

# **CORPORATE GOVERNANCE STATEMENT**

**pursuant to Section 289f of the German Commercial Code (HGB) in conjunction with Article 83(1) sentence 1 and sentence 2 of the Introductory Act to the German Commercial Code (EGHGB) and Section 315d of the German Commercial Code (HGB)**

The Corporate Governance Statement (Section 289f HGB in conjunction with Article 83(1) sentence 1 and sentence 2 EGHGB and Section 315d HGB) for MAX Automation SE and the MAX Automation Group contains information on corporate management practices and the general corporate governance practices of the company. The information on general corporate governance practices includes, among other information, a description of the working methods of the Supervisory Board and the Managing Directors as well as the composition and working methods of the respective committees. Furthermore, the Corporate Governance Statement also includes other types of reporting on corporate governance in accordance with Principle 22 of the German Corporate Governance Code in the version published in the official section of the Federal Gazette on 20 March 2020 and dated 16 December 2019 ("the Code"), in which it includes the other disclosures required by the recommendations of the Code. In addition, the Corporate Governance Statement contains the Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act (AktG) as well as information on the targets for the composition of the Supervisory Board, the Managing Directors and the two management levels below the Supervisory Board and the Managing Directors (Section 22 (6) of the SEAG in conjunction with Section 111 (5) of the German Stock Corporation Act (AktG)), the competence profile and the diversity concept.

MAX Automation SE strives to keep the presentation of corporate governance clear and concise. Section 289f HGB was amended with effect from 1 January 2020. However, this amended version is applicable for the first time to the Annual and Consolidated Financial Statements and the Corporate Governance Statement for the financial year beginning after 31 December 2020 in accordance with Art. 83 (1) sentence 1 and sentence 2 EGHGB. This Corporate Governance Statement relates to financial year 2020. Section 289f of the German Commercial Code (HGB) therefore applies here in the version valid up until 31 December 2019.

## **Information on corporate governance practices applied**

The company is managed by the Supervisory Board, which determines the basic principles of the company's business activities and monitors their implementation ("monistic system").

The tasks of the Supervisory Board of MAX Automation SE include identifying the external influences and developments surrounding the operating business and the financing situation of MAX Automation SE and its subsidiaries and making its decisions in consideration of the resulting opportunities and risks. In doing so, the Supervisory Board is bound by the regulations laid down in the Articles of Association and the Rules of Procedure for the Supervisory Board.

The Supervisory Board receives the information required for corporate management and decision-making from the Managing Directors, who receive monthly financial reports from the subsidiaries and hold regular discussions with the General Managers and management of the operating subsidiaries, in addition to paying visits to the domestic and foreign sites (whereby in some cases the Managing Directors of MAX Automation SE are the same persons as the General Managers and Managing Directors of the subsidiaries).

The company applies all corporate governance practices required by law. Additional company-wide standards, such as ethical standards, working and social standards, have been issued as part of a compliance guideline. The accompanying Code of Conduct is publicly available on the company's website.

## **General information on corporate governance at MAX Automation SE**

Compliance with nationally and internationally accepted standards for responsible corporate management and control (corporate governance) is an important criterion for investors' investment decisions. The following overview summarises the key corporate governance principles that are of relevance to the corporate management of MAX Automation SE.

### **General information on the governance structure**

MAX Automation SE is 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 Act Implementing Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (SE Implementation Act – SEAG) as well as the majority of the provisions of the German Stock Corporation Act and the capital market regulations as well as the provisions of the Articles of Association issued for the SE. MAX Automation SE has a monistic management structure, which is characterised by the fact that a uniform management body, the Supervisory Board, is responsible for managing the SE. The Managing Directors manage the company's business. The Supervisory Board and the Managing Directors are committed to the shareholders' interests and the well-being of the company. Their internal organisation is governed in each case by Rules of Procedure, which supplement the regulations and the Articles of Association. The Annual General Meeting is the company's second organ.

### **The Supervisory Board of MAX Automation SE**

The Supervisory Board of MAX Automation SE 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 comprised of five members who are elected by the Annual General Meeting. It appoints and dismisses the Managing Directors, decides on their remuneration system and sets the respective remuneration. At least one member must have expertise in the fields of finance, accounting or auditing.

Up until the Annual General Meeting on 29 May 2020, Dr. Christian Diekmann (Chairman), Dr. Jens Kruse (Deputy Chairman), Dr. Ralf Guckert, Oliver Jaster and Andreas Krause were members of the Supervisory Board. Mr. Oliver Jaster and Mr. Andreas Krause both resigned as members of the Supervisory Board with effect from the end of the Annual General Meeting on 29 May 2020. Mr. Jaster had been a member of the Supervisory Board of MAX Automation SE since 2018 and was a member of the Supervisory Board (Aufsichtsrat) of MAX Automation AG from 2013 to 2018. Mr. Krause had also been a member of the Supervisory Board of MAX Automation SE since 2018.

With effect from the end of the Annual General Meeting on 29 May 2020, the Annual General Meeting appointed Mr. Marcel Neustock and Ms. Karoline Kalb as members of the Supervisory Board of the company for the first time. They were appointed until the end of the Annual General Meeting that decides on the discharge of the members of the Supervisory Board for financial year 2023, but at the longest until 17 May 2025. Dr. Diekmann continues to be Chairman of the Supervisory Board, Dr. Kruse continues to be Deputy Chairman and Dr. Ralf Guckert continues to be a member of the Supervisory Board. Dr. Diekmann and Dr. Guckert have been members of the Supervisory Board of MAX Automation SE since 2019. Dr. Kruse has been a member of the Supervisory Board since 2018. From the end of January 2019 until the constitutive meeting of the Supervisory Board in May 2019, he was also Chairman and since May 2019 Deputy Chairman of the Supervisory Board. Dr. Kruse was already a member of the Supervisory Board (Aufsichtsrat) of MAX Automation AG from 2014 to 2018.

In 2020, a female member was added to the Supervisory Board in the person of Ms. Karoline Kalb. All members of the Supervisory Board have expertise in the fields of accounting or auditing and are familiar in their entirety with the sector the company operates in. The members of the Supervisory Board may not be older than 75 when they are elected to the Board. This age limit was observed.

Meetings of the Supervisory Board are held as often as required by law or as the business requires, but at least every three months. Otherwise, the Supervisory Board is convened if a member of the Supervisory Board requests a meeting, stating the purpose and the reasons for the meeting. Resolutions of the Supervisory Board are normally passed in meetings. Resolutions may be passed in writing, by telephone or by other means of telecommunication and data transmission if the Chairman of the Supervisory Board so decides in an individual case. Due to the corona pandemic, most resolutions were passed by telephone in the year under review.

According to the assessment of the Supervisory Board, which consists solely of shareholder representatives, Dr. Christian Diekmann, Dr. Jens Kruse and Ms. Karoline Kalb are classified as independent within the meaning of recommendations C.6 to C.8 of the Code in the reporting period, which is financial year 2020. The former member of the Supervisory Board, Mr. Andreas Krause, was also considered independent until his departure on 29 May 2020. The Supervisory Board has not defined an appropriate number of independent members. There was no reason to do so, as the Supervisory Board of MAX Automation SE, as a monistic company with three independent members, considered itself to be sufficiently independent in the reporting period. The Supervisory Board regularly assesses how effectively the Board and its committees fulfil their duties by means of an analytical exchange within the Board (a so-called self-assessment). In the reporting period, the members of the Supervisory Board received a questionnaire for this purpose, the results of which were evaluated anonymously and discussed at the meeting on 9 December 2020. After evaluating the results, the Supervisory Board discussed possible measures to further improve its work.

The Supervisory Board has formed a Personnel Committee and an Audit Committee to perform its duties. Three members of the Supervisory Board are on the Personnel Committee. Until 12 October 2020, these were Dr. Christian Diekmann (Chairman), Dr. Jens Kruse (Deputy Chairman) and Dr. Ralf Guckert (ordinary member). From 12 October 2020 until the end of the reporting period, these are Dr. Ralf Guckert (Chairman), Dr. Jens Kruse (Deputy Chairman) and Dr. Christian Diekmann (ordinary member). The Personnel Committee prepares the personnel decisions of the Supervisory Board, in particular it makes proposals for the appointment of the Managing Directors and their remuneration. Four members of the Supervisory Board are on the Audit Committee: Until 29 May 2020, these were Dr. Jens Kruse (Chairman), Dr. Christian Diekmann (Deputy Chairman), Andreas Krause and Oliver Jaster (both ordinary members). Since then, Ms. Karoline Kalb and Mr. Marcel Neustock have replaced Mr. Krause and Mr. Jaster as ordinary members of the Audit Committee. The Audit Committee deals with accounting, risk management, compliance and auditing issues. The Supervisory Board receives regular reports on the work of the committees. The composition and tasks of the Audit Committee and the Personnel Committee are defined in the respective Rules of Procedure.

### **The Managing Directors of MAX Automation SE**

The Managing Directors of MAX Automation SE manage the company's business with the goal of 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 basic guidelines and requirements laid down by the Supervisory Board.

The Managing Directors are appointed by the Supervisory Board. The Supervisory Board also determines the number of Managing Directors and, if more than one Managing Director is appointed, it may appoint a Chairman. Members of the Supervisory Board may be appointed Managing Directors, provided that the majority of the Supervisory Board continues to be composed of non-executive Managing Directors. Managing Directors are appointed for a maximum period of five years. Reappointments are permitted. According to the Rules of Procedure of the Supervisory Board, only those persons who have not yet reached the age of 65 are eligible to be Managing Directors. This age limit was observed. The company is represented by two Managing

Directors jointly or by one Managing Director together with an authorised signatory. If there is only one Managing Director, he/she shall represent the company alone. The Managing Directors of MAX Automation SE in the reporting period were Mr. Patrick Vandenrijn, Mr. Werner Berens and Dr. Guido Hild. Until his resignation with effect from 15 June 2020, Mr. Andreas Krause was also Managing Director and Chairman of the company's Management Board.

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

The principles of cooperation between the Managing Directors of MAX Automation SE are regulated in the Rules of Procedure for the Managing Directors.

### **The Annual General Meeting**

The shareholders 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 is entitled to one vote. The Annual General Meeting is to be 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 <https://www.maxautomation.com/en/investor-relations/annual-general-meeting/> and <https://www.maxautomation.com/en/investor-relations/financial-reports/>.

To make it easier for shareholders to exercise their rights, MAX Automation SE provides them with a proxy for the Annual General Meeting who is bound by instructions. In the notice convening the Annual General Meeting, it is explained how instructions for exercising voting rights can be issued prior to the Annual General Meeting. In addition, shareholders are free to be represented by proxy. The registration and legitimization procedure is similar to the procedure used in Germany for registered shares. After proper registration, the person who is entered as such in the share register on the day of the Annual General Meeting may participate in the Annual General Meeting as a shareholder. In principle, after the end of the seventh day before the meeting (the so-called technical record date), no more changes can be made in the share register, so that the technical record date is the definitive date for the legitimization of shareholders to participate in the Annual General Meeting.

The 2020 Annual General Meeting was held virtually due to the corona pandemic in accordance with Section 1 para. 2 sentence 1 and para. 8 sentence 2 and sentence 3 of the Act on Measures in Company, Cooperative, Association, Foundation and Condominium Law to Combat the Effects of the COVID-19 Pandemic ("COVID-19 Measures Act") and Article 1 of Council Regulation (EU) 2020/699 dated 25 May 2020 on temporary measures concerning General Meetings of European Companies (SEs) and General Meetings of European Cooperatives (SCEs). Special features of the virtual general meeting were explained to the shareholders in greater detail in advance in the invitation to the virtual general meeting.

## **Working methods of the Supervisory Board and the Managing Directors**

The Supervisory Board is committed to the interests of the company. The goal of its activities is to increase the sustainable value of the company. It sets the strategic direction for the company and discusses the status of strategy implementation with the Managing Directors at regular intervals. The Supervisory Board is responsible for ensuring that the necessary commercial books are kept. The Supervisory Board must take appropriate measures, in particular the establishment of a monitoring system, to ensure that developments that could jeopardise the continued existence of the company are identified at an early stage. The Supervisory Board may inspect and examine the books and records of the company as well as the assets, namely the company's treasury and the stocks of securities and goods. It also commissions the auditor to audit the Annual and Consolidated Financial Statements.

The Supervisory Board, as the steering body of the SE in the monistic system, is entitled to issue instructions to the Managing Directors with regard to the management of the business of the SE.

The Supervisory Board has issued Rules of Procedure for the Managing Directors that contain a catalogue of transactions requiring their approval. Finally, the Management Board adopts its own Rules of Procedure.

The Supervisory Board, together with the Managing Directors, ensures long-term succession planning. To this end, early consultations take place between the Chairman of the Supervisory Board, the Chairman of the Personnel Committee and the Managing Directors, in which the contractual terms of the Managing Directors as well as their personal career planning are discussed and possible candidates for a replacement are considered.

The Supervisory Board explains its activities each year in its report to the shareholders. The Chairman of the Supervisory Board provides additional information to the shareholders at the Annual General Meeting.

The chairpersons of the committees report regularly at the meetings of the Supervisory Board on the meetings of the committees and their activities. These activities mainly consist of preparing the discussion of topics within their area of responsibility and the corresponding resolutions in the full Supervisory Board, unless the Supervisory Board has conclusively delegated an activity to the committees.

The Managing Directors conduct the company's business. The Managing Directors and the Supervisory Board work closely for the benefit of the company. The Managing Directors must seek the approval of the Supervisory Board in the cases provided for by law, the Articles of Association, the Rules of Procedure for the Managing Directors or a resolution of the Supervisory Board. The Managing Directors shall inform the Supervisory Board regularly, promptly and comprehensively about all issues of strategy, planning, financing, business development, risk situation, risk management, compliance and the economic situation of the company that are relevant to the company. They must address any deviations in the course of business from the established plans and objectives, stating the reasons for such deviations. The Managing Directors shall in particular inform the Supervisory Board of any deficiencies in the risk management system to be established by the Supervisory Board.

#### **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), and 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).

Prior to submitting the election proposal at the Annual General Meeting on 29 May 2020, the Supervisory Board of MAX Automation SE obtained a confirmation of independence from the envisaged auditor. The auditor was asked by the Chairman of the Audit Committee to report immediately on any 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 29 May 2020, the Annual General Meeting approved the proposal of the Supervisory Board to appoint PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, as the auditor of MAX Automation SE and the auditor of the Consolidated Financial Statements for financial year 2020.

MAX Automation SE's current risk management system is designed to detect, record, assess and manage 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 thus contribute toward minimising the negative effects potentially arising from the risks. Detailed information on the risk management system can be found in the combined report on the situation of the company and the Group.



**Transparency**

MAX Automation SE uses the company's website <https://www.maxautomation.com> to provide shareholders and investors with timely information. In addition to the financial report and interim reports (half-year 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 company dates and publications well in advance.

**Reportable securities transactions and significant voting interests**

In accordance with the provisions of the Market Abuse Regulation (MMVO), MAX Automation SE publishes the so-called Directors' Dealings notifications pursuant to Art. 19 MMVO, i.e. the notifications of members of the Supervisory Board, the Managing Directors and other persons who perform management tasks at MAX Automation SE within the meaning of Art. 19 MMVO, as well as of natural persons and legal entities closely related to these persons, concerning securities transactions with regard to the MAX Automation share without delay after their receipt. These notifications are also published on the company's website at <https://www.maxautomation.com/de/investor-relations/corporate-governance/>.

The company also publishes notifications on the acquisition or sale of significant voting shares pursuant to Section 33 of the German Securities Trading Act (WpHG) or on the holding of financial instruments and other instruments pursuant to Section 38 of the German Securities Trading Act (WpHG), taking into account a corresponding attribution pursuant to Section 39 of the German Securities Trading Act (WpHG), on the website at <https://www.maxautomation.com/en/investor-relations/corporate-governance/>. The respective notifications for the past financial year are also included in the Notes to the Consolidated Financial Statements in the Annual Report.

**Compliance Statement – German Corporate Governance Code**

On 5 February 2021, the Supervisory Board published the Compliance Statement 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 5 February 2021 in the version of 16 December 2019 published in the official section of the Federal Gazette on 20 March 2020. Deviations from the recommendations of the Code were explained and justified in the Compliance Statement. The Compliance Statement dated 5 February 2021, including the reasons for the deviations, can be found below and also on the company's website at <https://www.maxautomation.com/en/investor-relations/corporate-governance/>.

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

**Remuneration disclosures in the Group Management Report**

Please refer 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 financial year 2020 is disclosed individually in the Notes 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 financial year 2020 is disclosed individually in the Notes as well as in the Combined Management and Group Management Report.

### **Stock option programmes and similar securities-based incentive schemes**

Although there were no stock option programmes in the reporting period, individual Managing Directors receive similar securities-based remuneration elements. These are disclosed individually in the Notes and in the Combined Management and Group Report.

## **Declaration of the Supervisory Board of MAX Automation SE from 5 February 2021 regarding the Government commission's recommendations in the German Corporate Governance Code in the version dated 16 December 2019 pursuant to Article 9 (1) c) (ii) of the SE Regulation, Section 22 (6) SEAG in conjunction with Section 161 of the German Stock Corporation Law (AktG)**

MAX Automation SE declares compliance, barring the exceptions listed below and in consideration of the characteristics of the monistic system of MAX Automation SE presented below, with all the recommendations made by the German Federal Ministry of Justice and Consumer Protection in the version of the German Corporate Governance Code (GCGC, "the Code") from 16 December 2019, which were published in the official section of the Federal Gazette on 20 March 2020, and will continue to comply with them in the future.

Furthermore, since issuing its last Declaration of Compliance on 7 February 2020, MAX Automation SE has complied with all recommendations of the Code to the extent that these were applicable, barring the exceptions listed below and in consideration of the following characteristics of the monistic system of MAX Automation SE.

### **Characteristics of the monistic corporate governance system**

In accordance with Art. 43–45 of the SE Regulation in conjunction with Sections 20 et seq. SEAG, the monistic system is characterized by the fact that the management of the SE is subordinated to a single management body, the Supervisory Board (Verwaltungsrat). The Supervisory Board directs the company, defines the guidelines of its activities and supervises their implementation. The Managing Directors conduct the business of the company, represent the company in and out of court and are bound by the instructions of the Supervisory Board.

In principle, MAX Automation SE applies the Code's definition of a Supervisory Committee (Aufsichtsrat) to the Supervisory Board of MAX Automation SE and its definition of a Management Board to the Managing Directors. Here, the following exceptions apply regarding the legal structure of the monistic system:

- The areas of responsibility for a Management Board as defined in recommendations A.1 (allocation of managerial functions) and A.2 (compliance management system) of the Code are the responsibility of the Supervisory Board of MAX Automation SE, Section 22 (6) SEAG.
- In deviation from recommendations B.3 (initial appointment of members of the Management Board) and B.4 (renewed appointment of members of the Management Board) of the Code, Managing Directors, as opposed to members of the Supervisory Board, are appointed to terms with no limited or maximum duration, Section 40 (1)(1) SEAG.
- Contrary to recommendations C.6, C.7 and C.10 of the Code, which regulate the independence of the members of a Supervisory Committee and the Chairman of a Supervisory Committee (dealing with conflicts of interest in the Supervisory Committee), members of the Supervisory Board can be appointed as Managing Directors as long as the majority of the Supervisory Board continues to consist of members who are not Managing Directors, Section 40 (1)(2) SEAG.
- Recommendation D.6 (information exchange) of the Code applies to the Supervisory Board and the Managing Directors of MAX Automation SE, Sections 22 (6), 40 (6) SEAG.

- Recommendation D.7, according to which a Supervisory Committee should meet on a regular basis without the Management Board, is not applicable at MAX Automation SE if a Managing Director is also member of the Supervisory Board. Given that the former Managing Director Andreas Krause was also a member of the Supervisory Board of the company until 29 May 2020 and Dr. Christian Diekmann, current member of the Supervisory Board, was appointed as Managing Director with effect from 1 January 2021, the company was unable to observe this recommendation, which is tailored for dualistically organized companies, for parts of the reporting period.

#### **Exceptions to the recommendations of the Code**

The following recommendations were not observed, either fully or partially:

##### **Regarding recommendations B.1 and C.1**

MAX Automation SE bases the appointment of Managing Directors and the Supervisory Board on the professional and personal eligibility of the candidates, diversity aspects and any appropriate expediency considerations. This includes, for example, the relevant business experience of the members and diversity with regard to age, gender and professional background. Nevertheless, we refrained from listing more concrete targets for the appointment. Following the recommendation of the Supervisory Board, Ms. Karoline Kalb was appointed to the Supervisory Board at the Ordinary Annual General Meeting 2020. Therefore, the share of women in the Supervisory Board is 20%. According to the assessment of the company, this corresponds to a share that sufficiently meets the interests of the company in terms of gender diversity. For the two management levels below the Supervisory Board and the Managing Directors, the Supervisory Board has set a share of women of at least 30%. This share has been reached at both management levels below the Supervisory Board and the Managing Directors. Furthermore, the Supervisory Board intends to develop a skill profile for the entire board as part of the implementation of a new corporate governance structure.

##### **Regarding recommendation C.6**

The Supervisory Board of MAX Automation SE has refrained from determining by resolution an appropriate number of independent members of the Supervisory Board. There was reason to do so, given that the Supervisory Board of MAX Automation SE, as a monistically structured company, considers itself to be sufficiently independent with currently two independent members.

##### **Regarding recommendation C.15**

The company reserves the right to submit applications for the judicial appointment of members to the Supervisory Board for an indefinite period. However, the company generally tries to limit judicial appointments through the district court to the period remaining until the next Annual General Meeting. This is done in order to preserve the participation rights of the shareholders to the best possible extent regarding the appointment of members to the Supervisory Board.

##### **Regarding recommendation D.1**

The company is currently working on the further development of its governance structure. This will lead to changes in the rules of procedure of the Supervisory Board. The rules of procedure of the Supervisory Board will be published on the company's website as soon as the corresponding revision has been carried out.

##### **Regarding G.I**

The Supervisory Board is revising the remuneration system currently in place in accordance with the requirements of Section 87a (1) AktG and the recommendations in part G.I of the Code. The company is making use of the designated temporary regulations and will present a revised remuneration system for approval at the Ordinary Annual General Meeting 2021. The newly finalized employment contract with Dr. Christian Diekmann already complies with the requirements of this remuneration system, barring the following exceptions.



### **Regarding recommendation G.3**

A small comparison group of other companies was not consulted to determine the conventionality of the concrete total remuneration of Dr. Christian Diekmann. The company intends to first implement this recommendation in the future when signing new employment contracts following the introduction of the revised remuneration system.

### **Regarding recommendations G.6 and G.10**

The variable remuneration of Dr. Christian Diekmann, which was calculated based on the achievement of long-term targets, does not exceed the share from short-term targets. Similarly, the share-based remuneration granted at the time of allotment does not exceed the sum of other variable remuneration components. This results from the special arrangement of the *long-term incentive* of Dr. Christian Diekmann, which was deliberately designed as a proprietary investment linked to a yearly allotment of *phantom shares* instead of a bonus plan tied to certain performance criteria. This was done in order to bind the Managing Director more strongly to the company.

### **Regarding recommendation G.8**

Due to the possible negative impact of the COVID-19 pandemic, the Supervisory Board reserved the right to, if need be, carry out a revaluation of the ROCE targets (STIP) in the fourth quarter of 2020. This deviation from recommendation G.8 was necessary in order to keep a remuneration system whose target values had been shaped by the previous fiscal years from losing its incentive effect in the eyes of the Managing Directors. A particularly strong commitment from the Managing Directors is particularly needed in these times of crisis. A revaluation of the ROCE targets (STIP) was, however, not necessary after all.

### **Regarding recommendation G.9**

The company refrains from publishing the target values of the Managing Directors, regardless of whether these have been achieved or not, because this information is confidential. However, the individual compensation components granted for the fiscal year are published in the management report.

### **Regarding recommendation G.12**

The variable compensation components still open for Andreas Krause were settled immediately following the end of his employment contract as Managing Director. This was agreed in the termination agreement concluded with Mr. Krause to definitively end the contractual relationship with him. In addition to that, it does not seem fair to make the amount of the payment from variable compensation components dependent on the development of the company following his departure. The company believes that Mr. Krause contributed to the sustainable and long-term development of the company until the very last day of his employment.

### **Regarding recommendation G.17**

Members of the Supervisory Board will not receive additional remuneration for their activities in the committees. MAX Automation SE does not consider additional remuneration to be necessary and assumes that it is not in the interests of the company.

## **Information on the targets, competence profile and diversity concept**

The Supervisory Board has not yet set a specific target for the share of women on the Supervisory Board and among the Managing Directors.

The Supervisory Board based its proposals for the election of Board members on the professional and personal suitability of the candidates, on diversity considerations, as well as on appropriate expediency considerations that promote the function of the Supervisory Board. These include the relevant entrepreneurial experience of the members, diversity in terms of age,

and gender and professional background, for example. However, no specific targets have been set for the composition of the Board. The share of women on the Supervisory Board is currently 20%. In the opinion of the company, this reflects a quota that sufficiently takes into account the company's interest in gender diversity. The Supervisory Board also intends to develop a competence profile for the entire Board as part of the implementation of a new corporate governance structure.

When appointing Managing Directors, the decisive criteria are, in particular, the professional qualifications for the department to be taken over, diversity aspects, previous performance and leadership qualities as well as knowledge of the company.

The Supervisory Board has set a target of at least 30% for the share of women in the two management levels below the Supervisory Board and the Managing Directors. This percentage was achieved in the two management levels below the Supervisory Board and the Managing Directors.

Furthermore, the Supervisory Board has not yet established an independent diversity concept with regard to the composition of the Supervisory Board and the Managing Directors in accordance with Section 289f, paragraph 2, no. 6 of the German Commercial Code (HGB). However, diversity in terms of age, gender, educational and professional background and internationality is an essential aspect for the company when filling management positions, with regard to the workforce structure and when sifting through applications. In addition to the current measures aimed at promoting diversity, MAX Automation SE will continue to work on further developing the framework conditions for diversity.

Duesseldorf, 26 February 2021

The Supervisory Board and the Managing Directors

Dr. Christian Diekmann  
(Chairman of the Supervisory Board and Managing Director)