



## TO OUR SHAREHOLDERS

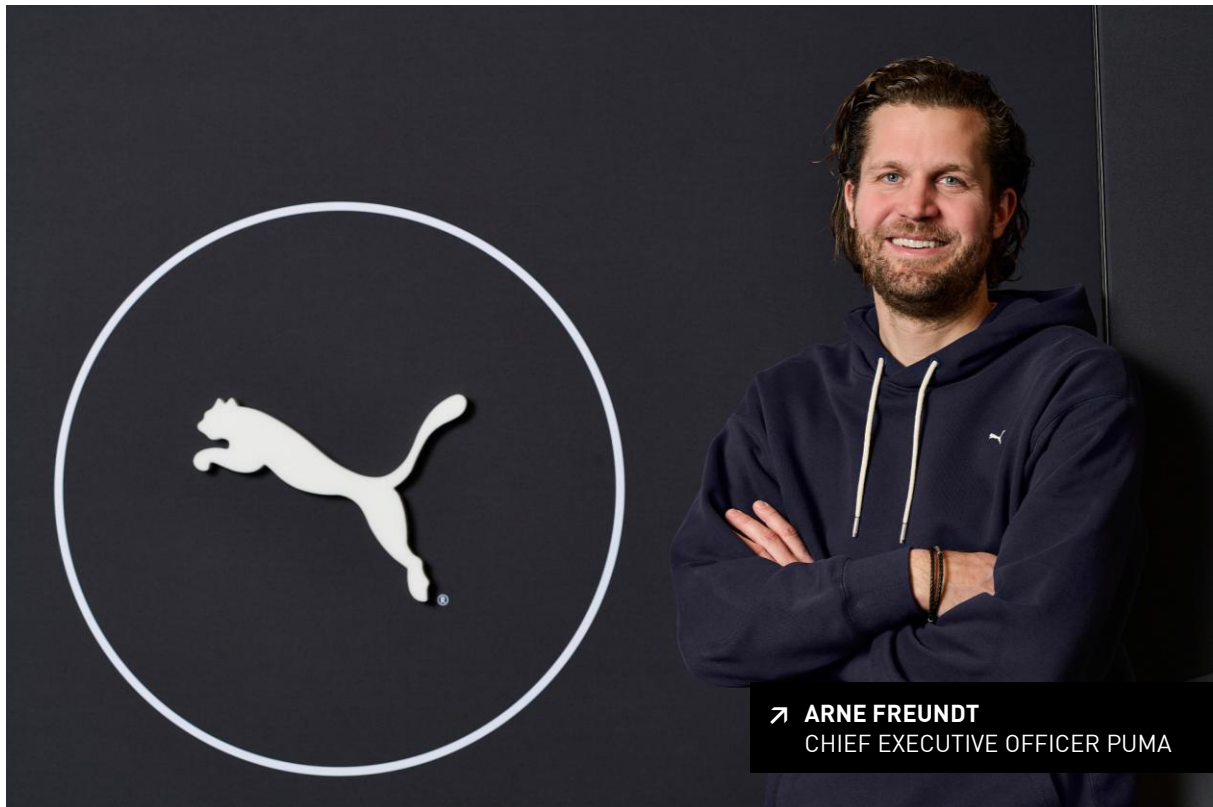
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## CEO-LETTER



➤ **ARNE FREUNDT**  
CHIEF EXECUTIVE OFFICER PUMA

### DEAR SHAREHOLDERS,

I am honored to write this letter to you for the first time as new CEO of PUMA. I have been part of the PUMA family for more than a decade, but last year has certainly been a very special one. I feel privileged that I am now leading this company with its fantastic people to take PUMA to the next level. Let me share with you the developments and successes of 2022 and give you a brief outlook on the exciting things to come.

2022 has been the **best year** in PUMA's history so far! We achieved record-breaking sales and earnings. Our revenue increased by 18.9% (ca) to € 8,465 million and our operating result (EBIT) increased by 15.0% to € 640.6 million. This success was driven by our continued brand momentum and successful product launches as well as continued trustful relationships with our athletes and partners around the globe. And even more by the dedication and hard work of our incredible PUMA family.

As 2022 has brought new challenges for all of us, the **PUMA Family** once again proved to stand by each other. Despite repeated lockdowns that particularly affected our Chinese colleagues, our people remained dedicated to keeping our production and business running smoothly. And when Russia started the war against Ukraine, we quickly set up a support program for our employees, athletes, and partners in Ukraine. Many employees have also taken initiatives themselves to support our colleagues. This makes me proud. Against this backdrop of crises, I am all the more grateful that we have managed to achieve a seamless transition in our organization and to build on the successes of the past years. On behalf of the entire Board, I would like to thank the PUMA family for this very smooth transition and for all working together every day to ensure PUMA's continued success.

Besides our strong team a huge part of the achievements was down to our **partners**. We continued to focus and to further deepen our partnerships along the whole value chain. Our objective is to build mutual



beneficial relationships which create value and innovations and make us more resilient. Under my leadership, PUMA will continue to be the best partner for our retailers, suppliers, and athletes.

At PUMA, we also aspire not only to be the best partner, but also to make our contribution towards a more **sustainable** world. It is important that we continue to make steady progress towards our 10 for 25 sustainability targets. Last year, we made 70% of our products from more sustainable materials. We also achieved important milestones in sourcing and manufacturing. I am particularly proud that PUMA has been able to reduce its emissions despite its strong growth in recent years. For our progress, we have received a lot of awards last year such as Business of Fashion naming us the most sustainable brand. For us this is a great recognition and motivation to continue the journey we have embarked on.

Our **brand** has continued to gain momentum, thanks to our commitment to quality, innovation, and the right collaborations with leading athletes and fashion icons. We have witnessed a steady increase in customer loyalty and engagement, which is a testament to the strength of our brand and the quality of our products.

We are proud to sponsor some of the world's leading football clubs like Manchester City and AC Milan, both of whom have had exceptional seasons. Our partnership with these teams has strengthened our brand presence in the world of football and enables us to expand loyalty and affinity with the fans. We were also thrilled to see Morocco become the first African team to reach the semi-finals of the football World Cup. As a brand that values diversity and inclusivity, we were honored to have played a part in this historic moment and look forward to supporting African football in the years to come. At the World Athletics Championships in Eugene, Oregon, USA, our **athletes** won numerous gold medals and set new records true to our brand mantra FOREVER.FASTER.

Besides the sports arenas, we made a successful comeback at the New York Fashion Show. FUTUROGRADE showcased a selection of looks - from both current and future seasons, as well as custom pieces - which were curated by PUMA Designer and Creative Director, June Ambrose. We have received great feedback from customers and influencers alike and are confident that our footprint in **fashion** will continue to grow and evolve.

PUMA always aims to team-up with the world's fastest athletes and most exciting cultural icons of our times to create the best and most innovative products for our athletes and customers. That is why we have also welcomed several key new PUMA **ambassadors**, including world-renowned athletes like Elaine Thompson-Herah, Nalyssa Smith, Emmanuel Korir, Mutaz Essa Barshim, and cultural icons like Skepta and Dixie D'Amelio. These individuals embody our brand values and vision and will inspire every athlete to achieve their goals and live their best lives. We are also proud that Sara Björk made a successful comeback to elite level football following her pregnancy while we closely accompanied her along the way.

For 75 years, PUMA has relentlessly advanced sport by creating the best **products** for the world's fastest athletes. In 2022, we continued to significantly improve our product offering across all business units. Our performance footwear was successful both in terms of innovation and consumer satisfaction, with the award-winning VELOCITY and DEVIATE featuring PUMA's NITRO technology. In addition to running, we saw very strong momentum in football and basketball, also driven by our great innovations, our continued high-profile collaborations and the athletic success of our brand ambassadors in last year's tournaments.

In terms of distribution and in line with our partnership strategy, we continued to focus on wholesale first. Wholesale plays a pivotal role in our strategy - not only due to their distribution reach, but also due to their retail and service excellence. I also believe that it is crucial for our consumers to have the best product offering of each brand next to each other in our wholesale partner stores. This allows our consumers to take the best purchasing decision in terms of technology, quality, design and value. I am convinced that PUMA products can compete with any competitor's product on the shelves.

Our owned and operated brick and mortar as well as eCommerce stores are complementing our distribution mix, but we don't have any ambition to replace wholesale partners with our Direct-to-



Consumer channels. In our Direct-to-Consumer channels, we will continue to focus on storytelling to educate our consumers about the strengths and width of our brand and our products.

To achieve this objective, we optimized our retail network with new store locations and flagship stores in key markets. We also launched new web shops, extending our online reach to consumers in more than 50 countries. As part of our ongoing commitment to improve the customer experience, we launched a new shopping app for our most loyal customers in selected markets, with plans to roll it out to more markets in the coming months.

Our commitment to digitalization is not limited to our channels. As part of our ongoing efforts to modernize our infrastructure, we made significant investments in digitalizing our entire business and modernizing our offices to make our internal processes even more efficient.

2022 was a successful year. We achieved the ambitious goals we set for ourselves. But we are not leaning back and continue to be hungry to gain more market share. With the market headwinds and uncertainties in the industry, 2023 will for sure be a transition year. We continued our growth trajectory in the first quarter and recorded double-digit sales growth. For the upcoming quarters, we expect a tougher trading environment and thus a softer growth trajectory. This is fully in line with our initial guidance, and we can confirm our outlook for 2023, expecting a currency-adjusted sales growth in the high single-digit percentage range and operating result (EBIT) in a range of € 590 million to € 670 million (2022: € 641 million).

For 2023 and onwards, we will continue to focus on implementing our successful strategy and put further emphasis on three strategic priorities: elevate our brand, win in the U.S., and return to growth in China.

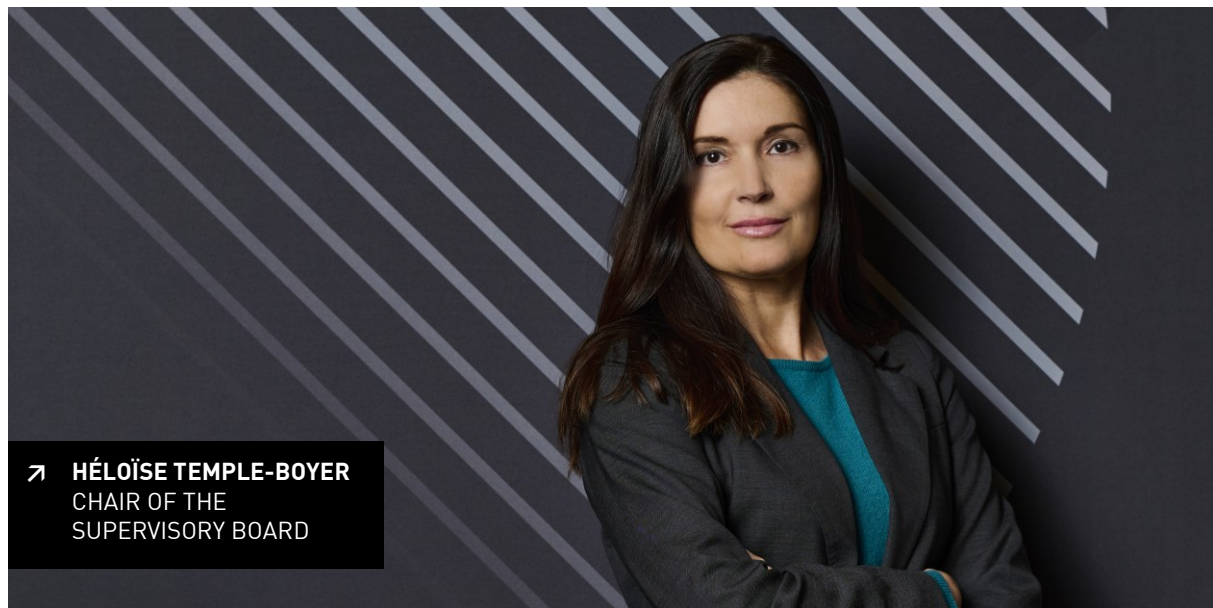
I would like to thank all our employees for their continued hard work and dedication to the brand and our shareholders and stakeholders for supporting us on our journey.

Together with the entire PUMA family and all our stakeholders, I look forward to continuing our exciting way ahead and achieving even greater success in the future.

Arne Freundt  
Chief Executive Officer, PUMA



## REPORT BY THE SUPERVISORY BOARD



➤ **H  LO  SE TEMPLE-BOYER**  
CHAIR OF THE  
SUPERVISORY BOARD

### DEAR SHAREHOLDERS,

In 2022, PUMA was once again confronted with numerous challenges: Russia's war against Ukraine, which has been raging for about a year now, led first and foremost to human tragedies that we have opposed with all our strength and will continue to oppose. We have always acted according to our credo "people first" and supported many colleagues in leaving affected Ukrainian areas and making a new start in other countries. Within Ukraine, we have also supported our colleagues, athletes and business partners in a variety of ways with safe shelters, aid supplies and donations. The war in Ukraine also increased geopolitical tensions and contributed to socioeconomic challenges such as high energy prices, soaring inflation, slowing economic growth, and declining consumer confidence. The COVID-19 pandemic also continued to cause major constraints for our local colleagues as well as our operations, particularly in China.

Thanks to the consistent and determined actions of our Management Board and the continued outstanding performance of our employees, PUMA was able to build on its strengths so successfully in 2022. Thanks to our brand and growth dynamics as well as operational flexibility, we were able to gain further market share in a challenging competitive environment and further increase our brand heat. As a result, we were once again able to achieve the best annual results in PUMA's history in terms of both sales and profits. In doing so, we were always the best partner for our athletes, retailers and suppliers. We have continued to work as closely and as cooperatively as possible with them to keep our supply chains stable and to increase sales of our products. We continued to vigorously implement our "people first" approach in light of the COVID-19 pandemic, maintaining hygiene and occupational health and safety policies above and beyond legal requirements and conducting vaccination campaigns throughout.

We also successfully completed the generation change on the Management Board with the appointment of Arne Freundt as Chair of the Management Board. Arne Freundt has already served PUMA for over eleven years in many key strategic and commercial leadership roles and has been promoted by the Supervisory Board as the designated successor at the top of the company in recent years. With the appointment of Maria Valdes as Chief Product Officer, we were also able to add yet another strong leader to the Management Board who has been successfully working at PUMA for many years. We would also like to take this opportunity to thank Bj  rn Gulden once again for his excellent achievements in the service of PUMA. We are



convinced that PUMA is ideally positioned to successfully master future challenges and to maintain and further increase its current momentum: The foundations for a successful 2023 have been laid.

In the financial year 2022, the Supervisory Board has exercised all its duties under the law, statutes and company rules. The Supervisory Board has dealt extensively with the status and the development of PUMA, with a special focus on the war in Ukraine and the COVID-19 pandemic, and has regularly advised and supervised the Management Board in its management of the Company.

In this regard, the Supervisory Board has in its four regular meetings discussed and resolved on the Company's business policies, all relevant aspects of corporate development and corporate planning, the Company's economic situation, including its net assets, financial position and results of operations, the adequacy of capital resources and all key decisions for the Group. The Management Board has informed the Supervisory Board regularly, comprehensively, and in a timely manner in written and verbal form about the implementation of all decisions and about all major business transactions. Furthermore, in 2022 two extraordinary meetings of the Supervisory Board took place. Several matters were decided via circular resolutions using electronic means of communication. All members participated in drawing up the resolutions (except for the resolutions adopted at one of the two extraordinary meetings). Whenever necessary, representatives of the shareholders and employees held separate preliminary discussions prior to the meetings.

<b>Plenary Supervisory Board</b>	<b>Attendance at meetings (referring to regular and extraordinary meetings)</b>	<b>Attendance in %</b>
Héloïse Temple-Boyer	6/6	100
Thore Ohlsson	6/6	100
Jean-François Palus	5/6	83
Fiona May	6/6	100
Martin Köppel	6/6	100
Bernd Illig	6/6	100

The Supervisory Board discussed in detail all of the Company's key business transactions, based on the reports by the Management Board and the Committees, and presented its own ideas. The Management Board has provided the Supervisory Board with detailed information on any deviations of the business performance from the budgeted figures, both in writing and orally. The Supervisory Board verified these explanations using the supporting documents, which were always submitted in appropriate time before the meetings. The Supervisory Board was involved in all key decisions at an early stage. In addition, the Chair of the Supervisory Board maintained, and continues to maintain, regular verbal or written contact with the CEO and keeps himself informed of all major developments. Overall, these discussions did not give any indication that the Management Board was managing the Group in anything other than a lawful and proper manner.

The Supervisory Board members took part, on their own initiative, in the educational and training measures necessary for the performance of their duties. The Company supports the Supervisory Board members in their training activities, for example by having the Legal Department regularly prepare changes in the legal framework for the Supervisory Board and report about them in the meetings. In 2022, the Supervisory Board received an update on the rights and duties of supervisory board members, a training on PUMA's financial KPIs, and finally a training on the regulatory requirements for the Supervisory Board in the area of ESG. The focus here was emphasized on the sustainability-related amendments to the German Corporate Governance Code, the Act on Corporate Due Diligence in Supply Chains (Supply Chain Due Diligence Act) and the European Draft Directive on Corporate Sustainability Due Diligence.





## MAIN ADVISORY FOCUS

In the 2022 financial year, the main focus was on the following issues: Continuous assessment of the impact and handling of the war in Ukraine, review and approval of the 2021 consolidated and annual financial statements and the 2021 non-financial report, dividend proposal, ongoing handling of the COVID 19 pandemic, setting the agenda for the Annual General Meeting on May 11, 2022, approval of the Management Board's decisions to hold the Annual General Meeting as a virtual Annual General Meeting without the physical presence of shareholders or their proxies, preparation and implementation of the personnel change on the Supervisory Board (election of Héloïse Temple-Boyer as the new Chair of the Supervisory Board), preparation and realization of personnel adjustments on the Management Board (in particular appointment of Arne Freundt as Chair of the Management Board (CEO) and of Maria Valdes as member of the Management Board (Chief Product Officer (CPO)) from January 1, 2023), evaluation of the self-assessment of the Supervisory Board, implementation of necessary adjustments under the German Corporate Governance Code, current business and revenue development, markets and trends, financial position of the Group, corporate and budget planning 2023 as well as medium-term planning, including investments, further improvement of the compliance management and internal control system as well as material litigation in the Group.

As every year, the Personnel Committee and the Supervisory Board determined the degree of achievement of the targets for the individual Management Board members with regard to 2021. The Supervisory Board decided on the individual targets for the variable Management Board remuneration for the 2022 financial year upon recommendation of the Personnel Committee.

## CONFLICTS OF INTEREST

The members of the Supervisory Board are required to disclose to its Chair any conflicts of interest without undue delay. In the past year, no such disclosures were made.

## COMMITTEES

The Supervisory Board has established four committees to perform its duties: The Personnel Committee, the Audit Committee, the Nominating Committee and the Sustainability Committee. The Personnel Committee, the Audit Committee and the Sustainability Committee each comprise two shareholder representatives and one employee representative. The Nominating Committee is composed only of shareholder representatives. The composition of the committees can be found in the notes to the consolidated financial statements. The Supervisory Board receives regular reports on their work.

## PERSONNEL COMMITTEE

The Personnel Committee has the task of preparing the conclusion and amendment of employment contracts with the members of the Management Board and establishing policies for human resources and personnel development. It met to one regular meeting in 2022, decided on the target achievement for the individual Management Board members and set the targets for 2022. In addition, the approval of the LTI programs 2022 were the focus of the discussions. Corresponding recommendations for resolutions were made to the Supervisory Board.

Personnel Committee	Attendance at meetings	Attendance in %
Jean-François Palus*	1/1	100
Fiona May	1/1	100
Martin Köppel	1/1	100

\* On May 11, 2022, and thus after the meeting of the Personnel Committee, Héloïse Temple-Boyer replaced Jean-François Palus as Chair of the Personnel Committee.



## AUDIT COMMITTEE

The Audit Committee held four regular meetings in the financial year 2022. In particular, the Audit Committee is responsible for the review of the accounting, particularly comprising the consolidated financial statements and the group management report, group half year report, interim financial information and the single entity financial statements in accordance with the German Commercial Code (HGB). It is furthermore responsible for monitoring the accounting process, the effectiveness of the internal control system, the risk management system, the internal audit system, compliance and the statutory audit of the financial statements, with particular regard to the process of selecting an auditor. The Audit Committee is also responsible for conducting the selection process of the auditor. In addition, the Audit Committee monitors the independence of the auditor and ensures that the non-audit services of the auditor commissioned by the Management Board do not give rise to any grounds for disqualification or partiality or any threat to independence. The Audit Committee issues the audit mandate on behalf of the Supervisory Board to the auditor elected by the general meeting, determines the audit areas of the audit, monitors the quality of the audit and the services additionally provided by the auditor and agrees the fee with the auditor. Heads of the corporate functions were also available for reports and questions on individual agenda items at the committee meetings. The Audit Committee meets regularly with the auditor, also without the Management Board.

Audit Committee	Attendance at meetings (referring to regular and extraordinary meetings)	Attendance in %
Thore Ohlsson	4/4	100
Héloïse Temple-Boyer	4/4	100
Bernd Illig	4/4	100

## NOMINATING COMMITTEE

The Nominating Committee has the task of proposing suitable candidates to the Supervisory Board for its election proposals to the Annual General Meeting. It held no meeting in the last financial year.

## SUSTAINABILITY COMMITTEE

The Sustainability Committee met once in the 2022 financial year to discuss the company's sustainability strategies. The focus was emphasized on the evaluation of the "Conference of the People," sustainability-related projects within the company and relevant, upcoming legislative projects. The Sustainability Committee consists of three members.

Sustainability Committee	Attendance at meetings (referring to regular and extraordinary meetings)	Attendance in %
Fiona May	1/1	100
Héloïse Temple-Boyer	1/1	100
Martin Köppel	1/1	100

## CORPORATE GOVERNANCE

As in previous years, the Supervisory Board addressed current developments in the financial year 2022 regarding the German Corporate Governance Code in the version dated December 16, 2019 (effective as of March 20, 2020) and April 28, 2022 (effective as of 27 June 2022). (GCGC). The GCGC contains essential





statutory regulations and recommendations for the management and supervision of listed companies and standards for responsible corporate governance. The corporate governance standards have long been a part of the corporate routine.

Pursuant to Principle 23 of the GCGC, the Supervisory Board reports on corporate governance in the Corporate Governance Statement. The Company satisfies all requirements of the GCGC, to the extent required by it, with only one exception. The exception is explained in the Statement of Compliance with the GCGC of November 9, 2022. The exception ceases to apply from January 1, 2023. As of this date, the Company again satisfies all requirements of the GCGC, to the extent required by it. The Statement of Compliance of November 9, 2022 as well as the corresponding update dated January 1, 2023 are available to our shareholders at any time on the Company's website under <https://about.PUMA.com/en/investor-relations/corporate-governance> at STATEMENT OF COMPLIANCE.

## ANNUAL FINANCIAL STATEMENTS ADOPTED

The annual financial statements for PUMA SE prepared by the Management Board in accordance with the German Commercial Code (Handelsgesetzbuch/HGB), the consolidated financial statements and the combined management report for PUMA SE and the PUMA Group, each for the financial year 2022, prepared in accordance with Section 315a HGB on the basis of the International Financial Reporting Standards (IFRS) have been audited by the statutory auditors, KPMG AG Wirtschaftsprüfungsgesellschaft, Nuremberg, who were appointed at the Annual General Meeting on May 11, 2022 and commissioned by the Supervisory Board to audit the annual financial statements and the consolidated financial statements and have been given an unqualified auditor's opinion.

In their report, the statutory auditors conclude that PUMA's institutionalized risk management system, in accordance with Section 91(2) of the German Stock Corporation Act (Aktiengesetz/AktG), is capable of detecting at an early stage and countering any developments that might jeopardize the continuity of the Company as a going concern. The Supervisory Board has been updated by the Management Board regularly on all relevant risks in this regard, in particular its assessments of market and procurement risks, financial risks (including currency risks as well as risks due to the war in Ukraine and the COVID-19 pandemic) and organizational risks.

The accounting records, the audit reports from the statutory auditors and the Management Board's and Supervisory Board's recommendation on the appropriation of net profit were made available to all members of the Supervisory Board in a timely manner. At the meeting of the Audit Committee on February 28, 2023 and at the subsequent Supervisory Board meeting held on the same day, the statutory auditors reported on the key results of their audit and discussed them in detail with the Management Board and the members of the Supervisory Board. No discrepancies were detected.

The Supervisory Board reviewed in detail the annual financial statements, the combined management report for PUMA SE and the PUMA Group, the Management Board's and the Supervisory Board's recommendation on the appropriation of net profit and the consolidated financial statements and raised no objections. In accordance with the recommendation of the Audit Committee, the Supervisory Board agreed with the results of the audit of both statements and approved the annual financial statements of PUMA SE and the consolidated financial statements for the financial year 2022. The 2022 annual financial statements have thus been adopted.

The Management Board and the Supervisory Board resolved to propose to the Annual General Meeting a distribution of a dividend of € 0.82 per dividend entitled share to the shareholders for the financial year 2022. In this context, the liquidity situation of the Company, the financing and the effects on the capital market were discussed. The payout is in line with PUMA's dividend policy of distributing 25-35% of the PUMA Group's net income for the year. A total amount of around € 122.8 million will be paid out in dividends from PUMA SE's retained earnings. The remaining retained earnings of around € 376.6 million will be carried forward.



In its meeting on February 28, 2023, the Supervisory Board was presented the state of data collection for the non-financial report in accordance with §§ 315c in conjunction with §§ 289c to 289e of the German Commercial Code (HGB). As soon as the non-financial report is finalized, it will be submitted to the Supervisory Board for approval and will be published on the website of the Company by April 30, 2023.

## THANKS

We would like to express our gratitude and recognition to the Management Board, the management teams at the Group companies, the Works Council and all our employees for their hard work and their outstanding cooperation in 2022.

Herzogenaurach, February 28, 2023

On behalf of the Supervisory Board

Héloïse Temple-Boyer  
Chair