

Declaration on Corporate Governance of Manz AG for the 2023 fiscal year

As a listed company, Manz AG hereby issues the following corporate governance statement relating to Manz AG and the Manz Group in accordance with Section 289f, Section 315d of the German Commercial Code (HGB) for the 2023 fiscal year. Furthermore, in accordance with Principle 23 and the recommendations of the German Corporate Governance Code (the “Code”), the Managing Board and Supervisory Board of Manz AG hereby report below on corporate governance at Manz AG.

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I. Implementation of the German Corporate Governance Code and Declaration pursuant to section 161 of the German Stock Corporation Act (AktG)

The Code sets out essential statutory regulations for the management and monitoring (governance) of listed German companies and contains internationally and nationally recognized standards for good and responsible corporate governance. The Code aims to increase international and national investors', customers', employees', and the general public's confidence in the management and monitoring of listed German companies.

The Managing Board and Supervisory Board of Manz AG are guided by the recommendations set out in the Code. They view themselves as having an obligation to safeguard the Company's continued existence and its sustainable creation of value in harmony with the principles of a social market economy. In fiscal year 2023, the Managing Board and Supervisory Board again dealt intensively with the recommendations of the Code as revised on April 28, 2022.

Section 161 of the German Stock Corporation Act (AktG) states that the Managing Board and Supervisory Board of a listed stock company must declare each year that the recommendations of the "Government Commission on the German Corporate Governance Code" – published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette – have been and are being complied with, or must declare which recommendations have not or are not being complied with. Furthermore, any deviations from the recommendations must be justified. This statement must be permanently accessible to the public on the Company's website.

On Tuesday, November 28, 2023, the Managing Board and Supervisory Board of Manz AG issued the following declaration of conformity with the recommendations of the "Government Commission on the German Corporate Governance Code" in accordance with Section 161 of the German Stock Corporation Act (AktG) at <https://www.manz.com/en/investor-relations/corporate-governance/declaration-of-conformity/>:

Declaration of Conformity dated November 2023

of the Managing Board and the Supervisory Board of Manz AG with the recommendations of the “Government Commission on the German Corporate Governance Code” pursuant to Section 161 of the German Stock Corporation Act (AktG)

In accordance with Section 161 of the German Stock Corporation Act, the Managing Board and Supervisory Board of Manz AG declare that the recommendations of the “Government Commission on the German Corporate Governance Code” in the version of Thursday, April 28, 2022, published by the Federal Ministry of Justice in the official section of the Federal Gazette, have been complied with since the issuance of the last Declaration of Conformity on Monday, November 28, 2022, with the following exceptions, and will be complied with in the future, with the following exceptions.

Recommendation D.4 Sentence 2 old version and D.3 Sentence 5 new version – Chair of the Audit Committee

Recommendation D.3 Sentence 5 of the Code as amended on April 28, 2022, according to which the Chairman of the Supervisory Board should not chair the Audit Committee, have not been complied with, and will not be complied with in the future.

The Supervisory Board of Manz AG forms an Audit Committee in accordance with Section 107 (4) of the German Stock Corporation Act (AktG).

In accordance with Recommendation D.4 Sentence 1 of the previous version of the Code, according to which the Chairman of the Audit Committee should possess special knowledge and experience pertaining to the application of accounting principles and internal control procedures, and be familiar with the audit of financial statements, the current Chairman of the Supervisory Board was elected Chairman of the Audit Committee at the time the aforementioned version of the Code came into force, as he fulfilled said requirements.

Recommendation G.13 Sentence 1 Half-sentence 1 – Severance cap

Recommendation G.13 Sentence 1 Half-sentence 1 of the Code, according to which payments to a member of the Managing Board on premature termination of his or her contract should not exceed the value of two years’ remuneration (severance payment cap), has not been complied with and will not be complied with in the future.

In the Managing Board contract of the Chairman of the Managing Board concluded in 2018, it is agreed – in deviation from suggestion G.14 of the Code – that, in the event of a change of control, the Managing Board member is entitled to terminate the Managing

Board contract within six months of the occurrence of a change of control with three months' notice to the end of a calendar month and to resign from office as a member of the Managing Board with the same notice period. A change of control within the meaning of this change of control clause shall be deemed to have occurred if the Company receives a notification according to which a party subject to the notification obligation reaches or exceeds at least 25% of the voting rights from shares in the Company belonging to or attributed to it. If the Managing Board member's contract is terminated on the basis of the change of control clause, the Managing Board member is entitled to a severance payment due upon termination of the employment relationship. However, the severance payment is limited to the value of three years' remuneration (150% of the severance payment cap). If the remaining term of the employment relationship at the time the termination takes effect is more than two years, the severance payment shall be reduced by 75% to the extent that it is granted for the exceeding period.

The change of control clause agreed in 2018 in the Managing Board contract of the Chairman of the Managing Board was in line with the recommendation in Section 4.2.3 Paragraph 5 of the Code as amended on February 7, 2017, according to which a commitment for benefits in the event of premature termination of Managing Board duties due to a change of control should not exceed 150% of the severance payment cap. Change of control clauses with this maximum amount were, therefore, considered best practice and were common at the time. The Company also considered such a change of control clause to be useful, as it can help to ensure that the behavior of the Managing Board member in the event of a possible change of control is oriented solely to the interests of the Company, and the maximum limit of 150% of the severance payment cap appears appropriate in this respect. This applies, in particular, in view of the agreed reduction of the severance payment by 75% insofar as it is granted for the period exceeding a remaining term of two years. The recommendation in Section 4.2.3 Paragraph 5 of the Code as amended on February 7, 2017 is no longer included in the Code as amended on April 28, 2022. It has been replaced by suggestion G.14 of the Code, according to which commitments to benefits in the event of premature termination of the employment contract by the Managing Board member as a result of a change of control should not be agreed. The Managing Board contract of the Chairman of the Managing Board can only be amended by way of mutual agreement between the contracting parties.

Reutlingen, November 27, 2023

Manz AG

For the Managing Board:

Martin Drasch
Chief Executive Officer

For the Supervisory Board:

Professor Dr. Heiko Aurenz
Chairman of the Supervisory Board

II. Remuneration

Manz AG's compensation report for the 2023 fiscal year and the auditor's report pursuant to Section 162 of the German Stock Corporation Act (AktG), Manz AG's applicable compensation system pursuant to Section 87a (1) and (2) Sentence 1 of the German Stock Corporation Act (AktG), and the most recent compensation resolution passed by Manz AG's Annual General Meeting regarding the compensation of Supervisory Board members pursuant to Section 113 (3) of the German Stock Corporation Act (AktG) will be made publicly available on the Company's website at <https://www.manz.com/en/investor-relations/corporate-governance/>.

III. Corporate Governance Practice

1. Disclosures on Corporate Governance Practices Applied Above and Beyond the Legal Requirements

Manz AG aspires to conduct all business operations in an ethical and legally sound manner. The Managing Board has developed a mission statement for this purpose, which is designed to help the employees of Manz AG and its subsidiaries to act responsibly and make the right decisions when carrying out their daily activities. This corporate mission statement describes our principles of sustainable and socially responsible economic activity.

2. Description of the Operating Principle of the Managing Board and Supervisory Board

Manz AG is a Company incorporated under German law and is subject, in particular, to the provisions of the German Stock Corporation Act (AktG), on the basis of which the German Corporate Governance Code has also been developed. A basic principle of German stock corporation law is the dual board management system by the Managing Board and the Supervisory Board.

According to this principle, the Managing Board manages the Company, while the Supervisory Board advises and monitors the Managing Board. Simultaneous membership

on both boards is not permitted. The Manz AG Managing Board and Supervisory Board work together in a close and trustworthy relationship, striving to increase the value of the Company for its shareholders in the long term.

a) Functioning of the Managing Board

The Supervisory Board has issued rules of procedure for the Managing Board that assign specific central management areas to members of the Managing Board to manage independently. Notwithstanding this, all members of the Managing Board bear joint responsibility for the overall management of the Company. The Managing Board as a whole decides on matters of particular importance. Furthermore, specific measures relating to the management of the Company also require Supervisory Board approval. The rules of procedure also contain stipulations on the procedure for meetings and resolutions of the Managing Board, as well as the duties of the Chairman and their deputy.

According to the rules of procedure, the Managing Board is responsible for preparing a report on future business policy and corporate planning for the respective following year and two subsequent fiscal years, and for presenting it to the Supervisory Board for approval. Furthermore, the reporting obligations of the Managing Board vis-à-vis the Supervisory Board are specified in more detail in the rules of procedure. The rules of procedure stipulate that the Managing Board must regularly, promptly, and fully inform the Supervisory Board of all relevant issues relating to the Company and the Manz Group regarding planning and business development, the risk situation and risk management, as well as compliance with legal regulations and internal guidelines. In particular, it must report annually on the profitability of the Company and at regular intervals on the Company's overall situation.

According to the rules of procedure, members of the Managing Board must disclose any conflicts of interest to the Supervisory Board and must inform other Managing Board members of such conflicts as well. Managing Board members may only accept secondary employment, in particular positions on Supervisory Boards outside of the Manz Group, with the approval of the Supervisory Board.

b) Functioning of the Supervisory Board

In addition to monitoring and advising the Managing Board, the Supervisory Board's duties include appointing and dismissing members of the Managing Board, as well as defining the remuneration system for the Managing Board and the level of remuneration for individual members of the Managing Board. It also reviews the annual and Group financial statements issued by the Managing Board and management reports for Manz AG and the Group, along with suggestions on using net profits, special non-financial reports, and reports to the Annual General Meeting on the results of its review.

The Supervisory Board has established rules of procedure for itself that regulate its own internal organization. The rules of procedure contain stipulations on the selection and duties of the Chairman of the Supervisory Board and his deputy. It also governs, in particular, the convening and chairing of meetings, the attendance of Managing Board members and other persons at meetings, the adoption of resolutions by the Supervisory Board, and the formation of committees. As a rule, the Supervisory Board of Manz AG convenes four times a year its regular meetings, and for further special meetings as required. In justified exceptional cases, resolutions may also be adopted by written procedure or by telephone conference.

The rules of procedure stipulate that members of the Supervisory Board must disclose conflicts of interest and that significant conflicts of interest that are not simply temporary shall lead to termination of office.

On March 24, 2022, the Supervisory Board – which consists of four members – resolved to form an Audit Committee consisting of three members in order to implement the legal requirements pursuant to Section 107 (4) Sentence 1 of the German Stock Corporation Act (AktG). Professor Dr. Heiko Aurenz (Chairman), Dieter Manz (Vice Chairman) and Professor Dr. Michael Powalla were appointed as members of the Committee for the duration of their terms of office as members of the Supervisory Board. The Audit Committee has been assigned tasks in the areas of (a) accounting, risk management and auditing, (b) finance and management measures requiring approval, (c) Managing Board matters, (d) corporate governance, and (e) compliance. This corresponds, among other

things, to the duties set out in Section 107 (3) Sentence 2 of the German Stock Corporation Act (AktG). Insofar as the Audit Committee does not make use of its own competencies, it shall prepare the deliberations and resolutions of the Supervisory Board in these areas. Furthermore, the committee has been assigned specific monitoring obligations, in particular in the areas of the invoicing process, ensuring the effectiveness of the internal control system, risk management, the internal auditing system, auditing, and compliance. It provides the Supervisory Board with relevant suggestions and recommendations within this framework. In particular, it recommends to the Supervisory Board the proposal for the election of the auditor to the Annual General Meeting. The members of the committee regularly report to the Supervisory Board on their deliberations and resolutions. The committee must hold at least four meetings annually.

In addition to the meetings of the Supervisory Board and the Audit Committee, the Chairman of the Supervisory Board is in regular contact with the Managing Board, and, in particular, with the Chairman, and keeps himself informed about current business development and significant business transactions.

The Supervisory Board regularly consults a list of questions and holds discussions to review the efficiency of its own activities. According to the rules of procedure, this review encompasses, in particular, the procedures within the Supervisory Board and the supply of information to the Supervisory Board, in addition to qualitative criteria. No significant deficits have been identified as of yet, although work processes and regular reporting by the Managing Board, based on the results of the self-assessment, are being developed on an ongoing basis.

IV. Composition of the Managing Board and Supervisory Board, and the topic of diversity

1. Managing Board

a) Composition of the Managing Board

The Managing Board of Manz AG initially consisted of two members in the 2023 fiscal year. Members of the Managing Board were Martin Drasch (Chairman) and Manfred Hochleitner (CFO). Information on the members of the Managing Board is available on Manz AG's website at <https://www.manz.com/en/company/management/>.

Long-term succession planning for the Managing Board within the meaning of recommendation B.2 of the Code is carried out through regular discussions between the Chairmen of the Managing Board and the Supervisory Board. The contractual terms and renewal options for current members of the Managing Board, as well as possible successors, are reviewed as part of these discussions.

b) Objectives for the composition of the Managing Board

In order to implement Recommendation B.1 of the Code, the Supervisory Board has adopted a resolution according to which the Supervisory Board will pay attention to diversity as one factor in the composition of the Managing Board. The Supervisory Board accordingly aims, in particular, to take women properly into consideration by ensuring that appropriately qualified women will also be included as members during future selection processes for Managing Board members. Furthermore, the term diversity also encompasses aspects such as age, educational and professional background and international composition.

This policy expresses the will of the Supervisory Board to take diversity aspects into consideration in making its decisions regarding personnel and is also the diversity concept of Manz AG in the sense of section 289f (2)6 HGB, which is being pursued with respect to the composition of the Managing Board. The aim of this concept is to facilitate a good understanding of organizational and business-related circumstances at the Manz

Group through a wide range of expertise and viewpoints among its Managing Board members. Diversity should generally allow the members to make decisions by objectively considering all relevant circumstances and to be more open to innovative ideas. This should contribute to successful corporate management.

In compliance with the legal requirements in Germany for the equal participation of women and men in management positions, the Supervisory Board set a target of 0% for the proportion of women on the Managing Board in the 2017 fiscal year. In this context, it was determined that the target figure should be reached or exceeded by June 30, 2022. This target figure was achieved.

In the implementation of the legal requirements in Germany for the equal participation of women and men in management positions, the Supervisory Board of Manz AG has set a target of 0 % for the proportion of women on the Managing Board in the 2022 fiscal year. In this context, it was determined that the target figure should be reached or exceeded by June 30, 2027.

In accordance with Section 111 (5) sentence 3 AktG, the reasons for this determination are as follows:

“The Management Board consisting of three members at the time of determination, must combine industry-specific fundamental technical knowledge in the fields of mechanical engineering, engineering, information technology, and in Manz AG’s specific business segments. In 2000, the proportion of women studying engineering in Baden-Württemberg was 18.3%, while the proportion in the subject computer science was 20.2% (Statistisches Landesamt Baden-Württemberg, press release 21/2022). At Manz AG, the proportion of women at top management level below the Managing Board is 0 %. Against this background, it cannot be ensured that a suitable candidate will be found. Manz AG’s Supervisory Board is working to steadily increase this percentage by making the variable compensation of the Managing Board member responsible for human resources contingent on increasing the percentage of women in the top two management levels

below the Managing Board level, in addition to other Company and external measures.

Furthermore, the decision is based on prioritizing continuity of office vis-a-vis the existing Managing Board, in order to continue transformation processes and to be able to respond adequately to accumulating political crisis situations.”

The rules of procedure for the Supervisory Board stipulate as an age limit for members of the Managing Board that, as a rule, only persons who have not yet reached the age of 65 should be appointed as members of the Managing Board.

c) Implementation of the diversity concept and achievement of the targets for the composition of the Managing Board

Diversity aspects are being taken into consideration within the Managing Board, with the exception that it has no female members. The Managing Board has an appropriate experience and age structure and its members have international experience. The Board has an adequate spectrum of specialist and general education, as well as professional knowledge and experience. Corresponding to the Manz Group profile as an internationally operating high-tech equipment manufacturer, the members of the Managing Board are characterized by sound academic education, as well as a technically and economically oriented professional background with a focus on the mechanical engineering industry and the production of technically complex products. The changes in the composition of the Managing Board in the 2018 fiscal year also led to a younger overall composition, with the goal of having members active on the board on a long-term basis.

2. Supervisory Board

a) Composition of the Supervisory Board

In accordance with the Company’s Articles of Incorporation, the Supervisory Board of Manz AG consists of four members, who are elected by the shareholders at the Annual General Meeting.

The members of the Supervisory Board are Professor Dr. Heiko Aurenz (Chairman), Dieter Manz (Vice Chairman), Professor Dr. Michael Powalla and Dr. Zhiming Xu, who were re-elected for a new term of office at the Annual General Meeting on July 7, 2021. Information on the members of the Supervisory Board is available on Manz AG's website at <https://www.manz.com/en/company/management/>.

b) Goals Pertaining to the Composition of the Supervisory Board

The Supervisory Board has specified targets for its composition and a competence profile for the Supervisory Board in its rules of procedure. The Supervisory Board should always be composed of members who collectively provide it with the required special knowledge and experience stemming from various specialist fields that are essential to the Company.

In accordance with Recommendation C.1 Sentence 1 of the Code, the Supervisory Board has specified the following concrete objectives for its composition and its competence profile for the entire body and included them in the rules of procedure for the Supervisory Board. These take into account the international activities of the Company, potential conflicts of interest, the number of independent Supervisory Board members within the meaning of Recommendation C.7 of the Code, an age limit to be specified and length of membership for Supervisory Board members, as well as diversity, and, in particular, also provide for the appropriate participation of women, taking into account the Company-specific situation at hand.

The objectives for the composition and the targeted competence profile of the Supervisory Board also represent Manz AG's diversity concept within the meaning of Section 289 f (2) No. 6 of the German Commercial Code (HGB), which the company is pursuing with regard to the composition of the Supervisory Board. This concept aims to facilitate a good understanding of the organizational and business affairs of the Manz Group through diversity in the expertise and views of the members of the Supervisory Board. Diversity should generally enable members to ask constructive questions regarding the Managing Board's decisions, allowing it to be open to innovative ideas, since this counteracts so-called "groupthink." By doing so, diversity is intended to lead to the effective control and attentive advisement of the Company's general management.

- » The Supervisory Board generally strives to ensure that its composition is always such that members collectively have the knowledge, skills and specialist experience required to undertake their duties properly.

- » Fundamental requirements for the members of the Supervisory Board are personal integrity, sufficient professional and life experience, independence, and solid communication skills. Furthermore, members must have a basic knowledge of business, corporate law and industry-specific technology, as well as knowledge of the Manz Group, or they must be willing to acquire such knowledge at the beginning of their term of office. In addition, members of the Supervisory Board must clearly demonstrate that, taking account of their other professional responsibilities and seats on other supervisory boards, they have sufficient time to devote to their duties as a member of the Company's Supervisory Board.

- » The Supervisory Board should always be composed of members who collectively provide it with the required special knowledge and experience stemming from various specialist fields that are essential to the Company. The Supervisory Board considers its composition goals when making election nominations at the annual general meeting and attempts to fulfill the following competence profile for the overall board:
 - Experience as a member of senior management at a medium-sized Company
 - Knowledge and experience in the application of accounting principles, as well as internal control and risk management systems – including sustainability reporting
 - Special knowledge and experience in the field of auditing – including the auditing of sustainability reporting
 - Knowledge and experience in the mechanical engineering industry or in other industries in which the Manz Group is active
 - Experience in management at companies with global operations
 - Expertise on environmental and social sustainability issues of importance to the Company

- » As a rule, only the following categories of people should be nominated as Supervisory Board members:
 - people who have not yet reached the age of 70, and
 - people who have not already served as a member of the Supervisory Board for five full terms within the meaning of section 102(1) of the German Stock Corporation Act (AktG) or for 25 years, unless special circumstances justify making an exception in a specific case.

- » As part of the selection process, the Supervisory Board will endeavor to submit nominations at the Annual General Meeting to ensure that female members are included if they have appropriate qualifications.

- » The Supervisory Board should include at least two independent members as defined in the German Corporate Governance Code regarding ownership structure.

In compliance with the legal requirements in Germany for the equal participation of women and men in management positions, the Supervisory Board had set a target of 0% for the proportion of women on the Supervisory Board in the 2017 fiscal year. In this context, it was determined that the target figure should be reached or exceeded by June 30, 2022. This target figure was achieved.

In implementation of the legal requirements in Germany for the equal participation of women and men in management positions, the Supervisory Board of Manz AG has set a target of 0 % for the proportion of women on the Supervisory Board in the 2022 fiscal year. In this context, it was determined that the target figure should be reached or exceeded by June 30, 2027.

In accordance with Section 111 (5) Sentence 3 of the German Stock Corporation Act (AktG), the reasons for this determination are as follows:

“The Supervisory Board as a whole, which consists of four members, must have knowledge of auditing, accounting, and knowledge of Manz AG’s business segments, among other things. In addition to the Company’s founder, Mr. Dieter

Manz, another significant shareholder is represented on the Supervisory Board. Prof. Dr. Heiko Aurenz possesses the expertise required by law in the disciplines of accounting and auditing. Prof. Dr. Michael Powalla has sector-specific expertise in the solar energy business division. Due to the fact that the aforementioned competencies must be fulfilled by a small number of Supervisory Board members, the requirements profile for potential Supervisory Board members is complex. Given the low percentage of women in Manz AG's divisions, it is unlikely that a suitable female candidate will be found who is willing to take on the position, even following intensive search efforts. Furthermore, the decision is based on prioritizing continuity of office vis-a-vis the existing Supervisory Board, in order to continue transformation processes and to be able to respond adequately to increasing political crisis situations."

c) Implementation of the diversity concept and achievement of the targets for the composition of the Supervisory Board

Apart from having not yet achieved the desired percentage of women, the Manz AG Supervisory Board is currently fulfilling all of the aforementioned goals for composition and the competence profile. The Supervisory Board members have the professional and personal qualifications seen as necessary based on their professional experience and expert knowledge, as well as their personal characteristics. Overall, they are familiar with the Manz Group and with the sector in which the Company works.

Professor Dr. Heiko Aurenz (born 1961, member of the Supervisory Board since 2001) was appointed as an independent member of the Supervisory Board with expertise in the fields of accounting and auditing (Section 100 (5) of the German Stock Corporation Act (AktG)) on the basis of his knowledge and experience from his work in management consulting and auditing. Professor Dr. Aurenz was active in financial auditing for several years. Accounting and sustainability issues are a major part of his work as a management consultant.

Dieter Manz (born 1961, member of the Supervisory Board since July 2017), as the Company's founder and long-standing CEO of Manz AG, possesses a particularly strong

knowledge of the Manz Group, as well as its sales markets and the respective competitive environment. In addition, as a result of his previous work, he fulfills the competence profile goals with respect to management experience at a mid-sized international company and with respect to expertise and experience in the mechanical engineering industry, as well as in other industries in which the Manz Group operates. Dieter Manz was also appointed as an independent member of the Supervisory Board with expertise in the field of accounting (Section 100 (5) AktG). He acquired the necessary knowledge in the field of accounting as a long-standing Chairman of the Managing Board and as a member of the Supervisory Board of Manz AG.

Professor Dr. Michael Powalla (born 1963, member of the Supervisory Board since June 2011) has, in particular, extensive knowledge and experience in the photovoltaics sector as Head of the Photovoltaics Division and member of the Managing Board of the Center for Solar Energy and Hydrogen Research Baden-Württemberg (ZSW) and as Professor of Thin-Film Photovoltaics at the Karlsruhe Institute of Technology (KIT).

Dr. Zhiming Xu (born 1973, member of the Supervisory Board since October 2017) brings to the work of the Supervisory Board not only his technical expertise in the fields of mechanical engineering and machine control and his knowledge of the Chinese markets, but also his experience from his senior management activities as Chief Technology Officer of the Shanghai Electric Automation Group at Shanghai Electric Group Co., Ltd.

Apart from the fact that it is composed only of men, all other aspects of diversity have been considered as far as the Supervisory Board is concerned. It has an appropriate structure of experience and age. The Supervisory Board has two members with long-term international experience. Furthermore, the Board represents appropriate levels of diversity with respect to educational and professional backgrounds. The members all have academic training. Their range of technical and economic administration expertise and experience matches the Manz Group's requirements as a global high-tech mechanical engineering company.

The standard limits for the age of members of the Supervisory Board and the length of service on the Supervisory Board of five full terms of office within the meaning of Section

102 (1) of the German Stock Corporation Act (AktG) or 25 years at the time of the election proposal are also complied with for all members.

The Supervisory Board also has an appropriate number of independent members, in its own estimation. In the opinion of the Managing Board and the Supervisory Board, the members of the Supervisory Board Professor Dr. Heiko Aurenz, Dieter Manz and Professor Dr. Michael Powalla are currently to be regarded as independent within the meaning of recommendation C.7 of the Code, in that they are independent of the Company and its Managing Board and independent of a controlling shareholder. With regard to the Chairman, Professor Dr. Aurenz, one indicator mentioned in recommendation C.7, Subparagraph 2 of the Code is fulfilled in that he has been a member of the Supervisory Board of Manz AG for more than twelve years. However, in the opinion of the Managing Board and the Supervisory Board, Professor Dr. Aurenz continues to have the necessary critical distance to the Managing Board of the Company, to which his financial independence also contributes. The term of office of Vice Chairman Dieter Manz as Chairman of the Managing Board ended already in 2017 and thus more than two years before his re-election to the Supervisory Board in 2021, so that the relevant indicator pursuant to recommendation C.7 Subparagraph 2 of the Code is not fulfilled. In the case of the member Professor Dr. Michael Powalla, an indicator mentioned in recommendation C.7 Subparagraph 2 of the Code is also fulfilled, in that he is the head of the photovoltaics division at the Center for Solar Energy and Hydrogen Research Baden-Württemberg (ZSW), which maintains business relations with Manz AG. However, the orders placed by Manz AG with ZSW are of minor economic importance, so that they are not material and, in the opinion of the Managing Board and Supervisory Board, therefore, do not conflict with independence. In this respect, no conflict of interest has arisen in any case to date. This means that more than half of the members of the Supervisory Board can be regarded as independent of the Company and the Managing Board.

The ownership structure is also taken into account in the composition of the Supervisory Board in accordance with recommendation C.6, Half-sentence 2 of the Code. The Company has no controlling shareholder. The member Dieter Manz holds a significant interest in Manz AG within the meaning of recommendation C.13 of the Code. The member,

Dr. Zhiming Xu is employed by Shanghai Electric Group Co., Ltd., whose German subsidiary Shanghai Electric Germany Holding GmbH holds a significant interest in Manz AG within the meaning of recommendation C.13 of the Code. The members Professor Dr. Heiko Aurenz and Professor Dr. Michael Powalla are also independent of shareholders with a significant stake in the Company.

The status of the implementation of the competence profile is disclosed below in the form of a qualification matrix:¹

		Prof. Dr. Heiko Aurenz	Dieter Manz	Prof. Dr. Michael Powalla	Dr. Zhiming Xu
Duration of affiliation		2001	2,017	2011	2,017
Personal suitability	Independence*	•	•	•	
	No overboarding*	•	•	•	•
Diversity	Age	1961	1961	1963	1973
	Gender	Male	Male	Male	Male
	Nationality	German	German	German	Chinese
International experience			Europe / Asia		Asia
Professional suitability	Sector expertise**		Mechanical Engineering	Photovoltaics	Mechanical Engineering
	Accounting**	•	•		
	Qualifying exam**	•			
	Risk Management	•			
	Finance	•			
	Experience in the management of international companies		•		•
	Sustainability	•			

3. Diversity in management positions below the Managing Board

The Managing Board also pays attention to diversity when filling management positions in the Manz Group, and, in particular, strives to give appropriate consideration to women. These goals should be pursued in addition to a well-balanced level of technical qualifications.

¹ * as defined by the GCGC; ** as defined by Section 100 (5) German Stock Corporation Act (AktG) and Recommendation D.3 GCGC.

In fulfillment of the legal requirements in Germany for the equal participation of women and men in management positions pursuant to Section 76 (4) AktG, the Managing Board of Manz AG had set a target of 5 % for the proportion of women in the first management level below the Managing Board (these were the division heads) and a target of 0 % for the proportion of women in the second management level below the Managing Board (these were the department heads) in the 2017 fiscal year. The Group determined that the numerical targets should each be achieved or exceeded by June 30, 2022.

In the first management level below the Managing Board, the target was not achieved. Due to an internal restructuring process, the first management level below the Managing Board was reduced in size. In addition, one woman at this management level left the Company at her own request. Since women are still significantly under-represented in technical fields, it is a challenge for Manz AG to attract female employees and support them in their development to become managers. In 2000, the proportion of women studying engineering in Baden-Württemberg was 18.3%, while the proportion in the subject computer science was 20.2% (Statistisches Landesamt Baden-Württemberg, press release 21/2022). Manz AG is involved in education in a variety of ways to recruit young women.

In the second management level below the Managing Board, the target was exceeded. The proportion of women at this management level is 3.125%, which corresponds to one woman.

The Managing Board of Manz AG has set a target of 6.25 % for the proportion of women in the first management level below the Managing Board, and a target of 6.25 % for the proportion of women in the second management level below the Managing Board in the fiscal year 2022, in order to implement the legal requirements in Germany for the equal participation of women and men in management positions. This corresponds to one woman for the first level below the Managing Board and two women for the second level below the Managing Board. In this context, it was determined that the targets should be met or exceeded by June 30, 2027.

As a global Company, the Manz Group has a large number of foreign employees and managers, particularly in Asia. Employees and managers from 36 nations (previous year: 35 nations) are employed in the various Group companies, and from 31 nations (previous year: 30 nations) at Manz AG itself. The Managing Board has taken further measures to promote a greater degree of international diversity at the senior management level. For example, in addition to biannual international strategy meetings, a wide range of tools for managing staff and fostering their development have been established and implemented at an international level.

Women accounted for 19 % of the Manz Group's employees at the end of fiscal year 2023 (previous year: just under 18 %). However, women are not yet sufficiently represented in managerial positions. The Company offers flexible working hours, which make both part-time and flex-time schedules possible.

V. Compliance Management System

In our own estimation, the Manz Group has an appropriate compliance management system geared towards the risk exposure of the company.

1. Importance of Compliance at Manz

As a global, publicly listed company, the topic of compliance is especially important to the Manz Group and is correspondingly complex. National legal systems, as well as political, social and cultural conditions must be taken into consideration.

We have defined measures to minimize this risk based on an internal risk analysis and initiated a process to install a group-wide compliance management system. To ensure it is effective, our compliance management system must adapt to business-specific risks and several local legal requirements.

2. Recognition of Our Compliance Responsibilities

The management and employees of the Manz Group expressly commit to comply with all applicable legal regulations and the principles of ethical and moral integrity. The “Manz AG Code of Conduct” prepared by the Managing Board and binding for all members and managers within the Manz Group establishes how we will fulfill our compliance duties. The Code includes the following specific aspects:

a) Conduct in the Professional and Corporate Environment

(1) Legal compliance

We, meaning all employees and managers (jointly referred to as “employees”) of the Manz Group (“Manz”) will comply with applicable legal regulations and company guidelines. We will observe applicable legal prohibitions and obligations, even if these result in temporary financial disadvantages or difficulties for the company or for individuals. Managers must endeavor to fulfill these requirements as much as possible as part of their duty to act as role models.

If national laws establish more restrictive regulations than the provisions applicable at Manz, the national laws will take precedence.

(2) Avoiding conflicts of interest

Business decisions are made exclusively in the company's best interests at Manz. Conflicts of interest involving private concerns, ulterior economic activities or activities of any other nature, including those of family members or other related party disclosures, should be avoided from the outset. If such conflicts of interest do occur, they must be resolved in accordance with the law and applicable guidelines. The conflict must be described in a transparent manner for this to occur.

In general, employees must disclose secondary employment and receive approval within the framework of their applicable employment agreements. As a general rule, secondary employment at competitors of the Manz Group cannot be approved.

(3) Fair competitive behavior

Manz asserts itself in competition through quality, strength of innovation and global presence. In order to gain the trust of our customers and business partners, we reject all forms of corruption. This means that each employee complies with regulations on competition in their specific area of responsibility. Agreements with competitors that violate antitrust law, e.g. regarding prices or other conditions, are prohibited.

Suppliers are commissioned based on objective and clear criteria. Improper grounds may not play a role in their selection.

We ensure that invitations, gifts, and financial benefits cannot be construed as having had any influence on our business activities.

When commissioning individuals to broker business transactions, Manz ensures that commission payments and other remuneration are reasonable in relation to the services performed.

Manz is a global company. It observes relevant trade controls and regulations on import and export controlling and embargoes.

Manz takes all necessary measures to prevent money laundering within its sphere of influence.

(4) Workplace health and safety

In addition to our economic success, the safety and health of our employees is a key corporate goal. Each of our employees promotes safety and health protection within their work area by complying with regulations.

(5) Careful use of resources

Both while developing new products and services and when operating production equipment, we ensure that negative impacts on the climate and environment are kept to a minimum through the responsible use of resources.

Each employee is responsible for treating natural resources carefully and helping to protect the environment and the climate through their individual behavior.

b) Handling of information

(1) Protection of operating and trade secrets

We ensure that other companies do not obtain Manz's operating and trade secrets. Manz employees are strictly prohibited from trying to ascertain the operating and trade secrets of other companies.

Manz employees are aware of the importance of confidentiality agreements. Therefore, they must always comply with contractual confidentiality obligations, even if they extend beyond legal requirements.

Employees who obtain concrete information on circumstances that have not been publicly disclosed and that, if publicized, would significantly influence the stock market price of Manz shares or derivative financial instruments, may not trade in shares or other financial instruments of Manz AG based on this insider information and may not transmit this information to third parties, no matter whether such insider information is transmitted deliberately or simply through gross disregard of the duty to exercise due diligence.

(2) Data protection and data security

Manz places great value on the security of its employees' and business partners' data. No personal information may be collected or processed without the consent of the affected party, unless required by law.

When using personal information in the course of business transactions, all Manz employees must ensure protection of the private sphere and treat personal information as confidential.

Data on the identity of business partners and the object of business relationships are protected against unauthorized access by third parties using suitable technical measures.

(3) Reporting

Transparent and truthful communication in both internal and external reporting is of great importance to Manz. Each employee ensures that external reports, records and other documents are in accordance with applicable legal regulations and standards, always complete and correct, and are always completed on time, in accordance with system requirements.

(4) Intellectual property and plagiarism

We respect the intellectual property rights of third parties to the full extent afforded by the law. This includes intellectual creations, such as inventions and designs, as well as copyrighted works – such as third-party image rights. We only utilize intellectual property if (and to the extent that) we have obtained the corresponding rights of use. Furthermore, any plagiarism detected shall not be brought into circulation, and shall be reported to the responsible authorities.

c) Integrity in ethical and moral behavior

(1) Respect

Manz employees are obliged to treat others with respect at all times. Any form of discrimination in interactions with colleagues, employees and business partners relating to age, disability, national origin, skin color, sex, sexual orientation, religion, world view or other personal characteristics is prohibited.

Fostering a culture of equal opportunity, mutual trust and respect is very important to us.

We respect internationally recognized human rights and support compliance with those rights. We strictly reject all forms of forced labor and child labor.

We respect the right to free expression, the protection of personal rights and the private sphere. However, each employee should be aware that they may also be considered a representative of the company through their behavior and appearance in public.

(2) Fair remuneration

We recognize the right to appropriate remuneration for all our employees. Wages and other benefits fulfill at least applicable national and local legal standards.

(3) Community commitment

We are engaged in our local areas in different ways. We make donations and are active in other forms of social engagement, solely in the interest of the company.

We do not give any financial benefits, in particular, donations or sponsorships, to political parties, either domestically or abroad, or to any political or similar organizations, individual elected officials, or candidates for political office. We follow legal regulations on lobbying and avoid having any improper influence on politics and legislation under all circumstances.

(4) Whistleblowing and protection from retaliation

We encourage employees to report deviations from any and all applicable legal provisions and company guidelines to the responsible official entities. We create and maintain a culture in which every employee can report deviations without having to fear negative consequences. Measures or sanctions against persons who report suspected misconduct or violations are strictly prohibited. They shall neither be disadvantaged, nor shall they have to fear dismissal. The reporting of violations shall be treated in strict confidence. We encourage employees to seek advice and support from internal contacts without fear of punishment or reprisal.

3. Compliance organization

Our compliance management system is designed to ensure that our business practices worldwide are in line with these principles and comply with applicable law.

Manz provides its employees with concrete specifications on ethical and legal behavior through internal behavioral codes. In addition, we have established binding requirements for our employees in some areas, such as on how to handle gifts and invitations.

Furthermore, the Managing Board has established responsibilities and reporting obligations with respect to compliance with applicable law.

4. Compliance training and advising

All managers and employees in positions which involve unique risks must complete regular compliance training sessions on correct legal behavior within their areas of responsibility. Our company-wide compliance training program consists of in-person training sessions and web-based training.

The goal of this training is to maintain awareness of compliance-related issues. It begins with the orientation that new employees receive and continues with continuing education and refresher courses, followed by continuous intensification of the culture of integrity by managers.

5. Monitoring compliance and protecting whistle blowers

A compliance report is prepared annually and submitted to the Managing Board and Supervisory Board for review. Furthermore, the Managing Board initiates the implementation of random controls based on compliance audits.

Every employee of the Manz Group can submit tips on legal violations within the company through a confidential process. These tips are transferred to our compliance organization. Furthermore, they can also report potential misconduct to the compliance organization directly through the Managing Board or managers.

Reutlingen, March 2024

Manz AG

A handwritten signature in black ink, appearing to read "Dorsch".

The Managing Board

A handwritten signature in black ink, appearing to read "Auer".

The Supervisory Board