

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

### **A. German Corporate Governance Code in the version dated December 16, 2019**

The Management Board and the Supervisory Board of MEDICLIN Aktiengesellschaft ("MEDICLIN AG") declare that the recommendations of the German Corporate Governance Code in the version dated December 16, 2019 ("Code 2019") published in the official section of the Federal Gazette on March 20, 2020 have been complied with since the last declaration of conformity was issued in November 2021, with the following exceptions:

### **G. Remuneration of the Management Board and Supervisory Board**

The remuneration system approved by the Supervisory Board on 25 March 2021 and approved by the Annual General Meeting on 26 May 2021 applies to all new Management contracts with Members of the Board of Management to be concluded and concluded thereafter, as well as to contract extensions. The previous remuneration practice and thus also the old contracts already correspond to a large extent to the new remuneration system.

Recommendations G.1 to G.16 of the Code 2019 contain detailed rules concerning the remuneration of the Management Board. The Supervisory Board dealt extensively with the recommendations of the Code 2019 concerning the remuneration system. From the Supervisory Board's point of view, some of the requirements to be derived from certain recommendations are not feasible for MEDICLIN AG or are implemented mutatis mutandis by MEDICLIN-specific rules. Against this background, deviations from the following recommendations are explained:

#### **Recommendation G.3**

In accordance with Recommendation G.3 of the Code 2019, the Supervisory Board should use a suitable comparison group of other companies to assess the customary of the total remuneration of the members of the Board of Management in comparison to other companies, the composition has to be disclosed. The peer group comparison should be used wisely so that there is no automatic upward trend.

The Supervisory Board is of the opinion that, on the one hand, a peer group comparison supports an automatic upward trend despite being used wisely and on the other hand, in particular, does not represent a suitable criterion for the appropriateness of the total remuneration, especially for group companies such as MEDICLIN AG.

#### **Recommendation G.4**

In accordance with Recommendation G.4 of the Code 2019, the Supervisory Board should consider the customary of the Management Board remuneration within the Company to the remuneration of the senior management group and the workforce as a whole and 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 2019 is not required, because it does not enhance the decision quality.

#### **Recommendation G.6**

In accordance with Recommendation G.6 of the Code 2019, the variable remuneration resulting from the achievement of long-term oriented goals should exceed the proportion of short-term oriented goals.

The Supervisory Board is of the opinion that the agreed and approved remuneration system contains sufficient incentives for the implementation of strategic measures as a contribution to the sustainable and long-term development of the Company and does not require any further arithmetical requirements.

#### **Recommendation G.10**

In accordance with Recommendation G.10 of the Code 2019, the variable compensation amounts granted to the Management Board Member are to be invested predominantly in shares of the Company or granted accordingly on a share-based basis, taking into account the respective tax burden. The Management Board Member should only be able to have access to the long-term variable grant amounts after four years.

The Management Board remuneration system of MEDICLIN AG does not provide for share-based variable remuneration and the Members of the Management Board were and are not obliged to invest the variable remuneration amounts predominantly in shares of the Company. Against the background of the structure of the shareholder base and the low liquidity of the share, the Management Board and the Supervisory Board do not consider it appropriate to give the Management Board Members instructions on how and under what deadlines they must invest their variable remuneration amounts.

#### **Recommendation G.11**

In accordance with Recommendation G.11 of the Code 2019, the Supervisory Board should have the opportunity to take extraordinary developments into account within an appropriate framework. In justified cases, a variable remuneration should be withheld or reclaimed.

The Supervisory Board assumes that it is sufficient if the company's claims for reclaim, or retention of variable remuneration components are governed by the legal provisions. This is also anchored in the remuneration system. It does not see any need to enter into separate agreements with the Members of the Board of Management that provide for a malus clause in the event of violations of regulations or that provide for the possibility of retaining and reclaiming variable remuneration for certain (extraordinary) events.

### **Recommendation G.13**

In accordance with Recommendation G.13 sentence 1 of the Code 2019, payments to a Member of the Management Board in the event of premature termination of the Management Board's activities should not exceed the value of two years' remuneration (severance cap) and should not be remunerated more than the remaining term of the management contract.

The supervisory board assumes that there is a severance payment cap comparable to the recommendation, since in the event of dismissal and exemption, the Management Board Member only receives the fixed remuneration. Although the severance payment could also exceed the value of two annual remuneration in purely mathematical terms, a remuneration of more than the remaining term of the employment contract is thus excluded.

## **B. German Corporate Governance Code in the version dated April 28, 2022**

The Management Board and the Supervisory Board of MEDICLIN AG also declare that MEDICLIN AG complies with the recommendations of the German Corporate Governance Code in the version dated April 28, 2022 ("Code 2022") with the following exceptions and will continue to do so in the future:

### **Recommendation A.1**

The newly introduced recommendation A.1 of the Code 2022 initially stipulates that the Management Board should systematically identify and evaluate the risks and opportunities for the company associated with the social and environmental factors as well as the ecological and social effects of the company's activities (A.1 sentence 1 of the Code 2022). In addition to long-term economic goals, ecological and social goals should also be adequately taken into account in the corporate strategy (A.1 sentence 2 of the Code 2022). In addition, corporate planning should include corresponding financial and sustainability-related goals (A.1 sentence 3 of Code 2022).

As part of a materiality analysis based on the GRI Standards (Global Reporting Initiative), 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. However, since the future European requirements for sustainability reporting have not yet been finally adopted, the topics identified in this way have not yet found their way into corporate planning or corporate strategy, so that recommendations A.1 sentences 2 and 3 of the Code 2022 are not complied with.

### **Recommendation A.3**

According to the newly introduced recommendation A.3 of the Code 2022 should also cover the internal control system and the risk management system, insofar as not already required by law, sustainability-related goals. This should include the processes and systems for collecting and processing sustainability-related data.

Currently, the design of the internal control and risk management systems of MEDICLIN AG is based on the legal requirements. Sustainability-related goals that go beyond these legal requirements are not covered by the internal control and risk management systems, so that recommendation A.3 of the Code 2022 is not met.

### **Recommendation A.5**

In accordance with the newly introduced Recommendation A.5 of the Code 2022, the main features of the entire – and not only accounting-related – internal control system and risk management system have to be described in the management report. In addition, comments are to be made on the appropriateness and effectiveness of the entire internal control system and risk management system. The recommendation thus goes well beyond the legal requirements of Sections 289 (4) and 315 (4) of the German Commercial Code (HGB). In addition, the further reporting required by Recommendation A.5 of the Code 2022 could only be excluded from the auditor's substantive review if it is clearly distinguished from the management report information to be audited and marked as unaudited.

Against this background, MEDICLIN AG currently limits itself to describing the main features of the internal control system and risk management system with regard to the accounting process in the summarised management report and Group management report – as required by law – and thus does not comply with recommendation A.5 of the Code 2022.

### **Recommendation C.1**

The recommendations C.1 sentences 1 and 2 of the Code 2022, according to which the Supervisory Board should specify concrete goals for its composition and develop a profile of skills and expertise for the entire Supervisory Board while paying attention to diversity, will no longer be complied with in the future. Consequently, recommendations C.1 sentences 3 to 5 of the Code 2022, which are linked to recommendations C.1 sentences 1 and 2 of the Code 2022, cannot (no longer) be followed.

The requirements for the competence profile to be developed by the Supervisory Board and for reporting on it have been significantly tightened again with the revised Code of 2022. The Supervisory Board took this as an opportunity to question its practice in this regard and came to the conclusion that there is no need to adopt a competence programme within the meaning of the Code 2022. Rather, the Supervisory Board will in future be guided exclusively by the suitability of the candidates, the current requirements and the legal requirements in its nominations for the Supervisory Board. In doing so, the Supervisory Board will be guided by a fundamental requirement profile, which will be ad-hoc and concretized if necessary, and at the same time pay attention to diversity. In the opinion of the Supervisory Board, there is no need for further bureaucratizing self-regulation within the meaning of the recommendations pursuant to C.1 sentences 1 to 5 of the Code 2022; rather, the specific requirements of society can be better taken into account by a more flexible design of the requirement profile.

On the other hand, recommendation C.1 sentence 6 of the Code 2022, according to which the declaration on corporate governance should provide information on the appropriate number of

independent shareholder representatives and the names of these members in the opinion of the shareholder representatives on the Supervisory Board, will continue to be complied with.

### **Recommendation D.3**

The revised recommendation D.3 sentence 2 of the Code 2022 is not complied with.

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

With Mr. Michael Bock, the Audit Committee of MEDICLIN AG has a member with the expertise in the field of accounting – now detailed in recommendation D.3 sentence 1 of the Code 2022 – and with Ms. Cornelia Wolf a member with special knowledge and experience in auditing. Both have knowledge and experience in sustainability issues, insofar as these are already the subject of accounting or auditing. However, there is no further expertise in the field of sustainability reporting and its auditing, so that recommendation D.3 sentence 2 of the Code 2022 is currently not complied with.

### **Recommendations G.3, G.4, G.6, G.10, G.11 and G.13**

The recommendations on the remuneration system for the Management Board and Supervisory Board have remained unchanged under the Code 2022 compared to the Code 2019. With regard to recommendations G.3, G.4, G.6, G.10, G.11 and G.13 concerning the remuneration system for the Management Board and the remuneration itself, the statements under lit. A therefore apply accordingly.

Offenburg, November 2022

MEDICLIN Aktiengesellschaft

The Supervisory Board

The Management Board