

## **Declaration of Compliance with the German Corporate Governance Code**

Joint declaration of compliance by the Management Board and the Supervisory Board of CompuGroup Medical SE with the German Corporate Governance Code in accordance with section 161 AktG:

Since the last declaration of compliance issued in March 2019, CompuGroup Medical SE has complied with the recommendations of the German Corporate Governance Code (Code) as amended February 7, 2017, with the exceptions disclosed.

In the future, CompuGroup Medical SE will continue to comply with the recommendations of the German Corporate Governance Code as amended on February 7, 2017, with the exceptions outlined below:

### **Section 3.8 of the Code:**

In accordance with item 3.8 of the Code, a D&O insurance policy for the Supervisory Board should include a deductible equal to that for the members of the Management Board. The Company's current D&O insurance policy does not take this recommendation into account as the Company does not consider a deductible to be appropriate given the amount of Supervisory Board remuneration.

### **Section 4.2.2 of the Code:**

In accordance with item 4.2.2 of the Code, the Supervisory Board should consider the ratio of the remuneration of the Management Board and that of senior management and the workforce as a whole, including its development over time, in determining the remuneration of the Management Board. The Supervisory Board has not yet complied with this recommendation as the Supervisory Board does not consider this approach to be appropriate in determining the remuneration of the Management Board.

### **Section 4.2.3 of the Code:**

In accordance with item 4.2.3 of the Code, the total amount of the remuneration of the Management Board of the Company and its variable remuneration components should be capped. The contract with the CEO does not stipulate such a cap so as to offer a special incentive that would not be possible to the same extent if a cap were in place.

The Supervisory Board has reserved the right to adjust performance targets or the underlying benchmarks during the term of the contract. This is necessary to maintain the flexibility needed to allow the Company to respond to changes.

There are currently no pension commitments to members of the Management Board, nor are they intended.

### **Section 5.1.2 of the Code:**

In accordance with item 5.1.2 of the Code, an age limit should be specified for members of the Management Board. This recommendation is not complied with as the Company does not consider a fixed age limit for members of the Management Board to be appropriate. When selecting candidates, the Company wishes to be able to assess this aspect individually, weighing up the candidate's expertise and performance in each individual case. Given the international nature of the Company, the Supervisory Board will also pay attention to diversity in the composition of the Management Board.

### **Section 5.3.2 of the Code:**

The Company deviates from the recommendation in item 5.3.2 of the Code, which stipulates that the Chairman of the Supervisory Board should not also be the Chairman of the Audit Committee, as the Chairman of the Supervisory Board has special expertise and experience in the application of financial reporting standards and internal control procedures, and is also considered independent by the Supervisory Board.

### **Section 5.3.3 of the Code:**

In accordance with item 5.3.3 of the Code, the Supervisory Board should form a Nomination Committee, composed exclusively of shareholder representatives, which proposes suitable candidates to the Supervisory Board for its recommendations to the Annual General Meeting. This recommendation has not been complied with. There are no plans to form a separate Nomination Committee as the Supervisory Board as a whole is responsible for the duties of preparing nominations in close cooperation with the largest shareholders.

### **Section 5.4.1 of the Code:**

In accordance with item 5.4.1 of the Code, an age limit should be specified for members of the Supervisory Board. This recommendation is not complied with as the Company does not consider a fixed age limit for members of the Supervisory Board to be appropriate. When selecting candidates, the Company wishes to be

able to assess this aspect individually, weighing up the candidate's expertise and performance in each individual case.

The Company will primarily take the knowledge, skills and professional experience of potential candidates into account in determining the composition of the Supervisory Board. The Supervisory Board will therefore also not set a standard limit on membership of the Supervisory Board.

The Supervisory Board will exclusively set fixed targets for the share of women on the Supervisory Board in order to remain as flexible as possible in its decisions on the suitability of possible nominees for its future composition in individual cases.

**Section 5.4.6 of the Code:**

The remuneration regulation for the Supervisory Board of CompuGroup Medical SE essentially provides for uniform fixed remuneration. All members of the Supervisory Board are expected to perform their duties with the utmost commitment and motivation and with a view to the long-term success of the Company. To date, only the Chairman of the Supervisory Board has received 50 percent more remuneration, as the activities performed by the Chairman are much more extensive than those of the other members, including the Deputy Chairman and the committee members.

Koblenz, January 23, 2020

Dr. Klaus Esser

Chairman of the Supervisory Board

Frank Gotthardt

Chairman of the Management Board