

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

The Management Board and Supervisory Board of MEDICLIN Aktiengesellschaft (MEDICLIN AG) declare that since issuing the last declaration of conformity in March 2020 has complied and continues to comply with the recommendations of the German Corporate Governance Code (Code) of 16 December 2019, published in the official section of the Federal Gazette by the Federal Ministry of Justice on 20 March 2020, with the exceptions outlined below:

### **Recommendation C.14 of the Code**

In accordance with Recommendation C.14, besides specific recommendations in supervisory board elections – which MEDICLIN fully complies with – the curriculum vitae of all supervisory board members including an overview of essential activities in addition to the supervisory board mandate is to be published annually on the Company's website. The Company had not yet made the latter and accordingly declared a deviation in its previous declarations of compliance. However, the Company will now do so by making this declaration and will therefore comply with the recommendation in the future.

### **Recommendation D.1 of the Code**

In accordance with Recommendation D.1, the Supervisory Board shall adopt its own rules of procedure and shall publish these on the Company's website.

The Supervisory Board of MEDICLIN AG has adopted its own rules of procedure that specify additional provisions on how the Board exercises the tasks delegated to the Board in accordance with the law and the Articles of Incorporation. However, the Board does not see any additional value to publish these rules of procedure on the Company website as the report of the Supervisory Board already contains information on the Board's work in the financial year under review. Furthermore, the tasks and responsibilities of the Supervisory Board are already largely regulated by law and the Articles of Incorporation. Therefore this Code recommendation was not followed.

### **Recommendations G.1 to G.16 of the Code**

Recommendations G.1 to G.16 contain detailed regulations regarding the remuneration of the Management Board. The principles and recommendations on the remuneration of the Management Board in Section G. of the Code have been largely recast. In particular, it was necessary to take into account the new legal requirements of the ARUG II. Changes of the Code do not have to be taken into account in current Management Board contracts. Insofar as the recommendations of this section are followed, related amendments to existing employment contracts are not necessary until they are renewed after the entry into force of the recast of the Code.

Against this background, the Supervisory Board will take a decision on compliance with recommendations G.1 to G.16 in the Management Board contracts. Therefore, a deviation from these recommendations is declared as a precautionary measure at this point.

As far as the current disclosure of the remuneration of the Board of Management is concerned, this is disclosed in accordance with the statutory requirements and in accordance with the Annual General Meeting's opting-out decision of 25 May 2016. Therefore, in accordance with Section 286 (5) Sentence 1 and Section 314 (3) Sentence 1 of the Commercial Code in the versions still applicable pursuant to Art. 83 (1) Introductory Act to the German Commercial Code (EGHGB), the individual remuneration of Management Board members is not specified in the Company's annual and consolidated financial statements for the years 2016 up to and including 2020.

Similar to the current presentation of the publication of the remuneration of the Management Board, the Supervisory Board remuneration is also published as a total amount in the Company's management report. The currently applicable rules on remuneration of the Supervisory Board as well as the amount were determined by the Annual General Meeting on 26 May 2010, taking into account the recommendation of the Code as valid at that time. They are regulated in detail and described transparently in the Articles of Incorporation (Article 12 Remuneration) of the Company.

#### **Recommendation G.4 of the Code (Formerly Number 4.2.2 (2) Sentence 3 of the Code)**

In accordance with Recommendation G.4, the Supervisory Board should also take into account the ratio of the Management Board remuneration to the remuneration of the senior management group and the workforce as a whole in the course of development when determining the criteria for the remuneration of the Management Board.

The Supervisory Board discusses the appropriateness of the Management Board's remuneration as 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 is of the opinion that the formal approach as recommended by the Code is not required, because it does not enhance the decision quality. Therefore, the Supervisory Board declares that its approach deviates from this recommendation.

#### **Recommendation G.18 of the Code (formerly Number 5.4.6 (2) Sentence 2 of the Code)**

In accordance with Recommendation G.18 Sentence 1 of the Code, the Supervisory Board remuneration should be a fixed remuneration. If members of the Supervisory Board are granted performance-related remuneration, it shall be geared to the long-term development of the Company in accordance with Recommendation G.18 Sentence 2.

In accordance with Article 12 (2) of the Articles of Incorporation, the members of the Supervisory Board receive a variable capped remuneration for each percentage point of dividend that is paid out above a percentage rate of 4 % on the basis of the amount of the subscribed capital. In our view, such a performance-oriented remuneration component promotes the identification of the

Company's Supervisory Board members with the Company and is therefore in the interest of MEDICLIN AG. Therefore, recommendation G.18 sentence 1 of the Code is not complied with.

With regard to Recommendation G.18 sentence 2, which aligns the performance-oriented remuneration of the Supervisory Board with a long-term development of the company, it is pointed out that the decision on the payment of a dividend depends on key figures (payout criteria), which in turn take into account aspects of a performance-oriented company development. In this respect, we assume that the variable remuneration component is aligned with the "sustainable business development" within the meaning of the Code in accordance with the Code. However, since it cannot be ruled out that different views will be taken in this regard, a deviation from this recommendation is declared as a precautionary measure.

Offenburg, November 2020

MEDICLIN Aktiengesellschaft

The Supervisory Board

The Management Board