

Declaration on Compliance and Corporate Governance Report (as of January 19, 2021)

Declaration on compliance pursuant to Section 161 AktG

Since submitting the last declaration of conformity from December 3, 2019 to March 20, 2020, Eckert & Ziegler AG has complied with all recommendations of the “Government Commission on the German Corporate Governance Code” in the version dated February 7, 2017 (“Code 2017”) , with the following exceptions:

1. **Recommendation 3.8 of the 2017 Code:** The D&O insurance policy taken out by the company for the Supervisory Board does not provide for a deductible. No deductible has been agreed in the D&O insurance (liability insurance for members of the executive bodies) for the Supervisory Board, as it is not apparent that this would fundamentally improve the motivation and sense of responsibility of the members of the Supervisory Board. Furthermore, a deductible is not considered appropriate in view of the comparatively low level of remuneration of the Supervisory Board.
2. **Recommendation 5.3 of the 2017 Code:** The Supervisory Board has not established any committees, in particular an audit committee or nomination committee. The need to form committees, in particular an audit committee or a nomination committee, is not considered urgent due to the small number of members on the supervisory board and the specific circumstances of the company, in particular the easy availability of the members of the supervisory board. The Supervisory Board as a whole is equally capable of performing the tasks normally assigned to committees.
3. **Recommendation 5.1.2 of the 2017 Code:** No age limits have been set for the members of the Executive Board. People should not be privileged or disadvantaged because of their age, skin colour, origin or gender. The only guideline for filling positions on the Executive Board can only be to select from the largest possible pool of candidates those persons who, in a given situation, are most suitable for strengthening the Board and thus the competitiveness of the company on the basis of their knowledge, skills and professional experience.
4. **Recommendation 4.2.3 of the 2017 Code:** Some of the contracts of employment for members of the Executive Board provide for the authority of the Supervisory Board to subsequently adjust individual parameters for the measurement of individual, variable remuneration components in the event of extraordinary events. This possibility of adjustment, which also allows adjustments both to the benefit and to the detriment of the members of the Executive Board, ensures that the members of the Executive Board are properly incentivised. Since the decision is at the sole and appropriate discretion of the Supervisory Board, such an adjustment option is in the best interest of the company and its shareholders.

Eckert & Ziegler AG has complied with all recommendations of the German Corporate Governance Code as amended on December 16, 2019 ("Code 2020") since the Code 2020 came into force on March 20, 2020, and will continue to comply with it in the future, with the following exceptions:

1. **Recommendation B.5 of the Code 2020:** The company does not set an age limit for members of the Executive Board because age is not a relevant criterion for them.
2. **Recommendation C.2 of the Code 2020:** The company does not set an age limit for members of the Supervisory Board because age is not a relevant criterion for them.
3. **Recommendations D.3 and D.5 of the 2020 Code:** The Supervisory Board has not established an audit committee or a nomination committee. The formation of an audit committee or a nomination committee is not necessary due to the small number of members of the Supervisory Board and the specific circumstances of the company, in particular the easy availability of the members of the Supervisory Board. The Supervisory Board as a whole is equally capable of performing the tasks normally assigned to an audit committee and a nomination committee.
4. **Recommendation G.7 of the Code 2020:** The Supervisory Board has not defined any performance criteria for each member of the Executive Board for the coming financial year for the variable remuneration components, which - in addition to operational - are primarily based on strategic objectives. Annual stipulations would represent an intervention by the Supervisory Board in the management of the company, which is not necessary in the situation of the company in order to promote its sustainable and long-term development. The primary link in accordance with the remuneration system to the net income for the year or its long-term development, in combination with the payment of the long-term variable remuneration in shares or the linking of the calculation to the share price, is sufficient.
5. **Recommendation G.8 of the Code 2020:** A subsequent change of the target values or the comparison parameters is not excluded. Some of the contracts of employment of the members of the Executive Board provide for the authority of the Supervisory Board to subsequently adjust individual parameters for the measurement of individual, variable compensation components in the event of extraordinary events. Such an adjustment option, which also allows adjustments both to the benefit and to the detriment of the members of the Executive Board, ensures that the members of the Executive Board are properly incentivised. Since the decision is in the sole and proper discretion of the Supervisory Board, such an adjustment option is in the best interest of the company and its shareholders.

Information on corporate governance practices

The Executive Board of the company is fully committed to the legal and company-specific regulations on responsible and lawful conduct. It has expressed this principle by creating a Code of Conduct which is binding throughout the Group (available at: www.ezag.com/home/about_us/code_of_conduct/). The Executive Board commits itself and the Group to refraining from any business activities that contravene the principles of the Code of Conduct.

Operating principles of the Executive Board and Supervisory Board

In accordance with the provisions of the German Stock Corporation Act (AktG), the company is subject to the so-called "dual management system", which is characterized by a separation of personnel between the Executive Board as the management body and the Supervisory Board as the monitoring body. The Executive Board manages the company with the aim of creating sustainable value, develops the corporate strategy and ensures its implementation in consultation with the Supervisory Board. The Supervisory Board, on the other hand, is responsible for monitoring and advising the Executive Board on an ongoing basis. The Executive Board and Supervisory Board work closely together in the interests of the company.

The Executive Board of the company currently consists of three members. The members of the Executive Board are jointly responsible for the management of the company. This does not affect the overall responsibility of all members of the Executive Board. Each member of the Executive Board is responsible for managing the business area assigned to him or her.

The principles of cooperation between the members of the Executive Board are set out in the Executive Board's rules of procedure. In particular, these rules govern the responsibilities of the individual members of the Executive Board, the matters reserved for the Executive Board as a whole, the passing of resolutions, the majorities required for resolutions, and the rights and duties of the Chairman of the Executive Board. In addition, the Rules of Procedure define a catalog of transactions of fundamental importance for which the Executive Board requires the approval of the Supervisory Board.

The Executive Board informs the Supervisory Board regularly, promptly and comprehensively about all aspects of business development of importance to the Group, significant business transactions and the current earnings situation, including the risk situation and risk management. Deviations in the course of business from previously established plans and targets are explained and justified.

In accordance with the Articles of Association, the Supervisory Board consists of six members and is composed exclusively of shareholder representatives. The Supervisory Board is directly involved in decisions of fundamental importance to the company. This also includes the strategic alignment of the company. The Supervisory Board appoints and dismisses the members of the Executive Board, decides on the compensation system for the members of the Executive Board and sets their respective total compensation.

The rules of procedure with regard to the conduct of meetings and resolutions of the Supervisory Board and its committees, if any, are summarized in the Rules of Procedure of the Supervisory Board. The Chairman of the Supervisory Board coordinates the work of the Supervisory Board and chairs the meetings. In view of the specific circumstances of the company and the small number of its members, the Supervisory Board has established just one committee, the Compensation Committee. The members of the Compensation Committee are Dr. Edgar Löffler and Frank Perschmann. Due to the size of the committee, the appointment of a committee chairman was waived. The Supervisory Board regularly evaluates how effectively it and any of its committees perform their duties.

In the 2020 financial year, a self-assessment was carried out in the form of a comprehensive questionnaire on all relevant issues.

Composition of the Executive Board, age limit and long-term succession planning

In determining the composition of the Executive Board, the Supervisory Board takes diversity into account, paying particular attention to broad-based skills and experience that are important for the company and to non-discriminatory selection. No specific age limit is set for members of the Executive Board. The Supervisory Board ensures long-term succession planning with regard to appointments to the Executive Board. In particular, the Supervisory Board identifies times when it may be necessary to replace one or more members of the Executive Board and discusses the requirements to be met by potential successors and the possible involvement of external service providers. In its activities, the Supervisory Board regularly exchanges views with the Executive Board and its members within the legally permissible framework, in particular on the career planning of Executive Board members and on potential internal successors and their development.

Targets for the composition of the Supervisory Board, competence profile and status of implementation

The Supervisory Board has resolved targets for its composition and a competence profile. Accordingly, the Supervisory Board is to be composed in such a way that its members as a whole have the knowledge, skills and specialist experience required to perform their duties properly. At the same time, the aim is to ensure that the Supervisory Board has all the knowledge and experience deemed essential in view of the company's activities. Furthermore, in view of the international activities of the company, the aim is always to have several members on the Supervisory Board who have international business experience or some other international connection. No specific age limit is set for members of the Supervisory Board.

In the opinion of the company, the Supervisory Board is composed of individuals with a broad range of experience in the areas that are important for the company. In addition to members with expertise in accounting and auditing, the Supervisory Board currently has members with proven expertise in the fields of healthcare, natural sciences and law. Furthermore, several members have international business experience or other international backgrounds as a result of past or present professional activities. The current composition of the Supervisory Board therefore meets the objectives for the composition of the Supervisory Board and is in line with the competence profile.

The Supervisory Board should also include what the shareholders consider to be an appropriate number of members who are independent of the company and its Executive Board and independent of any controlling shareholder, Recommendation C.6 GCGC. The Supervisory Board, which has no employee representatives, considers that at least half of the Supervisory Board members should be independent within the meaning of this recommendation. In addition, more than half of the members of the Supervisory Board shall be independent of the company and its Executive Board. A member is independent of the company and its Executive Board if he or she has no business or personal relationship with the company or its Executive Board that could give rise to a material and not merely temporary conflict of interest. A member is independent of a controlling shareholder if he or she or a close member of his or her family is neither a controlling shareholder nor a member of the controlling shareholder's executive body or has a personal or business relationship with the controlling shareholder that could give rise to a material and not merely temporary conflict of interest. At present, two thirds, i.e. four, of the members of the Supervisory Board are independent, namely the Chairman of the Supervisory Board, Prof. Dr. Wolfgang Maennig, and Dr. Edgar Löffler, Frank Perschmann and Albert Rupprecht. One third, i.e. two members of the Supervisory Board, were delegated by the main

shareholder, namely Prof. Dr. Helmut Grothe and Jutta Ludwig, in accordance with Section 9 (2) of the Articles of Association.

The Chairman of the Supervisory Board, Prof. Dr. Maennig, has been a member of the Supervisory Board for more than 12 years. Nevertheless, the Supervisory Board considers Prof. Dr. Maennig to be independent of the company and its Executive Board. Due to his teaching and research activities as a full professor at the University of Hamburg, Prof. Dr. Maennig is a well-known person in the Federal Republic of Germany, which in the opinion of the Supervisory Board speaks for his independence from the company and its Executive Board. In addition, the Supervisory Board considers that the company-specific knowledge and experience that Prof. Dr. Maennig has been able to acquire through his many years of membership of the Supervisory Board enriches and promotes in particular the monitoring of the Executive Board and the coordination of the Supervisory Board's activities without being detrimental to his neutrality and independence. There are no facts relating to Prof. Dr. Maennig's membership of the Supervisory Board that could constitute a material and not merely temporary conflict of interest.

Prof. Dr. Helmut Grothe has been a member of the Supervisory Board since 2014, Albert Rupprecht since 2017, and Jutta Ludwig, Dr. Edgar Löffler and Frank Perschmann since 2019.

As part of the Act on Equal Participation of Women and Men in Leadership Positions, a minimum target of one sixth was set for the proportion of women on the Supervisory Board (see below for more details).

Specification of targets for the proportion of women in the Executive Board, Supervisory Board and management positions

In accordance with section 111 (5) of the German Stock Corporation Act (AktG), the Supervisory Board and in accordance with section 76 (4) of the German Stock Corporation Act (AktG), the Executive Board have resolved the following targets for the proportion of women on the Supervisory Board and on the Executive Board and in the two management levels below the Executive Board:

Targets for the Executive Board and Supervisory Board

In view of the fact that the Supervisory Board is not seeking any changes in the composition of the Executive Board of Eckert & Ziegler that are not based purely on personal and professional suitability for the office, the Supervisory Board resolved on July 31, 2017, not to set a numerical target for the proportion of women on the Executive Board and to set 0% as the target for the proportion of women on the Executive Board of Eckert & Ziegler AG. The deadline for achieving the target figure was set at June 30, 2022.

For the Supervisory Board, the Supervisory Board resolved on the same day to set a quota of 1/6 (equivalent to approx. 17%). The deadline for achieving the target figure was also set at June 30, 2022. Currently, the Supervisory Board of the company includes one woman.

Target figures for upper management levels

In view of the fact that the Executive Board is not seeking any changes in the composition of the upper management levels below the Executive Board that are not based purely on personal and professional suitability for the position, the Executive Board resolved on August 23, 2017 not to set a numerical target for the proportion of women at these management levels (corresponds to 0%). The deadline for achieving the target is set at June 30, 2022. The first management level below the

Executive Board is defined as the group of department heads and the second management level below the Executive Board is defined as the group of sub-department heads.

As of December 31, 2020, the female quota in the first management level below the Executive Board was 67% and in the second management level 43%. The figures relate to the listed Group holding company with its around 60 employees. Only the holding company is subject to the disclosure requirements of the "Act on the Equal Participation of Women and Men in Management Positions" (Art. 76 par. 4 AktG). In the Group as a whole, with around 800 employees, the picture is similar, particularly at the second management level.

More detailed information on equal opportunities and diversity can be found in the Eckert & Ziegler AG sustainability report at www.ezag.de > Investors > Reports.