

## 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 the recommendations of the German Corporate Governance Code (Code) in the version dated June 27, 2002 published in the official section of the Federal Gazette on April 28, 2022, have been complied with since the last declaration of conformity was issued in November 2022 and the update in September 2023, with the following exceptions:

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

The recommendation A.1 of the Code 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). Besides 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). In addition, corporate planning should include corresponding financial and sustainability-related goals (A.1 sentence 3 of Code).

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 regarding 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 are not complied with.

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

According to the Recommendation A.3 of the Code, the internal control system and the risk management system, insofar as not already required by law, should also cover 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 is not met.

#### **Recommendation A.5**

In accordance with the Recommendation A.5 of the Code, 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 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.

### **Recommendation B.3**

According to the Recommendation B.3 of the Code, the initial appointment of members of the Management Board should be for a maximum of three years.

In deviation from this, the Supervisory Board has decided to appoint Thomas Piefke as Chief Operating Officer (COO) for a full five-year term, effective October 1, 2023, and accordingly declared a deviation from recommendation B.3 of the Code during the year. The Supervisory Board is of the opinion that exceeding the recommended maximum duration in the specific case is in the interest of the Company and makes an important contribution to the continuity of the work on the Management Board of MEDICLIN AG in the coming years. In view of Thomas Piefke's previous many years of management activities in the Asklepios Group, the Supervisory Board has no doubt that Thomas Piefke is a suitable candidate for the position of COO and has the necessary skills and experience.

### **Recommendation C.1**

The Recommendations C.1 sentences 1 and 2 of the Code, 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, which are linked to recommendations C.1 sentences 1 and 2 of the Code 2022, cannot be followed.

In its nominations for the Supervisory Board, the Supervisory Board was guided by the suitability of the candidates, the current requirements, and the legal requirements. In doing so, the Supervisory Board was guided by a basic requirement profile, which was adapted and specified if necessary ad hoc, while at the same time paying attention to diversity. In the opinion of the Supervisory Board, there is no need for further bureaucratic self-regulation in the sense of the recommendations pursuant to C.1 sentences 1 to 5 of the Code; rather, the specific requirements of the company can be better considered by making the requirements profile more flexible.

### **Recommendation D.3**

According to recommendation D.3 sentence 1 of the Code, 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, accounting and auditing also include sustainability reporting and its audit.

With 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 – and with 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 it's auditing, so that recommendation D.3 sentence 2 of the Code is not complied with.

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

The current remuneration system was approved by the Supervisory Board on March 25, 2021, and approved by the Annual General Meeting on May 26, 2021. Since then, the Supervisory Board has reviewed the remuneration system and, at its meeting on September 21, 2023, adopted a new remuneration system for the members of the Board of Management, the incentive structure of which is based on profitability and profitability as well as the long-term development of sales in the post-acute segment, which is particularly important for the Group.

Subject to approval by the Annual General Meeting, the new remuneration system will apply from 1 January 2024 to all new service contracts to be concluded with members of the Board of Management as well as to contract extensions. The employment contract of Thomas Piefke (COO) and the follow-up service contract of Dr. Joachim Ramming (CEO) will be based on the new remuneration system as of January 1, 2024, subject to approval by the Annual General Meeting. The employment contract of Mr. Tino Fritz (CFO) continues to be based on the remuneration system approved by the Annual General Meeting on May 26, 2021.

For the past, the remuneration system of March 25, 2021, is therefore still relevant. First, this also applies to the forward-looking view; only from January 1, 2024 – subject to approval by the Annual General Meeting – will the new remuneration system be applied (see section II below).

Against this background, deviations from the following recommendations are explained for the past regarding the remuneration system of March 25, 2021:

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

In accordance with Recommendation G.3 of the Code, 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, 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 is not required, because it does not enhance the decision quality.

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

In accordance with Recommendation G.6 of the Code, 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 remuneration system of March 25, 2021, 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, 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 current Management Board remuneration system of MEDICLIN AG of March 25, 2021, 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, 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 current 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, 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 according to the current remuneration system of March 25, 2021, 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.

## II.

In addition, the Management Board and the Supervisory Board of MEDICLIN AG declare that the recommendations of the Code will be complied with in the future with the exceptions described above and with the exception of Recommendation G.1.

With regard to Recommendation B.3, the Supervisory Board reserves the right to deviate from the recommended maximum period of three years for initial appointments to the Management Board in justified individual cases.

With regard to the recommendations on the remuneration of the Management Board, the remuneration system of March 25, 2021, is still relevant until December 31, 2023, so that reference can be made in full to the corresponding statements under Section I. Subject to approval by the Annual General Meeting, the new remuneration system will not apply until 1 January 2024; however, the explanations under point I on recommendations G.3, G.4, G.6, G.10, G.11 and G.13 of the Code also apply mutatis mutandis in this respect. In addition, as a precautionary measure, a deviation from recommendation G.1 is declared:

### **Empfehlung G.1**

In accordance with Recommendation G.1, the Supervisory Board should determine in the remuneration system which financial and non-financial performance criteria are relevant for the granting of variable remuneration components.

Insofar as it is also seen as a recommendation to define non-financial performance criteria in the remuneration system, the recommendation goes beyond the legal requirements, which only require that the remuneration structure be geared towards the sustainable and long-term development of the company (Section 87 (1) sentence 2 of the German Stock Corporation Act). Nor does anything else follow from section 87a (1) sentence 2 no. 4 of the German Stock Corporation Act in this respect, since it stipulates that non-financial performance criteria for the granting of variable remuneration components are only to be disclosed if they are actually provided for as a component of remuneration.

In particular, the new remuneration system includes long-term variable remuneration, a component that is geared towards the sustainable and long-term development of the company in accordance with legal requirements. In the view of the Supervisory Board, it is not necessary to set non-financial targets beyond this.

Offenburg, November 2023

MEDICLIN Aktiengesellschaft

The Supervisory Board

The Management Board