



● CORPORATE  
GOVERNANCE REPORT

# CORPORATE GOVERNANCE REPORT

Compliance with nationally and internationally recognised standards for responsible corporate management and control (corporate governance) is an important criterion for investors' investment decisions. The following Corporate Governance Report serves to summarize the essential Corporate Governance principles that are decisive for the management of MAX Automation SE.

## General information on the management structure

Since the conversion of MAX Automation AG into MAX Automation SE with the entry in the commercial register on 8 February 2018, MAX Automation SE has been subject in particular to the provisions of Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (SE Regulation), the law implementing Regulation (EC) No. 2157/2001 of the Council of 8 October 2001 on the Statute for a European company (SE) (SE Implementation Act - SEAG), in addition to the majority of the provisions of German stock corporation law as before, and unchanged, the capital market regulations and the provisions of the statutes issued for the SE. MAX Automation SE has a monistic management structure in place, which is characterized by the fact that the management of the SE is incumbent on a uniform management body, the Supervisory Board. The Managing Directors manage the business of the company. The Supervisory Board and the Managing Directors are committed to the interests of the shareholders and the well-being of the company. The latter's internal rules are laid down in Rules of Procedure, which supplement the provisions and the statutes. The Annual General Meeting is the second body of the company.

## The Supervisory Board MAX Automation SE

The Supervisory Board of MAX Automation SE, which has been in office since the conversion, became effective with the entry in the commercial register of the company on 8 February 2018, manages the company, determines the basis of its activities and monitors their implementation by the managing

directors. In accordance with the Articles of Association, the Supervisory Board is composed of five members elected by the General Meeting. It appoints and dismisses the Managing Directors, decides on their remuneration system and determines the respective remuneration. At least one member must have expertise in the fields of finance, accounting or auditing.

At the beginning of the year, Dr. Jens Kruse (Chairman), Oliver Jaster, Daniel Fink, Andreas Krause and Dr. Ralf Guckert were members of the Supervisory Board. Dr. Ralf Guckert was appointed a member of the Supervisory Board by court order on 25 January 2019. The members of the Supervisory Board were appointed until the end of the Annual General Meeting which decides on the discharge for the first business year of MAX Automation SE. The term of office of the members of the Supervisory Board Dr. Jens Kruse, Dr. Guckert and Mr. Krause and Mr. Jaster, therefore, ended at the end of the Annual General Meeting on 17 May 2019, while Mr. Fink resigned from the Supervisory Board on 31 March, in agreement with the Supervisory Board.

Effective as from the end of the Annual General Meeting on 17 May 2019, the Annual General Meeting appointed Dr. Christian Diekmann, Dr. Ralf Guckert, Oliver Jaster, Andreas Krause and Dr. Jens Kruse as members of the Supervisory Board. They have been appointed until the end of the Annual General Meeting which decides on the discharge of the members of the Supervisory Board for the financial year 2023, but for no longer than six years after the appointment of the respective member of the Supervisory Board. This does not include the financial year in which they take office. Reappointments are permissible. Dr. Christian Diekmann is the Chairman of the Supervisory Board.

The aim is to add a female member, who is independent within the meaning of 5.4.2 of the German Corporate Governance Code, to the Supervisory Board in 2020. On the recommendation of the Personnel Committee, the Supervisory Board has decided to propose to the shareholders for election to the Supervisory Board at the next Annual General Meeting in 2020, with an expansion of the Board from five to six members. In addition, the Supervisory Board has decided to allow Ms. Kalb to attend regular

Supervisory Board meetings as a guest as early as 1 November 2019 within the framework of a consultancy contract. Within the scope of the contract, Ms. Kalb receives a fixed consulting fee of EUR 3,333.00 net, plus any statutory value added tax that may be applicable. It will make its services available to the Company on at least two days per month. In any event, the contract ends if Mrs. Kalb is elected as a member of the Supervisory Board by the General Meeting.

All members of the Supervisory Board command in-depth expertise in the fields of accounting or auditing and are, in their entirety, familiar with the sector in which the Company operates.

In addition to the legal requirements, the Supervisory Board based its proposals for the election of members of the Supervisory Board exclusively on the professional and personal suitability of the candidates, as well as on appropriate considerations of expediency - promoting the function of the Supervisory Board. This included, for example, the affiliation of members holding relevant business experience. The Supervisory Board refrained from setting more specific objectives for its composition, especially since the mere mention of such specific objectives does not necessarily imply an improvement in the quality of the Board's work.

Meetings of the Supervisory Board are held as often as the law or business requires, but at least every three months. Otherwise, the Supervisory Board must be convened if a member of the Supervisory Board requests such a meeting, stating the purpose and reasons for such a meeting.

The Supervisory Board has formed a Personnel Committee and an Audit Committee to perform its duties. The Personnel Committee consists of three members of the Supervisory Board, namely Dr. Christian Diekmann (Chairman), Dr. Jens Kruse and Dr. Ralf Guckert. The Personnel Committee prepares the Supervisory Board's personnel decisions, in particular, it makes proposals on the appointment of the Managing Directors and their remuneration. The Audit Committee consists of four members of the Supervisory Board: Dr. Jens Kruse (Chairman), Dr. Christian Diekmann, Andreas Krause, and Oliver Jaster. The Audit Committee deals with issues of accounting, risk management, compliance, and auditing. The Supervisory Board receives regular reports on the work of the committees.

## The Managing Directors of MAX Automation SE

The Managing Directors of MAX Automation SE manage the business of the company with the aim of achieving sustainable value creation in joint responsibility. They represent the company in and out of court. The Managing Directors are bound by the instructions of the Supervisory Board and implement the principles and guidelines established by the Supervisory Board.

The Managing Directors are appointed by the Supervisory Board. The Supervisory Board shall also determine the number of Managing Directors. Members of the Supervisory Board may be appointed as Managing Directors, provided that the majority of the Supervisory Board continues to consist of non-Managing directors. The Managing Directors are appointed for a maximum period of five years. Reappointments are permissible. The company is represented by two Managing Directors jointly or by one Managing Director in conjunction with an authorized signatory. If there is only one Managing Director, he or she represents the company alone. The Managing Directors of MAX Automation SE are currently Mr. Andreas Krause, Mr. Werner Berens, Mr. Patrick Vandenruijn and Dr. Guido Hild. Of the Managing Directors, Mr. Andreas Krause is a member of the Supervisory Board.

The Managing Directors shall seek the approval of the Supervisory Board in the cases provided for by law, the Articles of Association, the Rules of Procedure for Managing Directors or a decision of the Supervisory Board. The Managing Directors inform the Supervisory Board regularly, promptly and comprehensively on all issues relevant to the Company with regard to strategy, planning, financing of business development, risk situation, risk management, compliance and the economic situation of the Company. They deal with deviations in the course of business from the plans and targets drawn up, stating the reasons.

The Managing Directors are required to disclose conflicts of interest to the Supervisory Board without delay and to inform the other Managing Directors accordingly.

The cooperation principles of the Managing Directors of MAX Automation SE are regulated in the rules of procedure for the Managing Directors.

## The Annual General Meeting

The shareholders have exercised and continue to exercise their rights at the Annual General Meeting and exercise their voting rights there. MAX Automation SE only has shares with full voting rights. Each share carries one vote. The Annual General Meeting is held within the first six months of each financial year. The agenda for the Annual General Meeting including the reports and documents required for the Annual General Meeting are published on the Company's website [www.maxautomation.com/en/investor-relations/annual-general-meeting/](http://www.maxautomation.com/en/investor-relations/annual-general-meeting/) and [www.maxautomation.com/en/investor-relations/financial-reports/](http://www.maxautomation.com/en/investor-relations/financial-reports/).

In order to facilitate the exercise of their rights, MAX Automation SE provides its shareholders with a proxy for the Annual General Meeting who is bound by instructions. The notice convening the Annual General Meeting explains how voting instructions can be issued in advance of the Annual General Meeting. In addition, shareholders are free to be represented by a proxy of their choice. The registration and legitimization procedure corresponds to the procedure customary in Germany for registered shares. In this context, the person who is registered as a shareholder in the share register on the day of the Annual General Meeting may attend the Annual General Meeting as such - after proper registration. As a matter of principle, no more registrations are made in the share register after the seventh day before the meeting (so-called Technical Record Date), so that the Technical Record Date is the relevant date for the legitimization of shareholders to participate in the Annual General Meeting.

## Accounting, auditing and risk management

The consolidated financial statements of MAX Automation SE are prepared in accordance with the principles of the International Financial Reporting Standards (IFRS), the annual financial statements, the combined management report of the company and the group are prepared in accordance with the provisions of the German Commercial Code (HGB).

Before submitting the election proposal to the Annual General Meeting on 17 May 2019, the Supervisory Board of MAX Automation SE has obtained a confirmation of independence from the appointed auditor. The auditor was requested by the Chairman of the Audit Committee to report without delay

on all matters arising during the audit which, in the broadest sense, relate to the duties of the Supervisory Board with regard to material findings or occurrences, if these cannot be remedied immediately. On 17 May 2019, the Annual General Meeting approved the proposal of the Supervisory Board to appoint PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, as the auditors of MAX Automation SE and the consolidated financial statements for fiscal year 2019.

The existing risk management system of MAX Automation SE is designed to detect, record, evaluate and control business and financial risks to which the company is exposed in the course of its activities. The individual elements of the monitoring system provide reliable information on the current risk situation and support documentation, risk assessment and the elimination of weaknesses. They thereby help to minimize the negative effects potentially arising from the risks. Detailed information on the risk management system can be found in the combined management report on the Company and the Group.

## Transparency

MAX Automation SE uses the company's website [www.maxautomation.com](http://www.maxautomation.com) in order to inform shareholders and investors in a timely manner. In addition to the financial report and interim reports (half-yearly financial report and quarterly report), shareholders and third parties are informed about current developments in the form of ad hoc announcements and press releases.

MAX Automation SE publishes a financial calendar for all important dates and publications of the company with sufficient advance notice.

## Reportable securities transactions and significant voting rights

In accordance with the regulations of the Market Abuse Ordinance (MMVO), MAX Automation SE publishes the so-called Directors' Dealings notifications according to article 19 MMVO immediately after receipt, i.e. the notifications of members of the Supervisory board, the managing directors and other persons who perform management functions at MAX Automation SE in the sense of article 19 MMVO, as well as natural and legal

persons closely related to these persons about securities transactions with regard to the MAX Automation share. These reports are also published on the company's website at [www.maxautomation.com/en/investor-relations/corporate-governance/](http://www.maxautomation.com/en/investor-relations/corporate-governance/).

Likewise, the Company publishes notifications of the acquisition or sale of significant voting shares in accordance with Section 33 of the German Securities Trading Act (WpHG) or of the holding of financial instruments and other instruments in accordance with Section 38 WpHG and of the holding of other financial instruments and other instruments in accordance with Section 39 WpHG on its website at [www.maxautomation.com/en/investor-relations/corporate-governance/](http://www.maxautomation.com/en/investor-relations/corporate-governance/) immediately after receipt. The corresponding reports for the past fiscal year are also reproduced in the notes to the consolidated financial statements in the annual report.

## Declaration of Compliance with the German Corporate Governance Code

On 7 February 2020, the Supervisory Board published the Declaration of Compliance pursuant to Art. 9 para. 1 lit. c) (ii) SE Regulation, section 22 para. 6 SEAG in conjunction with section 161 AktG with regard to the version of the German Corporate Governance Code applicable on 7 February 2020 in the version dated 7 February 2017, as published in the official section of the Federal Gazette on 24 April 2017. Any deviations from the recommendations of the German Corporate Governance Code were explained and justified in the Declaration of Compliance. The Declaration of Compliance dated 7 February 2020, including the reasons for the deviations, can be found on the Company's website at [www.maxautomation.com/en/investor-relations/corporate-governance/](http://www.maxautomation.com/en/investor-relations/corporate-governance/).

The current and previous versions of the Declaration of Compliance since 2008 are also permanently available to shareholders at the above Internet address.

## Information on remuneration in the Corporate Governance Report

Reference is made to the remuneration report, which is part of the group management report.

## Main features of the remuneration system for Managing Directors

The remuneration of the Managing Directors in office in the 2019 financial year is disclosed individually in the notes to the financial statements and in the combined management and group management report.

## Remuneration of the members of the Supervisory Board

The remuneration of the members of the Supervisory Board in the 2019 financial year is listed in the notes to the financial statements and in the combined management and group management report, broken down by individual member.

## Stock option programmes and similar securities-based incentive systems

While there are no stock option plans in place, individual Managing Directors receive similar securities-based compensation elements. These are disclosed individually in the notes and in the combined management and group management report.

## Declaration on corporate governance

This Corporate Governance Report is published in conjunction with the Declaration on Corporate Governance. The declaration is available on the company's website at [www.maxautomation.com/en/investor-relations/corporate-governance/](http://www.maxautomation.com/en/investor-relations/corporate-governance/).

Dusseldorf, 13 March 2020

The Supervisory Board and the Managing Directors

**Dr. Christian Diekmann**  
Chairman

**Andreas Krause**  
Managing Director