

## Corporate Governance Statement

The Executive Board and Supervisory Board report on the Company's corporate governance in this statement in accordance with sections 289f and 315d of the German Commercial Code (HGB) and as stipulated in principle 23 of the German Corporate Governance Code (the Code).

This corporate governance statement is publicly accessible on Brockhaus Technologies AG's website ([www.brockhaus-technologies.com](http://www.brockhaus-technologies.com)) under the Investor Relations section, subsection Corporate Governance.

### **I. Declaration of Compliance with the German Corporate Governance Code by the Executive Board and the Supervisory Board of Brockhaus Technologies AG pursuant to section 161 of the AktG**

The following Declaration of Compliance refers to the current version of the German Corporate Governance Code (the "Code") dated April 28, 2022, which was published in the Federal Gazette on June 27, 2022. The Executive Board and Supervisory Board of Brockhaus Technologies AG (the "Company") declare that, since the release of the last Declaration of Compliance dated January 2021, the Company has complied and will continue to comply with the recommendations of the Code, with the following departures:

#### **1. Systematic identification and assessment of the risks and opportunities for the Company associated with social and environmental factors and the ecological and social impacts of the Company's activities (A.1 sentence 1 of the Code):** ***Precautionary departure related to past practice***

This is a new recommendation added to the Code. The Executive Board and Supervisory Board take the issue of sustainability very seriously and have in the past therefore dealt with social and environmental factors as part of both the corporate strategy and corporate planning, and will continue to do so in future. Furthermore, for the systematic identification and above all assessment of the risks and opportunities associated with social and environmental factors for the Company and the ecological and social impacts of the Company's activities as required by A.1 sentence 1, the Executive Board has mandated an external advisor. However, since the process in this regard has not yet been completed, a precautionary departure related to past practice is hereby declared for A.1 sentence 1.

In the future, the Company will meet recommendation A. 1 in full.

**2. Age limit for Executive Board members (B.5 of the Code):**

***Departure related to past practice***

The Supervisory Board did previously not consider such an age limit appropriate and did therefore not specify an age limit. For this reason, a departure related to past practice is hereby declared.

However, at the beginning of 2023, the Supervisory Board resolved an age limit and decided that an Executive Board member should normally step down from the Executive Board in the calendar year in which the member reaches the statutory retirement age, currently 67 years. The Company will therefore meet recommendation B.5 in the future.

**3. Skills and expertise profile of the Supervisory Board (C.1 of the Code)**

***Departure related to past practice***

In the past, the Supervisory Board had argued that, in the Supervisory Board's opinion, its members currently cover all areas of skills and expertise required for efficient Supervisory Board work and therefore did not see the need to specify a special profile of skills and expertise. For this reason, a precautionary departure related to past practice is hereby declared.

In the meantime, the Supervisory Board has decided to compile an appropriate profile of skills and expertise. It will disclose the status of implementation in the form of a qualification matrix in the Corporate Governance Statement. Recommendation C.1 will therefore be met in full in future.

**4. Age limit for Supervisory Board members (C.2 sentence 1 of the Code)**

***Departure related to past practice***

In the past, the Supervisory Board departed from recommendation C.2 sentence 1 as it believed that, when deciding on the composition of a functioning and effective Supervisory Board, it could be in the Company's interest to appoint a Board member with many years of experience, and that this was why specifying a general age limit might not meet the needs of a given individual case.

However, at the beginning of 2023, the Supervisory Board specified an age limit of 75 years for members of the Supervisory Board, thus meeting recommendation C.2.

**5. Disclosure of conflicts of interest by a member of the Executive Board (E.2 of the Code)**

***Departure related to past practice***

Previously, the Company departed from this recommendation of the Code where it relates to a general disclosure requirement in relation to other members of the Executive Board, since the Rules of Procedure previously laid down a disclosure requirement for the Executive Board only to the extent that disclosure is appropriate. The Company believed that this was adequate to ensure conflicts of interest were appropriately dealt with, given that the Supervisory Board or the Executive Board member concerned could involve the full Executive Board at any time.

The Supervisory Board will adapt the Rules of Procedure to recommendation E.2 as soon as possible. This recommendation will therefore be met in the future.

**6. Assumption of sideline activities by members of the Executive Board (E.3 of the Code)**

***Departure related to past practice***

Previously, the Company departed from this recommendation of the Code where it relates to approval by the full Supervisory Board, as the Rules of Procedure only require approval by the Chair of the Supervisory Board. The Company believed that this was adequate to ensure potential sideline activities were appropriately dealt with, since the Chair of the Supervisory Board or the Executive Board member concerned could involve the full Executive Board at any time.

The Supervisory Board will adapt the Rules of Procedure to recommendation E.2 as soon as possible. This recommendation will therefore be met in the future.

**7. The consolidated financial statements and the Group management report shall be made publicly accessible within 90 days from the end of the fiscal year (F.2 of the Code)**

***Departure related to past practice***

Due to the acquisition of Bikeleasing Group shortly before the end of 2021 and the resulting efforts to present this acquisition in the financial statements for fiscal year 2021, the consolidated financial statements for fiscal year 2021 were not published within 90 days of the end of the fiscal year. The Company will, however, fully meet this recommendation in the future.

**8. Predominantly share-based remuneration / Investment in shares and timing of the accessibility of granted long-term variable remuneration components (G.10 of the Code)**

***Departure***

The remuneration system already approved for the Executive Board provides for a share-based remuneration option. However, this does not apply to the predominant share of the variable remuneration components because the Supervisory Board considers the arrangements stipulated in the remuneration system to be adequate for ensuring the appropriate harmonization of the interests of the Executive Board and the shareholders. The Supervisory Board considers a four-year holding period to be too extensive and believes that a holding period of up to three years is adequate for ensuring a long-term incentive.

**9. Holding period after contract termination (G.12 of the Code)**

***Departure***

The remuneration system for the Executive Board sets out that the members of the Executive Board are not required to hold shares of the Company granted to them by the Company as remuneration beyond the date of termination of their membership of the Executive Board. The Supervisory Board does not believe that there is any need in this case to ensure the long-term nature of variable remuneration components.

Frankfurt am Main, January 2023

Executive Board

Supervisory Board

Marco Brockhaus

Dr. Othmar Belker

Chairman of the Executive Board

Chairman of the Supervisory Board

## **II. Remuneration system and remuneration report**

The basic principles of the remuneration system and disclosures regarding the remuneration of the Executive Board and Supervisory Board for the 2022 fiscal year are outlined in the remuneration report. The auditor of the financial statements, KPMG AG Wirtschaftsprüfungsgesellschaft, conducted a formal audit and also voluntarily a substantive audit of the content of the remuneration report. The remuneration report for the previous fiscal year and the audit opinion by the auditor in accordance with section 162 of the AktG, the applicable remuneration system in accordance with section 87a (1) and (2) sentence 1 of the AktG, which was approved by the Annual General Meeting on 16 June 2021, and the remuneration system for members of the Supervisory Board approved on the same day by the Annual General Meeting in accordance with section 113 (3) of the AktG are available on Brockhaus Technologies AG's website ([www.brockhaus-technologies.com](http://www.brockhaus-technologies.com)) in the Investor Relations section, subsection Corporate Governance.

## **III. Disclosures on business practices**

Responsible, sustainable and social action is a fundamental element of corporate culture for Brockhaus Technologies AG. This also includes integrity in dealing with customers, employees, business partners, shareholders and the public. Another component of good corporate governance for Brockhaus Technologies is dealing responsibly with risks. This is done on the basis of existing programs and management systems that also cover sustainability-related aspects within the framework of the economic objectives pursued as well as the identification of risks.

Brockhaus Technologies AG ensures that not only laws but also internal policies and ethical standards are complied with. Brockhaus Technologies AG has summarized the most important regulations and the organizational structures in group-wide manuals on compliance management and risk management. Through the Compliance Management System (CMS), Brockhaus Technologies AG actively sets up preventive measures, processes and, if necessary, ad hoc reporting processes so that disruptions in business activities can be avoided and promptly detected.

The Risk Management System (RMS) and the Internal Control System (ICS) for accounting constitute another important component of Brockhaus Technologies AG's early risk detection and risk management. The group-wide RMS ensures active monitoring of risks by checking the cause of any negative deviation from targets and managing and monitoring this deviation with appropriate measures.

The aim of the ICS as a preventive measure is not only to minimize existing risks but also to avert new, as yet unknown risks. To this end, the existing processes and individuals involved in preparing the Company's consolidated financial statements, annual financial statements and combined management report are regularly reviewed.

For Brockhaus Technologies AG, sustainable business management and profitable growth go hand in hand. Brockhaus Technologies AG underlines this with its subsidiaries that are currently in the Group and its product portfolio. These factors are also expected to play a pivotal role in selecting potential acquisition targets in the future.

Brockhaus Technologies tries to avoid or reduce ethical, financial and social risks as far as possible. Potential risks that could arise from environmental, social and governance-related issues are to be identified in the course of the regular risk management process. No such material risks have been identified to date. As part of the ongoing further development of the RMS, the plan is to pay even greater attention to this issue in the future, if necessary through the use of appropriate frameworks.

#### **IV. Executive Board and Supervisory Board operating procedures**

In accordance with the Stock Corporation Act, corporate governance at German public limited corporations is divided into management and control. The Executive Board is independently responsible for managing the Company in the Company's interests. The Supervisory Board appoints and dismisses the members of the Executive Board, and is therefore responsible for personnel matters in this regard. In addition, the Supervisory Board oversees and advises the Executive Board in its management of the Company and must be consulted on decisions of fundamental importance to the Company. Another organ of the Company is the general meeting, at which the shareholders can exercise their rights as the owners of the Company.

##### **1. Executive Board**

The Executive Board is independently responsible for managing the Company with the aim of sustainable value creation. It is bound to the Company's interests and takes into account the interests of the shareholders, employees and the other groups related to the Company (stakeholders). The members of the Executive Board are jointly accountable for all management and decide on fundamental matters of corporate policy and corporate strategy, including setting sustainability goals, under the coordination of the Chair of the Executive Board. Apart from their general responsibility for the Company, the individual Executive Board members manage the business areas assigned to them on their own responsibility by the law, the Company's Articles of Association, the Executive Board's rules of procedure and the resolutions of all Executive Board members.

Executive Board members inform each other regularly about important measures, business, transactions and developments in a timely manner. The Executive Board manages the Company's business in accordance with the requirements of the law, the Articles of Association and the Rules of Procedure and aims to do business sustainably and responsibly in all the business's divisions. The Executive Board and the Supervisory Board work closely together to the benefit of the Group. The Executive Board informs the Supervisory Board regularly, without delay and comprehensively about all issues that are relevant to the Group regarding strategy, planning, business development and about corporate risk and discusses the status of strategy execution with it at regular intervals.

The Company's Executive Board currently comprises two members:

- Marco Brockhaus (Chair)
- Dr. Marcel Wilhelm (Chief Operating Officer / Legal Counsel)

The contract for Marco Brockhaus has a term until July 31, 2027. The contract for Dr. Marcel Wilhelm runs until July 31, 2026.

The Supervisory Board has set an age limit for members of the Executive Board. In accordance with this age limit, an Executive Board member should normally step down from the Executive Board in the calendar year in which the member reaches the statutory retirement age, currently 67.

## **2. Supervisory Board**

The Supervisory Board oversees and advises the Executive Board regarding its management of the Company. To this end, the Supervisory Board of Brockhaus Technologies AG has adopted rules of procedure for the Executive Board, which contain a catalog of transactions requiring approval. The Supervisory Board discusses business development, planning, strategy and the execution of the strategy at regular intervals. The Supervisory Board reviews the consolidated financial statements, the annual financial statements, the combined management report and the proposal for the appropriation of net retained profit. It adopts the annual financial statements of Brockhaus Technologies AG and approves the consolidated financial statements based on the results of the preliminary audit conducted by the Audit Committee and taking account of the auditor's audit reports. The Supervisory Board decides on the Executive Board's proposal for the appropriation of net retained profit and the Supervisory Board's report to the Annual General Meeting. Together with the Executive Board, the Supervisory Board is responsible for preparing the remuneration report. The oversight and advice by the Supervisory Board also cover sustainability issues.

The Chair of the Supervisory Board maintains regular contact with the Chair of the Executive Board between the meetings and advises them on questions of strategy, planning, business development, risk management and the Company's compliance. The Executive Board Chair informs the Supervisory Board Chair without undue delay of major events that are of material importance for the assessment of the Group's status and performance, and for the management of the Group.

At the time this statement was submitted, the following individuals were members of the Company's Supervisory Board:

Dr. Othmar Belker (Chair)	Member of the Supervisory Board since 2017
Michael Schuster (Deputy Chair)	Member of the Supervisory Board since 2017
Martin Bestmann	Member of the Supervisory Board since 2020
Prof. Dr. Christoph Hütten	Member of the Supervisory Board since 2021
Dr. Nathalie Krebs	Member of the Supervisory Board since 2022

The Company is not subject to codetermination, with the result that the Supervisory Board is exclusively composed of shareholder representatives. In accordance with the Company's Articles of Association, Falkenstein Heritage GmbH, Wetzlar, has a non-transferrable right to appoint one-third of the number of Supervisory Board members. The Managing Director of Falkenstein Heritage GmbH is the Company's Executive Board Chair Marco Brockhaus.

The number of Supervisory Board members of the Company is set at six by article 9 (1) of the Company's Articles of Association. However, the Supervisory Board currently only consists of five members because Mr. Andreas Peiker resigned early from the Supervisory Board on December 31, 2022.

The Supervisory Board has specified concrete targets for its composition and has to this end prepared a skills and expertise profile. According to the skills and expertise profile, based on their knowledge, skills and experience, the candidates nominated for election to the Supervisory Board should be able to carry out the duties of a Supervisory Board



member and maintain Brockhaus Technologies AG's public image. In particular, attention should be paid to the personality, integrity, willingness to work and professionalism of the individuals nominated for election. The aim is for all the knowledge and experience considered material in view of Brockhaus Technologies AG's activities to be available in the Supervisory Board as a whole. The skills and expertise profile can be inferred from the following qualification matrix.

	Dr. Belker	Schuster	Prof. Dr. Hütten	Bestmann	Dr. Krebs
Member since	2017	2017	2021	2020	2022
<b>Functional expertise</b>					
Strategy development & execution	✓		✓	✓	✓
Corporate finance	✓		✓	✓	
Operations	✓		✓	✓	✓
Experience in Software/IT sector, healthcare & medical technology, platform business models	✓		✓	✓	✓
Technological development			✓	✓	
Internationality	✓		✓	✓	✓
Capital markets & IR	✓	✓	✓	✓	✓
Accounting*	✓		✓		
Financial statement auditing**	✓		✓		
Risk management & Compliance	✓	✓	✓		
ESG & Sustainability	✓		✓		
Supervisory Board & Legal	✓	✓	✓		✓
HR	✓		✓		✓
<b>Governance</b>					
Independence	✓	✓	✓	✓	✓
Supervisory Board experience			✓	✓	✓
Additional mandates***	0	0	1	2	1
<b>Diversity</b>					
Year of birth	1962	1954	1964	1965	1971
Gender	Male	Male	Male	Male	Female
Nationality	German	German	German	German	Swiss
Educational background	Economics	Law	Economic sciences	IT/software engineering	Medicine

The qualification matrix is available on the Brockhaus Technologies AG website [www.brockhaus-technologies.com](http://www.brockhaus-technologies.com) under Investor Relation/Corporate Governance.

The members of the Supervisory Board collectively are familiar with the sector in which the Company operates. They ensure that they have sufficient time available to carry out the duties, and they undertake the necessary training and development.

The Supervisory Board has specified an age limit of 75 for members of the Supervisory Board.

The Supervisory Board considers it appropriate for at least four of its members to be independent. Currently, the Supervisory Board considers all of its members to be

independent within the meaning of the Code. In particular, the Supervisory Board took into account the fact that both Mr. Bestmann and Prof. Dr. Hütten were appointed to the Supervisory Board by Falkenstein Heritage GmbH based on its power to appoint members. This company's managing director and controlling shareholder is the Company's Chairman of the Executive Board, Mr. Brockhaus. After considering all circumstances accordingly, the Supervisory Board came to the conclusion that both Mr. Bestmann and Prof. Dr. Hütten have no personal or business relationship with the Company or its Executive Board that could constitute a material and more than temporary conflict of interest (e.g., C.7 GCGC). The Supervisory Board is confident that both of them perform their duties objectively and exclusively in the Company's interest. The Supervisory Board has in this regard taken into account that Mr. Bestmann is available to the Company as a consultant on issues outside of his Supervisory Board activities with the approval of the Supervisory Board. In the past fiscal year, no consultancy activities were carried out in this regard, and in the time before this (including the year up to the appointment of Mr. Bestmann), the remuneration Mr. Bestmann received for his consultancy activities was also of a comparatively small amount. His consultancy activities are therefore not to be described as a material business relationship with the Company. Neither Mr. Bestmann nor Prof. Dr. Hütten are bound by the instructions of Falkenstein Heritage GmbH, Mr. Brockhaus or any other party.

The Supervisory Board regularly reviews whether it and its committees are effectively performing their duties. The subject matter of the self-evaluation includes, in particular, the procedures in the Supervisory Board, the flow of information between the Supervisory Board and the Executive Board, and the timely supply of sufficient information to the Supervisory Board by the Executive Board. In view of the size of the Supervisory Board and the Group and in view of the uncomplicated flows of information between the Supervisory Board and the Executive Board, external advisors were not consulted for the self-evaluation.

Rather, the Supervisory Board has reviewed the effectiveness of its activities in the form of a structured questionnaire tailored to the circumstances of the Company. The subject-matter of the self-valuation includes, in particular, the timely supply of sufficient information to the Supervisory Board by the Executive Board, the procedures in the Supervisory Board and the Audit Committee and the flow of information between the Chair of the Supervisory Board and the Supervisory Board. The self-evaluation was last discussed at the Supervisory Board meeting of February 8, 2023.

The Supervisory Board's rules of procedure, which are published on Brockhaus Technologies AG's website ([www.brockhaus-technologies.com](http://www.brockhaus-technologies.com)) under the Investor Relations section in the Corporate Governance subsection, provide an overview of the Supervisory Board's activities.

### **3. Committees**

The Executive Board has refrained from forming any committees due to its size.

In order to efficiently perform its tasks and to support a focused discussion of the circumstances, the Supervisory Board has set up two standing committees that support the work in plenary: the Executive and Nomination Committee and the Audit Committee.

#### **a. Executive and Nomination Committee**

The Executive and Nomination Committee comprise the Supervisory Board Chair, the Deputy Chair and another member to be elected by the Supervisory Board. The Supervisory Board Chair, Dr. Othmar Belker, is the Committee Chair. In addition to Dr. Othmar Belker and Michael Schuster (Deputy Chair), Andreas Peiker was a member of the committee until December 31, 2022. Dr. Nathalie Krebs has been a new member of the committee since February 8, 2023.

The Executive and Nomination Committee prepares information for the Supervisory Board meetings, HR decisions by the Supervisory Board, the total remuneration of the Executive Board members and the Executive Board remuneration system. Moreover, the Committee generally makes decisions on other legal transactions with respect to Executive Board members as per section 112 of the Stock Corporation Act (AktG) and proposes suitable candidates to the Supervisory Board for election at the Annual General Meeting.

#### **b. Audit Committee**

The Audit Committee has three members, and its composition is currently as follows: Prof. Dr. Christoph Hütten (Committee Chair), Martin Bestmann (Deputy Chair), Dr. Othmar Belker (Committee member). Prof. Dr. Christoph Hütten has expertise in both accounting and auditing. He has special knowledge and experience in the application of accounting principles and internal control and risk management systems and also of auditing. This also includes knowledge and experience of sustainability reporting and its auditing.

Dr. Belker has expertise in the field of accounting. This particularly includes special knowledge and experience in the application of accounting principles and internal control and risk management systems because of his work as a former CFO of listed companies. The Supervisory Board has determined all members of the Audit Committee to be independent.

The Audit Committee's portfolio includes issues concerning accounting and the accounting process, financial statement audits and the auditor, and monitoring the internal control system, the risk management system, the internal auditing system, compliance management activities and related party transactions. The Audit Committee discusses the assessment of the audit risk and the audit strategy and audit planning with the auditor. Furthermore, the Audit Committee monitors the auditor's independence, discusses the other services the auditor provides and regularly assesses the quality of the audit. The Audit Committee discusses the half-yearly reports and quarterly statements with the Executive Board prior to their publication and makes recommendations to the Supervisory Board on the approval of the financial statements and consolidated financial statements and the Supervisory Board's proposal to the Annual General Meeting on the election of the auditor.

#### **4. Succession planning**

Together with the Executive Board, the Supervisory Board ensures that there is long-term succession planning for the Executive Board. One way in which this takes place is through regular conversations between the Supervisory Board and the Executive Board. In these, contract lengths and extension options for current members of the Board of Management are discussed, and, if necessary, discussions are held about the need for possible successors. In long-term succession planning, in addition to the requirements of the AktG and the Code, in particular the profiles discussed by the Supervisory Board and the Executive Board are taken into account. To ensure effective succession planning, the Supervisory Board and the Executive Board give employees of the Company who have already contributed to the Group's success for several years support and advice regarding their development, and the two boards are also committed to the long-term retention of these employees at the Group. The Supervisory Board and the Executive Board have to date not consulted any external experts regarding succession planning. This is partly in view of the fact that the Company's economic resources can be conserved in this way and that the members of the Executive Board and the Supervisory Board each have extensive networks and their own experience that may be very helpful in this context. The boards reserve the right to mandate appropriate consultants where appropriate.

## **V. Setting of target quotas for women on the Executive Board, Supervisory Board and management levels below board level**

Brockhaus Technologies AG has the aim of ensuring as much diversity of skills and characteristics as possible in both the Executive Board and the Supervisory Board and of giving women due consideration.

For this reason, the Supervisory Board has set a target of 1/6 for the proportion of women in the Supervisory Board, i.e., at least one (1) female Supervisory Board member out of six (6) Supervisory Board members. The target set was achieved in 2022, as the Annual General Meeting elected Dr. Krebs as a new member of the Supervisory Board.

The Company's Supervisory Board has set a target of at least 25% for the proportion of women in the Executive Board in the event that the Executive Board consists of more than three (3) members by that time, i.e., one (1) female Executive Board member out of four (4) Executive Board members.

In the event of three (3) members or fewer, Brockhaus Technologies AG has set a target of zero or more. The Executive Board currently has fewer than three members. The target is justified by the fact that with a comparatively small Executive Board with fewer than four members, it is in the enterprise's interest to keep the greatest possible flexibility in this respect.

The Executive Board has not so far set any targets for the proportion of women in the two subordinate levels of management because there are no levels of management below the Executive Board at Brockhaus Technologies AG due to its holding structure.

The deadlines for achieving the targets were each set for the end of June 30, 2025. The Supervisory Board will review the respective targets no later than this.

## **VI. Diversity policy**

In terms of the composition of the Executive Board, Supervisory Board and management functions, the Executive Board and Supervisory Board also take into account diversity. The Executive Board and the Supervisory Board have, however, not so far written a diversity concept because, from the Executive Board and Supervisory Board's perspective, this would not bring any substantial added value in addition to the targets for the composition of the Executive Board and Supervisory Board. Furthermore, the Executive Board and the Supervisory Board consider it appropriate not to select the members of the Executive Board from criteria such as individual orientation or gender but rather to make it exclusively depend on personality and expertise. In each case,

the individual professional and personal suitability of the candidate is key. In the 2023 fiscal year, the Executive Board and Supervisory Board will, however, again review whether creating a separate diversity concept makes sense.

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