

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

### **A. German Corporate Governance Code in the version of 7 February 2017**

The Management Board and Supervisory Board of MEDICLIN Aktiengesellschaft (MEDICLIN AG) declare that since issuing the last declaration of conformity in March 2019 and until the new version of the German Corporate Governance Code of 16 December 2019 came into force on 20 March 2020 MEDICLIN has complied with the recommendations of the version of the German Corporate Governance Code (Code) of 7 February 2017 applicable at that time since it was published in the official section of the Federal Gazette by the Federal Ministry of Justice, with the exceptions outlined below:

#### **Number 4.2.2 (2) Sentence 3 of the Code**

In accordance with Number 4.2.2 (2) Sentence 3, the Supervisory Board shall, in determining the criteria for the appropriateness of the Management Board remuneration, also consider the relation of the Management Board remuneration to the remuneration of the senior management and the workforce as a whole, and how remuneration has developed over time, and the Supervisory Board determines how senior management and the relevant staff is defined in the scope of this comparison.

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 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.

#### **Number 4.2.5 (3) Sentence 1 and 2 of the Code**

In accordance with Number 4.2.5 (3) Sentence 1 and 2 of the Code, the remuneration report shall detail certain information on the Management Board remuneration for each individual member of the Management Board using the templates attached to the Code.

The remuneration of the Management Board 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 and consequently the templates attached to the Code are not used.

As long as the opting-out decision by the Annual General Meeting is valid, the Company will refrain from including the information recommended as per the Code in its remuneration report. Therefore these recommendations were not followed.

**Number 5.4.1 (2) Sentence 2 of the Code**

In accordance with Number 5.4.1 (2) Sentence 2, the Supervisory Board shall specify a regular limit on the length of membership for members of the Supervisory Board.

In its meeting on 22 March 2016 the Supervisory Board decided to specify no regular limit on the length of membership for members of the Supervisory Board. In the Company's best interest the membership of the Supervisory Board shall only focus on knowledge and professional qualification of the members. The Supervisory Board does not consider a fixed regular limit of length to be appropriate, particularly as the respective period of office for Supervisory Board members regulated by law and in the Articles of Incorporation defines a reasonable timeframe for the terms of office. Therefore these recommendations of the Code were not followed.

**Number 5.4.1 (5) Sentence 2 of the Code**

In accordance with Number 5.4.1 (5) Sentence 2, a curriculum vitae of the proposed candidate shall be included for the election to the Supervisory Board during the Annual General Meeting. The CV shall inform about relevant knowledge, skills and experience. It shall be supplemented by an overview of all important activities besides the mandate in the Supervisory Board and for all members of the Supervisory Board it should be annually updated and published on the website of the Company.

The Supervisory Board fulfils all legal requirements and complies with the recommendations of the Code regarding the disclosure of detailed information about candidates which are proposed for election to the Annual General Meeting. Apart from that it follows the regulation to disclose in detail all Supervisory Board members and their respective mandates updated annually in the notes to the financial statements and in the notes to the consolidated financial statements. The Supervisory Board does not see any additional value to publish an annually updated overview of all Supervisory Board members' main activities besides their mandate on the Supervisory Board on the website of the Company. Therefore these recommendations of the Code were not followed.

**Number 5.4.6 (2) Sentence 2 of the Code**

In accordance with Number 5.4.6 (2) Sentence 2 any performance-oriented remuneration pledged to the Supervisory Board members shall be geared to the Company's sustainable and long-term development.

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. Since the decision regarding the payout of a dividend depends on ratios (distribution criteria), which, in turn, consider aspects of performance-oriented Company development, we therefore believe that the variable remuneration component is geared, in compliance with the Code, to "the Company's sustainable long-term development". As it cannot be excluded that other opinions exist in this respect, however, we declare deviation from this recommendation of the Code as a matter of precaution.

**Number 5.4.6 (3) Sentence 1 of the Code**

In accordance with Number 5.4.6 (3) Sentence 1, the remuneration of the members of the Supervisory Board is to be disclosed individually, broken down by element in the notes to the financial statements or in the 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. Therefore the remuneration of the Supervisory Board is published as a total value in the management report of the Company. This also corresponds to the currently applicable procedure regarding the disclosure of the remuneration of the Management Board (opting-out resolution of the Annual General Meeting of 25 May 2016). Therefore, the Code recommendation for an individualised presentation of the Supervisory Board remuneration is not followed.

## **B. German Corporate Governance Code in the version of 16 December 2019**

The Management Board and Supervisory Board of MEDICLIN AG declare that MEDICLIN has complied with and continues to comply with the recommendations of the version of the German Corporate Governance Code (Code) of 16 December 2019 since it came into force and was published in the official section of the Federal Gazette of 20 March 2020 by the Federal Ministry of Justice, with the exceptions outlined below:

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

The contents of Recommendation C.14, which is not followed, correspond with Number 5.4.1 (5) Sentence 2 of the Code in its version of 7 February 2017. We therefore refer to the corresponding explanations above.

### **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 provisions regarding the remuneration of the Management Board.

However, according to the official reasoning for the new wording of the Code, these recommendations in the Code of 16 December 2019 do not need to be considered in ongoing Management Board contracts until such ongoing contracts are renewed. Therefore, the Supervisory Board will not make a final decision on whether to follow Recommendations G.1 to G.16 until it concludes new Management Board contracts. Therefore, we hereby declare deviation from these recommendations of the Code as a matter of precaution.

With regard to Recommendation G.4, the contents of which do not exceed the contents of Number 4.2.2 (2) Sentence 3 of the Code of 7 February 2017 which we have not followed to date, we refer to the corresponding explanations above.

**Recommendation G.18 of the Code**

In accordance with Recommendation G.18 Sentence 1 of the Code, the Supervisory Board remuneration should be 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 Recommendations G.18 Sentence 1 of the Code was not followed.

With regard to Recommendation G.18 Sentence 2 (gearing of the Supervisory Board's performance-oriented remuneration to the long-term development of the Company), reference is made to the reasons given with regard to Number 5.4.6 (2) Sentence 2 of the Code in the version of 7 February 2017, as the contents of this Number correspond with the new Recommendation G.18 Sentence 2.

Offenburg, March 2020

MEDICLIN Aktiengesellschaft

The Supervisory Board

The Management Board