

## Declaration of conformity pursuant to Section 161 German Stock Corporation Act (AktG)

### I.

The Management Board and the Supervisory Board of MEDICLIN Aktiengesellschaft (MEDICLIN AG) declare that, since issuing the last declaration of compliance in November 2023, which was published in the official section of the German Federal Gazette (Bundesanzeiger) on 27 June 2022, the recommendations of the German Corporate Governance Code as amended on 28 April 2022 (the "Code 2022") have been complied with, save for the following exceptions:

#### **Recommendation A.1**

According to recommendation A.1 of the Code 2022, the Management Board shall systematically identify and assess the Company's risks and opportunities associated with social and environmental factors, as well as the ecological and social impacts of the Company's activities (A.1 sentence 1 of the Code 2022). In addition to long-term economic objectives, the corporate strategy shall also give appropriate consideration to ecological and social objectives (A.1 sentence 2 of the Code 2022). Furthermore, corporate planning shall include corresponding financial and sustainability-related objectives (A.1 sentence 3 of the Code 2022).

As part of a materiality analysis based on the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) and on the basis of the double materiality principle, the Management Board of MEDICLIN AG identified the sustainability topics relevant to the business activities of the MEDICLIN Group and evaluated them with regard to their relevance for the Company. The MEDICLIN Group is currently analysing the identified relevant issues and will incorporate the corresponding findings into its business planning and corporate strategy. Since this is still outstanding, recommendations A.1 sentence 2 and 3 of the Code 2022 have not yet been complied with. In the future, the Company intends to fully comply with recommendation A.1 of the Code 2022 on this basis.

#### **Recommendation A.3**

According to recommendation A.3 of the Code 2022, the internal control system and the risk management system shall also cover sustainability-related objectives, unless required by law anyway. This shall include processes and systems for collecting and processing sustainability-related data.

At present, the internal control and risk management system of MEDICLIN AG is designed to meet the legal requirements. Sustainability-related objectives that go beyond these legal requirements are not covered by the internal control and risk management system, meaning that recommendation A.3 of the Code 2022 is not complied with.

### **Recommendation A.5**

According to recommendation A.5 of the Code 2022, the management report shall describe the main characteristics of the entire – not only the accounting-related – internal control system and risk management system. In addition, the appropriateness and effectiveness of these systems is to be commented upon. The recommendation thus significantly exceeds the legal requirements set out in Sections 289 (4) and 315 (4) of the German Commercial Code (HGB). Furthermore, the additional reporting required by recommendation A.5 of the Code 2022 could only be excluded from the auditors' substantive review if it could be marked as unaudited and clearly distinguished from the information in the management report that is subject to an auditing requirement.

Against this backdrop and as required by law, MEDICLIN AG currently describes only the main characteristics of the internal control system and the risk management system relating to the financial accounting process in the summarised management report and the Group management report and thus does not comply with recommendation A.5 of the Code 2022.

### **Recommendation B.3**

According to recommendation B.3 of the Code 2022, the first-time appointment of Management Board members shall be for a period of not more than three years.

In deviation thereof, the Supervisory Board decided to appoint Thomas Piefke as Chief Operating Officer (COO) for a full office term of five years from 1 October 2023 and thus declared in the course of the year to deviate from recommendation B.3 of the Code 2022. The Supervisory Board believed and still believes that, in this particular case, the deviation from the recommended maximum term is in the interest of the Company and, in particular, contributes to the continuity of Management Board activities at MEDICLIN AG in the years to come. Given Thomas Piefke's many years of previous experience in managing director positions within the Asklepios Group, the Supervisory Board furthermore had no doubt that Thomas Piefke is a suitable candidate for the position of COO and that he possesses the required skills and experience for the role.

### **Recommendation C.1**

The Company did not comply with recommendations C.1, sentences 1 and 2 of the Code 2022, according to which the Supervisory Board shall determine specific objectives regarding its composition, and shall prepare a profile of skills and expertise for the entire Board while taking the principle of diversity into account. As recommendations C.1, sentences 3 to 5 of the Code 2022 follow up on recommendations C.1, sentences 1 and 2, these were not complied with either.

The Supervisory Board based its proposals for Supervisory Board candidates on their suitability, the Company's current needs and the legal requirements. In doing so, the Supervisory Board relied on a basic requirement profile that was adjusted and further specified as needed while also taking the diversity aspect into account. In the view of the Supervisory Board, there is no need for further bureaucracy and self-regulation within the meaning of recommendations C.1, sentences 1 to 5 of the Code 2022; instead, the Company's specific needs are better met by applying a more flexible requirement profile.

### **Recommendation D.3**

According to recommendation D.3, sentence 1 of the Code 2022, the expertise in the field of accounting shall consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the field of auditing shall consist of special knowledge and experience in the auditing of financial statements. According to recommendation D.3, sentence 2 of the Code 2022, accounting and auditing also include sustainability reporting and its audit and assurance.

With Michael Bock, the Audit Committee of MEDICLIN AG has a member with the required accounting expertise and with Cornelia Wolf a member with the special auditing knowledge and experience. Both have knowledge and experience in the field of sustainability issues to the extent that these are currently already part of the accounting and auditing activities. However, they do not have any expertise in sustainability reporting and auditing that goes beyond this scope, meaning that recommendation D.3, sentence 2 of the Code 2022 was not complied with.

### **G: Management Board remuneration**

The current remuneration system for the Management Board members of 21 September 2023 was presented to and approved by the Annual General Meeting on 6 June 2024. Since 1 January 2024, it applies to all new contracts of employment to be concluded with Management Board members as well as to contract renewals. Thomas Piefke's contract of employment (COO) and Dr. Joachim Ramming's renewed contract of employment (CEO) are, since 1 January 2024, based on the new remuneration system. The contract of employment of Tino Fritz (CFO) is still based on the remuneration system adopted by the Supervisory Board on 25 March 2021 and approved by the Annual General Meeting on 26 May 2021.

Thus, until 31 December 2023, only the remuneration system of 25 March 2021 applied, while the new remuneration system became applicable on 1 January 2024.

Against this backdrop, the deviations with regard to Management Board remuneration are explained in the following with regard to past practice; except for the explanations regarding recommendation G.1 that apply only to the current remuneration system, the explanations refer to the former and the present system alike.

### **Recommendation G.1**

According to recommendation G.1 of the Code 2022, the Supervisory Board shall define in the remuneration system which financial and non-financial performance criteria are relevant for the granting of variable remuneration components.

If this is also understood as a recommendation to define non-financial performance criteria in the remuneration system, the recommendation exceeds the legal requirements, which solely stipulate that the remuneration structure be aligned with the sustainable and long-term development of the Company (section 87 (1) sentence 2 German Stock Corporation Act (AktG)). Section 87a (1) sentence 2 no. 4 AktG does not suggest anything different either, as, according to this provision, non-financial performance criteria for granting variable remuneration components are only required to be disclosed if such remuneration components actually exist.

The long-term variable remuneration provided for in the current remuneration system of 21 September 2023, in particular, is such a component that is aligned with the sustainable and long-term development of the Company within the meaning of the legal requirements. From the Supervisory Board's perspective, any further specification of non-financial targets beyond this scope is neither necessary nor planned. Therefore, and as a precaution, a deviation from recommendation G.1 is hereby declared.

### **Recommendation G.3**

According to recommendation G.3 of the Code 2022, the Supervisory Board shall, in order to assess whether the specific total remuneration of Management Board members is in line with usual levels compared to other enterprises, use an appropriate peer group of other third-party entities, and shall disclose the composition of such group. The peer-group comparison shall be applied with a sense of perspective in order to prevent an automatic upward trend.

The Supervisory Board believes that a peer-group comparison, even if applied with a sense of perspective, tends to nevertheless support an automatic upward trend and that it is no suitable criterion for the appropriateness of total remuneration, especially at a de facto consolidated company such as MEDICLIN AG.

### **Recommendation G.4**

According to recommendation G.4 of the Code 2022, the Supervisory Board shall, in order to determine whether the Management Board remuneration is in line with usual levels within the enterprise itself, take into account the relationship between Management Board remuneration and the remuneration of senior managers and the workforce as a whole, and how remuneration has developed over time.

The Supervisory Board discusses the appropriateness of the Management Board's remuneration as is its duty. In determining the Management Board remuneration, the Supervisory Board also takes the Company's internal remuneration structure into consideration. However, the Supervisory Board does not believe that the formal approach as recommended by the Code 2022 is required, because it does not enhance the decision quality.

### **Recommendation G.6**

According to recommendation G.6 of the Code 2022, the share of variable remuneration achieved as a result of reaching long-term targets shall exceed the share from short-term targets.

The share of variable remuneration based on the achievement of long-term targets does not exceed the variable remuneration for short-term targets, neither under the remuneration system of 25 March 2021, nor under the current remuneration system of 21 September 2023. However, the Supervisory Board is convinced that both remuneration systems offer sufficient incentive to implement strategic measures that contribute to the sustainable and long-term development of the Company.

### **Recommendation G.10**

According to recommendation G.10 of the Code 2022, variable remuneration amounts of Management Board members shall be invested predominantly in company shares by the respective Management Board member, or shall be granted as share-based remuneration, thereby taking the respective tax burden into consideration. Long-term variable remuneration components granted are only accessible to Management Board members after a period of four years.

Neither the remuneration system of 25 March 2021 nor the current remuneration system of 21 September 2023 provide for share-based variable remuneration and the members of the Management Board were not obliged on this basis to predominantly invest variable remuneration components in shares of the Company. Given the shareholder structure and the low liquidity of the shares, the Supervisory Board does not consider it appropriate to stipulate requirements for its Management Board members on how or within what timeframes to invest their variable remuneration.

### **Recommendation G.11**

According to recommendation G.11 of the Code 2022, the Supervisory Board shall have the possibility to account for extraordinary developments to an appropriate extent. It shall be permitted to retain or reclaim variable remuneration if justified.

The Supervisory Board maintains it suffices if the Company bases its claims to reclaim or retain variable remuneration components on the statutory provisions. Both the remuneration system of 25 March 2021 and the current remuneration system of 21 September 2023 provide for this. The Supervisory Board sees no need to make separate arrangements with the members of the Management Board providing for a malus clause in case of violations of corporate rules or for the possibility to retain or reclaim variable remuneration in case of certain (extraordinary) events.

### **Recommendation G.13**

According to recommendation G.13, sentence 1 of the Code 2022, any payments made to a Management Board member due to early termination of their Management Board activity shall not exceed twice the annual remuneration (severance cap) and shall not constitute remuneration for more than the remaining term of the employment contract.

The Supervisory Board maintains that both the remuneration system of 25 March 2021 and the current remuneration system of 21 September 2023 provide for a severance cap that is comparable to the above recommendation as Management Board members will receive only their fixed remuneration when removed from the Board or released of their duties. Arithmetically the severance payment could exceed the value of two annual remunerations, but remuneration exceeding the remaining term of the employment contract is excluded.

## **II.**

The Management Board and the Supervisory Board of MEDICLIN AG further declare that, save

for the exceptions described above, the recommendations of the Code 2022 will be complied with in the future.

Recommendation A.1 of the Code 2022 is to be complied with prospectively.

With regard to recommendation B.3 of the Code 2022, the Supervisory Board reserves the right to deviate from the recommended 3-year maximum term of office when members are first appointed to the Management Board if justified in individual cases.

From 1 January 2024 only the current remuneration system of 21 September 2023 will be relevant for Management Board remuneration, which is why the above explanations regarding recommendations G.1, G.3, G.4, G.6, G.10, G.11 and G.13 of the Code 2022 will apply only to this remuneration system in the future.

Offenburg, December 2024

MEDICLIN Aktiengesellschaft

The Supervisory Board

The Management Board