this regard, we also assessed the residual economic lives of the DOS used to roll forward the planning statements and assessed the development of fixed costs by comparing internal and external data and reviewed the clerical accuracy of the calculations used for impairment testing.

We analyzed the forecasts of individual DOS with regard to their future development derived from findings in the past, discussed these with the Company's executive directors with regard to sensitivity, obtained evidence substantiating the individual assumptions of the forecasts and verified this in light of the effects of the sustained COVID-19 pandemic.

Where fair value was used to measure the impairment loss and not value-in-use, we reconciled the calculation with the internal and external data obtained by the Company taking into account the effects of the sustained COVID-19 pandemic and assessed the assumptions underlying the calculation with assistance from our internal valuation experts.

We also examined the completeness of the disclosures in the notes to the consolidated financial statements.

Our audit procedures regarding the impairment testing of the non-current assets assigned to the DOS by the Company did not lead to any reservations.

Reference to the associated notes to the consolidated financial statements:

The disclosures by the Company on the impairment testing of the non-current assets assigned to the DOS can be found on pages 209 et seq. and 230 et seq. of the notes to the consolidated financial statements.

2) Measurement of inventories

Reasons why the matter was determined to be a key audit matter:

HUGO BOSS is active in the high-end segment of the fashion and apparel industry and is confronted with continuously changing customer demand. A rapidly changing market leads to increased inventory risks and uncertainty in the measurement of inventories, particularly during the sustained COVID-19 pandemic.

In particular, the calculation of the write-down rates using the Company's IT-supported write-down procedure as well as, where necessary, the calculation of additional manual write-downs which are not taken into account in this write-down procedure, require the executive directors of the Company to exercise judgment, particularly during the sustained COVID-19 pandemic.

Measurement of inventories was considered to be a key audit matter on account of the discretionary judgments involved.

Auditor's response:

In our audit, we first examined the procedures established by the Company's executive directors for determining write-downs recognized for slow-moving goods and assessed the effectiveness of the controls implemented in this process.

We appraised the suitability of the IT-supported write-down procedure for the assessment of inventory risks resulting from salability, range and net realizable value, also against the backdrop of the latest developments in the COVID-19 pandemic. In this regard, we drew on internal IT experts to appraise the implementation of automated write-down procedures in the IT system, with the main focus being placed on assessing the consistency of the parameters to those used in prior years. In those cases where changes had been made to the write-down routines in the reporting year, we examined the causes and appraised their implementation. In light of past experience and taking account of the on-going impacts of the COVID-19 pandemic, we also appraised the write-down routines applied by the Company in terms of the latest sales planning by performing analytical comparisons with the write-downs performed in each country in previous years. We compared the computational logic of the model with the accounting policies used by the Company and mathematically verified it on a test basis.

We discussed additional manual adjustments, which are not taken into account in this write-down procedure, with the Company's executive directors, particularly in light of the sustained effects of the COVID-19 pandemic, verified their data basis and calculation as well as obtained supportive evidence from specialist departments and performed further substantive audit procedures.

Our audit procedures did not lead to any reservations relating to the measurement of the inventories of the Company.

Reference to the associated notes to the consolidated financial statements:

The disclosures by the Company on the measurement of inventories can be found in the notes to the consolidated financial statements on pages 210 and 237 et seq.

3) Recognition and assessment of deferred tax assets and other tax receivables

Reasons why the matter was determined to be a key audit matter:

Tax issues are highly complex due to country-specific tax regulations and are subject to the exercise of judgment with regard to the enforceability of tax receivables as well as the existence of future taxable income. The recoverability of deferred tax assets from temporary differences and unused tax losses is based on the assessment of usability in the future through future taxable income, especially in light of losses actually incurred due to the sustained COVID-19 pandemic. The recognition and recoverability of other tax receivables depends to a large extent on the Company's assessment with respect to the enforceability of the underlying issues.

Auditor's response:

Due to the complexity of the tax calculations taking into account the local tax regulations and legislation, we consulted internal tax experts for the assessment of deferred tax assets and other tax receivables. These internal tax experts supported us in the assessment of the underlying regulations and enforceability of tax receivables.

To assess the recoverability of deferred tax assets resulting from temporary differences as well as from unused tax losses, we examined whether the existing tax forecasts were suitably derived from the business plan of the Company approved by the Managing Board and ratified by the Supervisory Board. In addition, we discussed with the Company the significant assumptions of the tax forecasts in particular the future tax income situation for the companies in Germany, USA, Belgium, Switzerland (Tessin), Taiwan, South Korea and Hong Kong taking into account the current loss situation and the effects of the sustained COVID-19 pandemic and evaluated these regarding their appropriateness. Furthermore, we confirmed the assumptions of the tax planning of the individual entities based on the taxable income generated in the past and the implemented transfer pricing system.

Our audit procedures did not lead to any reservations regarding the recognition and measurement of deferred tax assets and other tax receivables.

Reference to the associated notes to the consolidated financial statements:

The disclosures by the Company on the recognition and assessment of deferred tax assets and other tax receivables can be found in the notes to the consolidated financial statements on pages 208 et. seq. and 220 et. seq.

4) Accounting treatment of rental and lease agreements

Reasons why the matter was determined to be a key audit matter:

The Group uses rental and lease agreements to a considerable extent for the rental and leasing of directly operated stores. The entire contract portfolio is subject to a high degree of changes on an annual basis with regard to contract adjustments, extensions, terminations and conclusions.

Recognition and measurement pose significant risks regarding the complete identification and correct recognition of contracts containing leases, in particular related to contractual changes and rent concessions made in connection with the sustained COVID-19 pandemic.

The accounting treatment of the rental and lease agreements was a key audit matter due to their materiality and the risks associated with their recognition and measurement.

Auditor's response:

We conducted a walkthrough of the process established by HUGO BOSS for the complete and appropriate recognition of contract modifications and new contracts as well as the calculation of the associated right-of-use assets and contract liabilities.

We evaluated the additions and the development of the right of use assets and the lease liabilities recognized as at 31 December 2021. For new contracts and changes in 2021, we used a statistical sample to assess the approach to recognizing a lease within the meaning of IFRS 16 and compared the relevant data in the rental and lease agreements with the calculation of the right-of-use assets. Furthermore, we verified the calculation of the value of the right-of-use assets, lease liabilities as well as depreciation and interest expenses. In addition, we examined the completeness of the recognized leases using a sample from the total population, comprising the significant contract changes and new contracts from 2021. Moreover, we audited the correct accounting treatment of the rent concessions granted in light of the sustained COVID-19 pandemic.

We also examined the completeness of the disclosures in the notes to the consolidated financial statements.

Our audit procedures did not lead to any reservations relating to the accounting for rental and lease agreements.

Reference to the associated notes to the consolidated financial statements:

The disclosures by the Company on the accounting treatment of rental and lease agreements can be found in the notes to the consolidated financial statements on pages 210 et seq and 228 et seq.

Other information

The Supervisory Board is responsible for the Report of the Supervisory Board. The executive directors and the Supervisory Board are responsible for the declaration pursuant to Sec. 161 AktG ["Aktiengesetz": German Stock Corporation Act] on the German Corporate Governance Code, which is part of the statement on corporate governance, and for the remuneration report pursuant to Art. 162 AktG. In all other respects, the executive directors are responsible for the other information. The other information comprises the group corporate governance statement as well as the group non-financial statement referred to above. Furthermore, the other information comprises additional components to be included in the annual report, of which we obtained a version prior to issuing this auditor's report, in particular:

- all of section 1 "To our shareholders" of the annual report
- section 3 "Corporate governance" of the annual report with the exception of the subsection "Legal disclosures" and
- all of section 5 "Additional information" of the annual report excluding the section "Independent auditor's report"

but not the consolidated financial statements, not the group management report disclosures whose content is audited and not our independent auditor's report thereon.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the executive directors and the supervisory board for the consolidated financial statements and the group management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted in the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB and for the preparation of the consolidated financial statements that, in compliance with these requirements, give a true and fair view of the assets and liabilities, financial position and financial performance of the group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible

for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance in accordance with Sec. 317 (3a) HGB on the electronic rendering of the consolidated financial statements and the group management report prepared for publication purposes

Opinion

We have performed assurance work in accordance with Sec. 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in HugoBoss_AG_KA+KLB_ESEF-2021-12-31.zip (SHA-256 checksum: ffe4c769309660e0b4a9790337d817ad8c696c7fa3722b0467857fe3e3dac18d) and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the abovementioned attached electronic file and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying consolidated financial statements and the accompanying group management report for the fiscal year from 1 January 2021 to 31 December 2021 contained in the "Report on the audit of the consolidated financial statements and of the group management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the file identified above in accordance with Sec. 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3a) HGB (IDW AsS 410) (October 2021). Our responsibility in accordance therewith is further described in the "Group auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the executive directors and the supervisory board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB and for the tagging of the consolidated financial statements in accordance with Sec. 328 (1) Sentence 4 No. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of Sec. 328 (1) HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Arts. 4 and 6 of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as group auditor by the Annual Shareholders' Meeting on 11 May 2021. We were engaged by the Supervisory Board on 27 July 2021. We have been the group auditor of HUGO BOSS AG without interruption since fiscal year 2012.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

Other matter – use of the auditor’s report

Our auditor’s report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be published in the Bundesanzeiger [German Federal Gazette] – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Mr. Peter Werling.

Stuttgart, 3 March 2022

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Werling	Störzinger
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE CONTENT OF THE REMUNERATION REPORT PREPARED TO COMPLY WITH SEC. 162 AKTG

To HUGO BOSS AG

We have audited the attached remuneration report of HUGO BOSS AG, Metzingen, prepared to comply with Sec. 162 AktG ["Aktiengesetz": German Stock Corporation Act] for the fiscal year from 1 January 2021 to 31 December 2021 and the related disclosures.

Responsibilities of the executive directors and the supervisory board

The executive directors and supervisory board of HUGO BOSS AG are responsible for the preparation of the remuneration report and the related disclosures in compliance with the requirements of Sec. 162 AktG. In addition, the executive directors and supervisory board are responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report and the related disclosures that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on this remuneration report and the related disclosures based on our audit. We conducted our audit in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report and the related disclosures are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the remuneration report and the related disclosures. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the remuneration report and the related disclosures, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report and the related disclosures in order to plan and perform audit

procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the accounting policies used and the reasonableness of accounting estimates made by the executive directors, as well as evaluating the overall presentation of the remuneration report and the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the fiscal year from 1 January 2021 to 31 December 2021 and the related disclosures comply, in all material respects, with the financial reporting provisions of Sec. 162 AktG.

Other matter – formal audit of the remuneration report

The audit of the content of the remuneration report described in this auditor's report comprises the formal audit of the remuneration report required by Sec. 162 (3) AktG and the issue of a report on this audit. As we are issuing an unqualified opinion on the audit of the content of the remuneration report, this also includes the opinion that the disclosures pursuant to Sec. 162 (1) and (2) AktG are made in the remuneration report in all material respects.

Limitation of liability

The "General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" as issued by the IDW on 1 January 2017 (www.de.ey.com/general-engagement-terms) are applicable to this engagement and also govern our responsibility and liability to third parties in the context of this engagement.

Stuttgart, 9 March 2022

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Werling	Störzinger
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT

The assurance engagement performed by Ernst & Young (EY) relates exclusively to the German version of the combined non-financial statement 2021 of HUGO BOSS AG. The following text is a translation of the original German independent assurance report.

To HUGO BOSS AG, Metzingen

We have performed a limited assurance engagement on the non-financial statement of HUGO BOSS AG, Metzingen, (hereinafter the "Company"), which is combined with the Group's non-financial statement, consisting of the section "Combined non-financial statement" as well as the section "Business Activities and Group Structure" of the combined management report incorporated by reference, for the period from 1 January 2021 to 31 December 2021 (hereinafter the "non-financial statement").

Not subject to our assurance engagement are other references to disclosures made outside the non-financial statement.

Responsibilities of the executive directors

The executive directors of the Company are responsible for the preparation of the non-financial statement in accordance with: Sec. 315c in conjunction with Secs. 289c to 289e HGB ["Handelsgesetzbuch": German Commercial Code] and Art. 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder as well as in accordance with their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder as set out in section "EU Taxonomy" of the non-financial statement.

These responsibilities of the Company's executive directors include the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as the executive directors consider necessary to enable the preparation of a non-financial statement that is free from material misstatement, whether due to fraud (manipulation of the non-financial statement) or error.

The EU Taxonomy Regulation and the Delegated Acts adopted thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section "EU Taxonomy" of the non-financial statement. They are responsible for the defensibility of this interpretation. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Independence and quality assurance of the auditor's firm

We have complied with the German professional requirements on independence as well as other professional conduct requirements.

Our audit firm applies the national legal requirements and professional pronouncements - in particular the BS WP/vBP ["Berufssatzung für Wirtschaftsprüfer/vereidigte Buchprüfer": Professional Charter for German Public Accountants/German Sworn Auditors]) in the exercise of their Profession and the IDW Standard on Quality Management issued by the Institute of Public Auditors in Germany (IDW): Requirements for Quality Management in the Audit Firm (IDW QS 1) and accordingly maintains a comprehensive quality management system that includes documented policies and procedures with regard to compliance with professional ethical requirements, professional standards as well as relevant statutory and other legal requirements.

Responsibilities of the auditor

Our responsibility is to express a conclusion with limited assurance on the non-financial statement based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the IAASB. This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company's non-financial statement are not prepared, in all material respects, in accordance with Sec. 315c in conjunction with Secs. 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts adopted thereunder as well as the interpretation by the executive directors disclosed in section "EU Taxonomy" of the non-financial statement. Not subject to our assurance engagement are other references to disclosures made outside the non-financial statement.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgment of the auditor.

In the course of our assurance engagement we have, among other things, performed the following assurance procedures and other activities:

- Inquiries of the employees regarding the selection of topics for the non-financial statement, the risk assessment and the policies of the Company and the Group for the topics identified as material,
- Inquiries of employees of the Company and the Group responsible for data capture and consolidation as well as the preparation of the non-financial statement, to evaluate the reporting system, the data capture and compilation methods as well as internal controls to the extent relevant for the assurance of the disclosures in the non-financial statement,
- Identification of likely risks of material misstatement in the non-financial statement,
- Inspection of relevant documentation of the systems and processes for compiling, aggregating, and validating relevant data in the reporting period and testing such documentation on a sample basis,
- Analytical procedures on selected disclosures in the non-financial statement at parent company and group level,
- Inquiries and inspection of documents on a sample basis relating to the collection and reporting of selected disclosures and data in the reporting period and testing such documentation on a sample basis,
- Evaluation of the presentation of the non-financial statement,
- Evaluation of the process to identify the economic activities taxonomy-eligible and the corresponding disclosures in the non-financial statement.

In determining the disclosures in accordance with Art. 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

Assurance conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the non-financial statement of the Company for the period from 1 January 2021 to 31 December 2021 is not prepared, in all material respects, in accordance with Sec. 315c in conjunction with Secs. 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts adopted thereunder as well as the interpretation by the executive directors as disclosed in section "EU Taxonomy" of the non-financial statement.

We do not express an assurance conclusion on the other references to disclosures made outside the non-financial statement.

Restriction of use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. As a result, it may not be suitable for another purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

General engagement terms and liability

The "General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]" dated 1 January 2017 are applicable to this engagement and also govern our relations with third parties in the context of this engagement (www.de.ey.com/general-engagement-terms). In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards third parties. We accept no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we will not update the report to reflect events or circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this report to decide whether and in what way this information is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Munich, 3 March 2022

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Richter	Johne
Wirtschaftsprüferin	Wirtschaftsprüferin
[German Public Auditor]	[German Public Auditor]

GENERAL INFORMATION

The performance of HUGO BOSS is best reflected in the consolidated financial statements. Like many other companies, HUGO BOSS has refrained from including the figures from the separate financial statements of the parent company HUGO BOSS AG in this report for the sake of clarity of presentation. These statements, which continue to be prepared in accordance with the German Commercial Code (HGB), are published on the company's website at group.hugoboss.com.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements that reflect management's current views with respect to future events. The words "anticipate," "assume," "believe," "estimate," "expect," "intend," "may," "plan," "project," "should," and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties. If any of these or other risks or uncertainties occur, or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. HUGO BOSS does not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

TEN-YEAR-OVERVIEW

	2021	2020 ¹	2019 ²	2018	2017	2016	2015	2014	2013	2012
Sales (in EUR million)	2,786	1,946	2,884	2,796	2,733	2,693	2,809	2,572	2,432	2,346
Sales by segments										
Europe incl. Middle East and Africa	1,742	1,231	1,803	1,736	1,681	1,660	1,683	1,566	1,457	1,378
Americas	543	308	560	574	577	582	671	587	570	559
Asia/Pacific	423	343	438	410	396	382	393	361	347	353
Licenses	77	64	84	76	79	69	62	58	58	56
Sales by distribution channel ³										
Brick-and-mortar retail ⁴	1,512	1,057	1,869	1,768	1,732	1,677	1,689	1,471	1,314	1,150
Brick-and-mortar wholesale ⁵	647	472	931	952	922	947	1,058	1,043	1,060	1,140
Digital	549	352	–	–	–	–	–	–	–	–
Licenses	77	64	84	76	79	69	62	58	58	56
Sales by brand ³										
BOSS Menswear	2,181	1,530	2,488	2,422	2,336	2,313	2,522	2,328	2,205	–
BOSS Womenswear	192	131								
HUGO	413	285	396	374	397	380	287	243	227	–
Results of operations (in EUR million)										
Gross profit	1,721	1,187	1,875	1,824	1,808	1,777	1,853	1,699	1,580	1,444
Gross margin in %	61.8	61.0	65.0	65.2	66.2	66.0	66.0	66.1	64.9	61.6
EBIT	228	(236) ⁶	344	347	341	263	448	449	456	432
EBIT margin in %	8.2	(12.1) ⁷	11.9	12.4	12.5	9.8	15.9	17.4	18.7	18.4
EBITDA	568	230	707	476	499	433	590	572	561	524
Net income attributable to equity holders of the parent company	137	(220) ⁸	205	236	231	194	319	333	329	307
Net assets and liability structure as of December 31 (in EUR million)										
Trade net working capital	376	491	528	537	459	524	528	503	432	409
Non-current assets	1,458	1,516	1,713	686	662	752	765	660	612	588
Equity	940	760	1,002	981	915	888	956	844	740	632
Equity ratio in %	34	30	35	53	53	49	53	51	49	40
Total assets	2,736	2,570	2,877	1,858	1,720	1,799	1,800	1,662	1,501	1,577
Financial position and dividend (in EUR million)										
Free cash flow	559	164	457	170	294	220	208	268	230	221
Net financial liabilities (as of December 31)	628	1,004	1,040	22	7	113	82	36	57	130
Capital expenditure	104	80	192	155	128	157	220	135	185	166
Depreciation/amortization	339	465 ⁹	362	129	158	169	142	123	105	92
Total leverage (as of December 31) ¹⁰	1.1	(6.7)	0.2	0.0	0.0	0.2	0.1	0.1	0.1	0.2
Amount distributed ¹¹	48	3	3	186	183	179	250	250	231	215
Additional key figures										
Employees (as of December 31) ¹²	14,041	13,795	14,633	14,685	13,985	13,798	13,764	12,990	12,496	11,852
Personnel expenses (in EUR million)	627	570	640	629	604	605	563	514	483	450
Number of Group's own retail points of sale	1,228	1,157	1,113	1,092	1,139	1,124	1,113	1,041	1,010	840
Shares (in EUR)										
Earnings per share	1.99	(3.18) ¹³	2.97	3.42	3.35	2.80	4.63	4.83	4.77	4.44
Dividend per share ¹¹	0.70	0.04	0.04	2.70	2.65	2.60	3.62	3.62	3.34	3.12
Last share price (as of December 31)	53.50	27.29	43.26	53.92	70.94	58.13	76.60	101.70	103.50	79.80
Number of shares (as of December 31)	70,400,000	70,400,000	70,400,000	70,400,000	70,400,000	70,400,000	70,400,000	70,400,000	70,400,000	70,400,000

¹ In fiscal year 2020, HUGO BOSS recorded non-cash impairment charges related to the negative impact of COVID-19 on the Group's retail business in the amount of EUR 110 million.

² The application of IFRS 16 in fiscal year 2019 partially limits the comparability of some performance indicators towards the prior-year figures.

Additional information on the first-time application of IFRS 16 are presented in the Annual Report 2019.

³ As compared to the previous year, presentation has been aligned to the 2025 targets set out in the 'CLAIM 5' strategy.

⁴ Until fiscal year 2019, own retail sales were reported including the Company's own online sales.

⁵ Until fiscal year 2019, wholesale sales were reported including online sales generated in wholesale.

⁶ 2020: Excluding non-cash impairment charges, EBIT amounted to minus EUR 126 million.

⁷ 2020: Excluding non-cash impairment charges, EBIT margin amounted to (6.5)%.

⁸ 2020: Excluding non-cash impairment charges, net income amounted to minus EUR 131 million.

⁹ 2020: Excluding non-cash impairment charges, depreciation and amortization amounted to EUR 355 million.

¹⁰ 2021: Net financial liabilities/EBITDA including the impact of IFRS 16; Until 2020: Net financial liabilities/EBITDA excluding the impact of IFRS 16.

¹¹ 2021: Dividend proposal; 2020/2019: legal minimum dividend of EUR 0.04 per share in the wake of the COVID-19 pandemic.

¹² Full-time equivalent (FTE).

¹³ 2020: Excluding non-cash impairment charges, EPS amounted to minus EUR 190.

CONTACTS

Investor Relations**Phone** +49 7123 94–80903**Email** investor-relations@hugoboss.com**Christian Stöhr**

Vice President Investor Relations

Phone +49 7123 94–87563**Email** christian_stoehr@hugoboss.com**Carolin Westermann**

Head of Corporate Communication

Phone +49 7123 94–86321**Email** carolin_westermann@hugoboss.com

LEGAL NOTICE

HUGO BOSS AGDieselstrasse 12
72555 Metzingen**Phone** +49 7123 94–0
group.hugoboss.com**Release date**

Thursday, March 10, 2022

Conception and Designnexxar GmbH, Vienna
www.nexxar.com**Photos**

Andreas Pohlmann

FINANCIAL CALENDER 2022

May 4, 2022	First Quarter Results 2022
May 24, 2022	Virtual Annual Shareholders' Meeting
August 3, 2022	Second Quarter Results 2022 & First Half Year Report 2022
November 3, 2022	Third Quarter Results 2022
