

Manz AG
Reutlingen, Germany

ISIN: DE000A0JQ5U3

Declaration of Conformity for November 2020

of the Managing Board and Supervisory Board of Manz AG regarding the recommendations of the "Commission German Corporate Governance Code" pursuant to section 161 of the German Stock Corporation Act

- I. The Board of Management and the Supervisory Board of Manz AG declare pursuant to section 161 of the German Stock Corporation Act, that Manz AG has complied with the recommendations issued by the "Government Commission of the German Corporate Governance Code" as amended on February 7, 2017 ("**GCGC 2017**") and that they were implemented from the submission of the Declaration of Conformity of November 26, 2019 until the publication of the German Corporate Governance Code on March 20, 2020 in the version of the Code as amended on December 16, 2019 with the following exceptions:

The company did not comply with the recommendation in item 3.8, para. 3 of the GCGC 2017, which recommends that in a D&O policy for the Supervisory Board a deductible of at least 10% of the loss up to at least the amount of one and a half times the fixed annual remuneration of the Supervisory Board member shall be agreed. The company will also not comply with this recommendation in the future. The Managing Board and the Supervisory Board of Manz AG believe that the members of the Supervisory Board have carried out and will continue to carry out their official function diligently and dutifully even without a deductible, and thus a deductible would not further increase the diligence and the sense of responsibility of Supervisory Board members.

- II. The Board of Management and the Supervisory Board of Manz AG furthermore declare that the recommendations issued by the "Government Commission of the German Corporate Governance Code" as amended on December 16, 2019 ("**DCGK 2020**") were and will be implemented from their publication on the official section of the Federal Gazette on March 20, 2020 with the following exceptions:

1. New recommendations of the DCGK 2020 to improve Corporate Governance Publicity

The GCGC 2020 contains several new recommendations that serve to improve Corporate Governance Publicity. In particular, the Government Commission of the German Corporate Governance Code has taken the approach of making the Declaration on Corporate Governance in accordance with Section 289f HGB (German Commercial Code) the central instrument for reporting on Corporate Governance.

The publication of the regulatory content of the following recommendations was recommended for the first time with the GCGC 2020 within the Declaration on Corporate Governance. The recommendations to improve Corporate Governance Publicity will be implemented so that the recommendations will be complied with in the future.

- Recommendation B.2 second sentence (*Appointments to the Management Board*)
- Recommendation B.5 second sentence (*Appointments to the Management Board*)
- Recommendation C.8 (*Independence of Supervisory Board members*)
- Recommendation D.1 (*Publication of terms of reference of the Supervisory Board*)

The publication of the Terms of Reference of the Supervisory Board was recommended for the first time by the GCGC 2019. The Terms of Reference of the Supervisory Board as amended on September 22, 2015 will be made available via the website of the Manz AG, the recommendation will be complied with in future.

2. Recommendation G. 1 (*Remuneration of the Management Board*)

The GCGC 2020 recommends a clear and comprehensible system for the remuneration of Management Board. From entry into force of the GCGC 2020 on March 20, 2020 until submission of the present Declaration of Conformity, no new system for the Management Board remuneration was adopted and submitted to the Annual General Meeting for approval within the meaning of section 120a AktG in the version of the Act Implementing the Second Shareholder Rights Directive ("ARUG") of December 12, 2019.

Given the statutory period of transition, such submission must be made no later than at the 2021 Annual General Meeting. The extent to which the new Recommendation G.1 on the system for the Management Board remuneration will be implemented in future will be reviewed and decided by the Supervisory Board on review and on any adjustment of the remuneration system based on the applicable statutory requirements in the version of ARUG II within the period of transaction.

Section G. (Remuneration of the Board of Management and Supervisory Board) of the GCGC 2020 contains new recommendations on the remuneration of the Board of Management. In the following, the existing Remuneration System for the Management Board does not fully comply with these recommendations:

- G.2 (*Determining total remuneration*)
- G.3 (*Determining total remuneration*)
- G.7 (*Determining total amount of variable remuneration components*)
- G.11 (*Determining total amount of variable remuneration components*).

In connection with the decision on the remuneration system to be submitted to the 2021 Annual General Meeting for approval, the Supervisory Board will also decide whether the recommendations should be complied with in the case of Management Board contracts to be concluded or amended in the future.

Reutlingen, 24 November 2020

Manz AG

For the Managing Board:



Martin Drasch
Vorsitzender des Vorstands

For the Supervisory Board:



Professor Dr. Heiko Aurenz
Vorsitzender des Aufsichtsrats