

CORPORATE GOVERNANCE REPORT – DECLARATION OF CORPORATE GOVERNANCE (§ 289, § 315D OF THE GERMAN COMMERCIAL CODE (HGB))

Pursuant to §§ 315d, 289f of the German Commercial Code (HGB), the Executive Board and Supervisory Board submit the Declaration of Corporate Governance for both MLP SE and the Group.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

WORDING OF THE DECLARATION OF COMPLIANCE OF MLP SE PURSUANT TO § 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG) (IN THE VERSION OF DECEMBER 15, 2022)

Pursuant to § 161 of the German Stock Corporation Act (AktG), the Executive Board and Supervisory Board of MLP SE hereby declare that the Company has generally complied with the recommendations of the Government Commission for the German Corporate Governance Code in the version dated December 16, 2019 (hereinafter also referred to as the "GCGC 2019") since the last Declaration of Compliance was issued and will generally continue to comply with the recommendations of the Government Commission for the German Corporate Governance Code in the version dated April 28, 2022 (hereinafter also referred to as the "GCGC 2022") in the future. With regard to the recommendations of the Government Commission for the German Corporate Governance Code in the version dated December 16, 2019 reference is made to the Declaration of Conformity of December 15, 2022. Accordingly, only the recommendations in A.1, B.1, B.5, C.1 sentence 2, sentence 4 and sentence 5, C.2, C.4, C.6, C.7, C.8, C.9, C.10, C.14, D.4, G.7 and G.10 of the GCGC 2019 were not applied in the past.

With regard to the recommendations of the Government Commission for the German Corporate Governance Code in the version dated April 28, 2022, only recommendations B.1, B.5, C.1 sentence 6, C.2, C.4, C.6, C.7, C.8, C.9, C.10, D.10 and G.10 have not been complied with.

The reasons for these deviations from the recommendations are as follows:

Recommendation A.2 of the GCGC 2022 (considering diversity when making appointments to executive positions)

As per the recommendations of the GCGC 2022, the Executive Board should consider diversity when making appointments to executive positions.

In the current financial year, the Executive Board has intensified its efforts with respect to diversity making appointments to executive positions. In 2020, the Executive Board of MLP SE approved a target of at least 33 percent for female managers at the first management level below the Executive Board of MLP SE and achieved this objective in 2022. The company's Executive Board just recently established a second management level below the Executive Board. A target to have female managers account for at least 33 % of all managers at this management level was approved by the Executive Board in the fourth quarter of 2022. This target has already been met.

For this reason, MLP declares that it deviated from this recommendation in the financial year 2022, but will comply with the recommendation from now on.

Recommendation B.1 of the GCGC 2022 (diversity in the composition of the Executive Board)

As per the recommendations of the GCGC 2019, the Supervisory Board should pay attention to diversity in terms of the composition of the Executive Board.

The Supervisory Board of MLP SE strives to further intensify its future efforts with respect to diversity and, in particular, an appropriate consideration of women when appointing members of the Executive Board. The Supervisory Board gives specific consideration to applications from suitable female candidates in its selection procedures. The Supervisory Board reviewed this aspect for the first time in the financial year 2014, and will undertake further measures in order to build on the Group-wide overall concept already passed by the Executive Board for the implementation of the respective GCGC 2017 recommendation (considering diversity when making appointments to executive positions) and also achieve an appropriate consideration of women within the Executive Board of the Company, taking into account the Company's specific situation. In 2020, the Supervisory Board confirmed the target of at least 25 % for the proportion of women on the Executive Board – which currently only comprises three persons – and set itself the end of the financial year 2025 as the implementation deadline.

The Supervisory Board is of the opinion that the state of implementation achieved to date is not yet sufficient to meet the requirements set out in recommendation B.1 of the GCGC 2022. MLP therefore declares it will deviate from this recommendation in the financial year 2022 and in the financial year 2023.

Recommendation B.5 of the GCGC 2022 (age limit for members of the Executive Board and disclosure in the declaration on corporate governance)

As per the recommendations of the GCGC 2022, an age limit is to be specified for members of the Executive Board and disclosed in the declaration on corporate governance.

No age limit is set for members of the Executive Board. The appointment of members of the Executive Board should be based solely on their knowledge, skills and specialist experience. MLP did not follow this recommendation in the financial year 2022 and will also not follow it in the financial year 2023.

Recommendation C.1 sentence 2 and Sentence 5 of the GCGC 2022 (Diversity on the composition of the Supervisory Board)

As per the recommendations of the GCGC 2022, the Supervisory Board should specify specific targets for its composition. In doing so, the Supervisory Board should also pay attention to diversity. Pursuant to stock corporation law, the Supervisory Board is required to specify target figures for the proportion of women on the Supervisory Board.

In its meetings during the past financial years, the Supervisory Board at MLP SE addressed the topic of setting concrete targets for the composition of the Supervisory Board, paying particular attention to diversity and approved a skills profile. Assuming equivalent professional and personal suitability of the candidates, the Supervisory Board has set itself the goal of filling at least 25 % of the positions on the Supervisory Board on the shareholder side with suitable female members. It has therefore not been possible to report on any specific measures for achieving these targets in the past, including in the Declaration of Corporate Governance. Nonetheless, the Supervisory Board once again presented a resolution proposal to the shareholders at the Annual General Meeting in 2022 to approve the appointment of a woman to the Supervisory Board. The resolution was subsequently adopted and the target figure was therefore achieved.

MLP therefore declares that it did not follow this recommendation in the financial year 2022 on purely formal grounds, as the Supervisory Board had not approved any fixed, gender-specific targets, but instead sought to fill Supervisory Board vacancies based solely on the respective qualifications and personality of the candidates put forward. MLP now declares that the Supervisory Board has provided



specific targets for its composition and is also paying attention to diversity in this regard. To this end, the Supervisory Board has specified a target figure for the proportion of women on the Supervisory Board. MLP will therefore comply with this recommendation both now and in the future.

Recommendation C.2 of the GCGC 2022 (age limit for members of the Supervisory Board and disclosure in the declaration on corporate governance)

As per the recommendations of the GCGC 2022, an age limit is to be specified for members of the Supervisory Board and disclosed in the declaration on corporate governance.

No age limit has been or is set for members of the Supervisory Board at MLP. The election of members of the Supervisory Board should be based solely on their knowledge, skills and specialist experience. MLP did not follow this recommendation in the financial year 2022 and will also not follow it in the financial year 2023.

Recommendation C.4 of the GCGC 2022 (number of non-group mandates)

As per the recommendations of the GCGC 2022, a member of the Supervisory Board that does not hold a position on any Executive Board at a listed company should not assume more than a total of five Supervisory Board mandates at listed companies outside the Group or comparable functions, whereby the position of Chair of the Supervisory Board counts as two mandates.

As per Principle 12 of the GCGC 2022, the Supervisory Board should ensure that all candidates can commit the time likely to be required when making proposals for election of new members to the Supervisory Board. This recommendation was based on the fact that the workload resulting from the individual mandates and other offices, as well as the personal situation of the candidates, can vary quite markedly. § 100 (2) no. 1 of the German Stock Corporation Act (AktG) limits the maximum number of Supervisory Board mandates to ten mandates per person. Set against this background, MLP considered that it was adopting the correct approach by having its Supervisory Board ensure that the respective candidate can commit the required amount of time and also reviewing this regularly. § 25d (3) of the German Banking Act, which applies to MLP SE following the granting of permission to operate as a financial holding company, also serves to further limit the number of mandates.

MLP therefore declares that it is still deviating from this recommendation in the financial year 2022. However, the intention is to follow this recommendation once new elections of Supervisory Board members have been held at the 2023 Annual General Meeting.

Recommendation C.1 sentence 6, C.6, C.7, C.8, C.9 and C.10 of the GCGC 2022 (independence of Supervisory Board members and committee members)

As per recommendation C.1 sentence 6 of the GCGC 2022, the declaration on corporate governance should also report on the number of independent shareholder representatives deemed appropriate on the basis of the assessment performed by the Supervisory Board, as well as stating their names. As per recommendation C.6 of the GCGC 2022, the Supervisory Board should include a number of independent members on the shareholder side that the Supervisory Board itself deems appropriate. The ownership structure should be taken into account here. In the sense of this recommendation, a member of the Supervisory Board can be classed as independent if said person is independent from the Company and its Executive Board, as well as independent from a controlling shareholder.

As per recommendation C.7 of the GCGC 2022, more than half of the shareholder representatives should be independent from the Company and from the Executive Board. As stipulated by the GCGC 2022, a member of the Supervisory Board is independent from the Company and its Executive Board when said person is not engaged in any kind of personal or business relationship with the Company or



its Executive Board that could constitute a significant and not only temporary conflict of interests. When assessing the independence of its members from the Company and from the Executive Board, the shareholder side should in particular take into account whether the actual member of the Supervisory Board or one of their close family members

- has already been a member of the Executive Board at the Company in the two years prior to being appointed,
- maintains or has maintained, either currently or in the year up to their appointment, a key business relationship with the Company or one of its subsidiaries/dependent companies (for example as a client, supplier, creditor or consultant) either directly or as a shareholder or in a responsible role at a non-group company,
- is a close family member of a member of the Executive Board or
- has held a position on the Supervisory Board for more than 12 years.

In the past, the Executive Board and Supervisory Board intentionally chose not to follow these recommendations. However, the stipulations relating to the composition of the Supervisory Board and the requirements profile for members of the Supervisory Board at MLP SE were amended in 2022. This amendment was undertaken particularly in light of the upcoming election of new Supervisory Board members at the Annual General Meeting in 2023.

MLP therefore declares that it is currently deviating from above recommendations (C.1 sentence 6, C.6, C.7, C.8, C.9, C.10 and D.4 of the GCGC 2022), as the Supervisory Board had not approved any fixed targets for the number of independent members of the Supervisory Board in the past, had not issued a definition of the term 'independence' in the GCGC 2022, had not specified any appropriate number of independent members of the Supervisory Board in the sense of the GCGC 2022 and had also not provided their names, but instead elected to fill vacant positions on the basis of the respective qualifications. However, MLP intends to follow the above recommendations after the election of new Supervisory Board members by the Annual General Meeting in 2023.

Recommendation C.14 of the GCGC 2022 (inclusion of a curriculum vitae for candidate proposals)

As per the recommendations of the GCGC 2022, all candidate proposals are to be submitted to the Annual General Meeting together with a CV that provides information on the relevant knowledge, expertise and experience of the respective candidate.

MLP deviated from this in the past as a precautionary measure, as alongside publication of the legally required disclosures on candidates proposed to the Annual General Meeting, it had only posted the curriculum vitae on its homepage.

Posting a curriculum vitae on the homepage is deemed legally sufficient for future elections of Supervisory Board members. As of the 2023 Annual General Meeting, the recommendation pursuant to C.14 of the GCGC 2022 will therefore be followed and implemented in full. MLP will therefore comply with this recommendation both now and in the future.

Recommendation D.10 (meeting with the auditor without the Executive Board)

As per the recommendations of the GCGC 2022, the Audit Committee is to consult regularly with the auditor, also without the Executive Board being present.

With the Law on Strengthening the Integrity of Financial Markets (FISG), the legislator has stated that if the auditor is invited to attend meetings of the Supervisory Board or its various committees as an expert, the Executive Board will not attend these meetings, unless the Supervisory Board or the committee deems its participation necessary. However, the Supervisory Board also intends to regularly invite the Executive Board to attend the meetings of the Audit Committee or the Risk & Audit Committee in future, insofar as there is a good reason for this. In terms of the consultations of the Supervisory Board, it is critically important that the Executive Board can provide its own assessment regarding conclusions drawn by the auditor on accounting questions under consideration.

MLP therefore declares it will deviate from this recommendation in the financial year 2022 and also in the financial year 2023.

Recommendation G.10 of the 2022 GCGC (share-based compensation; availability of long-term variable payments granted)

Based on recommendation G.10 sentence 1 of the GCGC 2022, the long-term variable compensation elements granted to a member of the Executive Board should predominantly be invested in shares in the Company by said member or granted accordingly on the basis of shares. In addition to this, a member of the Executive Board should only qualify for the long-term variable compensation elements after four years.

MLP does not compensate the members of its Executive Board on the basis of shares. Stipulations applying to the members of the Executive Board regarding what specific form variable compensation is to take after being granted are not deemed necessary. As a general rule, each individual member of the Executive Board can determine this independently. However, any member of the Executive Board is obviously free to invest any compensation received in MLP shares.

Payment of the long-term variable compensation components granted takes place three years and four months after the end of the financial year for which said compensation components were granted. The members of the Executive Board can therefore receive these before four full years have passed. MLP considers this qualifying period of three years and four months to be adequate.

From MLP's perspective, the payment modalities for Executive Board compensation have proven effective, so there is no reason to change the current approach.

MLP therefore declares that it is deviating from these recommendations in the financial year 2022 and also in the financial year 2023. As such, it will not introduce any share-based variable compensation or make any stipulations regarding use of the variable compensation granted to members of the Executive Board. The same applies to an extension of the qualifying period for payment of the long-term variable compensation components granted.

Wiesloch, December 2022

MLP SE

The Executive Board

The Supervisory Board

In December 2022, the Executive and Supervisory Boards issued the above Declaration of Compliance pursuant to § 161 of the German Stock Corporation Act (AktG) and made it permanently available to shareholders via the company's website. You can also view the wording of the Declaration of Compliance in the version of December 15, 2022 at <https://mlp-se.com/investors/corporate-governance/declaration-of-compliance/>.

You can also find more information on the topic of corporate governance at MLP on the aforementioned homepage.



The compensation report for the last financial year and the auditor's report as per § 162 of the German Stock Corporation Act (AktG), the pay system in place as per § 87a (1) and (2) Sentence 1 of the German Stock Corporation Act (AktG) and the last compensation decision as per § 113 (3) of the German Stock Corporation Act (AktG) can be viewed at <https://mlp-se.com/investors/corporate-governance/executive-board-and-supervisory-board/>.

CORPORATE GOVERNANCE

Responsible and value adding management

By mainly complying with the stipulations of the German Corporate Governance Code (GCGC) in the version of April 28, 2022 (GCGC 2022), MLP SE continues to reinforce the confidence of its shareholders, clients, employees and other stakeholders in the management of the company. Responsible management geared toward long-term added value is a high priority for us. The Executive and Supervisory Boards ensure that MLP continues to review and develop corporate governance across the Group.

Management and control structure

MLP SE is a European stock corporation that is based in Germany and subject to the European SE provisions, the German SE Implementation Act (SEAG) and German stock corporation law. As an SE, the company has a dual management and control structure, comprising an Executive Board and a Supervisory Board. The third corporate body is the Annual General Meeting.

Executive Board

As the management body of an "Aktiengesellschaft" (public limited company), the Executive Board runs the business and is tied to the interests and business principles of the company within the scope of corporation law. The responsibilities and duties of the Executive Board are laid down in the German Stock Corporation Act (AktG), in MLP SE's Articles of Association, as well as in a set of rules of procedures and the schedule of responsibilities of the Executive Board attached to it.

The members of the Executive Board hold joint responsibility for the entire management. Decisions made by the Executive Board are reached during Executive Board meetings held at regular intervals. Resolutions are drafted as ordinary resolutions with majority votes and recorded accordingly.

Composition of the Executive Board

According to MLP SE's Articles of Association, the Executive Board at MLP SE comprises at least two members. The Supervisory Board decides on the number of Executive Board members, their appointment and the revocation of their appointment as well as the conclusion, amendment and termination of the employment contracts with Executive Board members. The members of the Executive Board are Dr. Uwe Schroeder-Wildberg (CEO and Chairman of the Board), Manfred Bauer and Reinhard Loose.

As per the recommendations of the GCGC 2022, an age limit is to be specified for members of the Executive Board and disclosed in the declaration on corporate governance. No age limit is set for members of the Executive Board. The appointment of members of the Executive Board should be based solely on their knowledge, skills and specialist experience.

As per Recommendation B.2 of the GCGC 2022, the Supervisory Board should work together with the Executive Board to secure long-term succession planning. As the financial holding company, § 25d (11) of the German Banking Act (KWG) already stipulates that the Supervisory Board at MLP SE must adhere to institutionalised principles when identifying applicants to fill a management position and when



preparing election nominations, as well as when checking the basic principles employed by management for selection and appointment of the persons at the upper management level. The Supervisory Board has approved a requirements profile for members of the Executive Board at MLP SE, which addresses the professional and personal aptitude of potential candidates. Alongside this, the Supervisory Board of MLP SE has already been including the topic of long-term succession planning in the agenda of its meetings at least once every year for quite some time. This focuses on discussion of both conceptual issues associated with succession planning and specific potential candidates. In accordance with above requirement profile, the Supervisory Board regularly reviews whether a defined group of persons possesses adequate theoretical knowledge and practical experience including managing a financial holding or whether targeted development of a group of individual candidates can be achieved through a development programme within the company to acquire the necessary theoretical and practical experience in the form of individual measures.

Supervisory Board

The Supervisory Board advises and monitors the Executive Board. The responsibilities and duties of the Supervisory Board are derived from the German Stock Corporation Act (AktG), MLP SE's Articles of Association and a set of rules of procedures for the Supervisory Board.

Resolutions of the Supervisory Board are made during meetings convened by the Chairman of the Supervisory Board or on his behalf and require a majority vote. The Supervisory Board is informed of particularly important or urgent projects outside of the regular meetings. Where necessary, resolutions can also take the form of circular resolutions or be passed via telephone. A transcript of each meeting is drafted.

Supervisory Board composition

MLP SE's Articles of Association provide for a Supervisory Board that comprises six members, two of whom are employee representatives. Both the size and the tripartite composition of the Supervisory Board are thereby stipulated in MLP SE's Articles of Association. The members of the Supervisory Board at a dualistically structured SE are generally appointed by the Annual General Meeting (Art. 40 (2) of the SE Regulation) becoming effective. MLP SE deviates from this with regard to the employees' representatives. The appointment of the employees' representatives on the Supervisory Board is based on a participation agreement that has been agreed between the company and a negotiation committee established for this purpose. Accordingly, employees' representatives are elected directly through an election in the company. The members of the Supervisory Board are currently: Ms. Sarah Rössler – elected at the Annual General Meeting held on June 2, 2022 to replace Ms. Tina Müller, who stepped down from her position on the Supervisory Board at this time – as well as Dr. Peter Lütke-Bornefeld (Chairman of the Supervisory Board), Dr. Claus-Michael Dill, Mr. Matthias Lautenschläger, Mr. Alexander Beer (employees' representative) and Ms. Monika Stumpf (employees' representative). Ms. Rössler has held a seat on the Supervisory Board since the financial year 2022, Dr. Lütke-Bornefeld since the financial year 2002, Dr. Dill since the financial year 2008, Mr. Lautenschläger since the financial year 2018, Ms. Stumpf since the financial year 2021 and the other employees' representative Mr. Beer since financial year 2013, whereby the membership in the periods prior to September 2017 related to MLP AG, as the change in corporate form from MLP AG to MLP SE took place at that time.

As per the recommendations of the GCGC 2022, the Supervisory Board should specify specific targets for its composition and draw up a skills profile for the entire Board. In doing so, the Supervisory Board should also pay attention to diversity. Proposals submitted to the Annual General Meeting by the Supervisory Board should take into account these targets and, at the same time, aim to meet the skills profile for the entire Board.

In its meetings during past financial years, the Supervisory Board at MLP SE addressed the topic of setting specific targets for the composition of the Supervisory Board, paying particular attention to its own target of securing diversity in terms of its composition, as the Supervisory Board has set itself specific targets for its composition. In particular, a requirements profile for Supervisory Board



candidates which defines the knowledge, skills, professional experience and personal aptitude characteristics that candidates must possess in order to be considered for this role, has already been adopted in the past. This requirements profile was revised in 2022 after MLP SE was granted authorisation to operate as a financial holding company and will be revised again following the new Supervisory Board elections to be held in 2023. You can find statements on the stipulations for promoting equal participation of women in management positions pursuant to § 76 (4) of the German Stock Corporation Act (AktG) within this Declaration of Corporate Governance.

The Supervisory Board also reviewed the knowledge and experience required of the Supervisory Board members and of the Chairman of the Audit Committee under the German Corporate Governance Code with regard to reporting and internal control procedures. The Chairman of the MLP SE Audit Committee fully complies with these requirements.

Independence of the Supervisory Board

As indicated in above Declaration of Compliance, MLP declares that it deviates from recommendations C.1 Sentence 6, C.6, C.7, C.8, C.9, and C.10 of the GCGC 2022, since the Supervisory Board so far had not approved any fixed targets for the number of independent Supervisory Board members, did not agree with the definition of independence in the GCGC 2022, had not stipulated any appropriate number of independent Supervisory Board members in the sense of the GCGC 2022 and also had not provided their names, instead considered appointments on the basis of the respective qualifications.

However, the stipulations relating to the composition of the Supervisory Board and the requirements profile for members of the Supervisory Board at MLP SE were amended in 2022. This was, in particular, performed in light of the upcoming election of new Supervisory Board members at the Annual General Meeting in 2023. In its latest Declaration of Compliance, MLP therefore declares that it is currently still deviating from the above recommendations of the GCGC 2022. However, MLP intends to follow the above recommendations after the election of new Supervisory Board members by the Annual General Meeting in 2023 and to then comply with the corresponding recommendations of the GCGC 2022.

In addition to this, the shareholder representatives on the Supervisory Board have stipulated that in future three of the four members of the Supervisory Board elected by the shareholders should be independent of the company and its Executive Board. These requirements are to be met with the election of new Supervisory Board members at the company in 2023.

Age limit

As per the recommendations of the GCGC 2022, an age limit is to be specified for members of the Supervisory Board and disclosed in the declaration on corporate governance. No age limit is set for members of the Supervisory Board at MLP. In the Supervisory Board's opinion, the election of members of the Supervisory Board should be based solely on knowledge, skills and specialist experience.

Efficiency of the Supervisory Board

In 2022 the Supervisory Board also reviewed the efficiency of its own activities. Particular attention was paid to the efficiency of the procedures in the Supervisory Board, the information flow between the committees and the Supervisory Board and the timeliness and sufficient content of reporting by the Executive Board to the Supervisory Board. To this end, a self-evaluation form containing specific questions is completed and evaluated once a year by all members of the Supervisory Board. On this basis, the Supervisory Board then undertakes intensive and expedient discussion with the aim of developing measures aimed at further increasing efficiency.

Supervisory Board committees

The Supervisory Board of MLP SE has set up committees in order to improve the effectiveness of its work.



To this end, the Supervisory Board had established a Personnel Committee, an Audit Committee and a Nomination Committee by November 9, 2022. The previous Personnel Committee prepared the resolutions on HR issues concerning Executive Board members with the company. The previous Audit Committee was responsible for auditing accounting processes, risk management issues and the auditing system itself, as well as ensuring the independence of the auditors. The same applies when selecting the auditor, awarding the audit contract to the auditor, as well as determining the focal points of the audits and agreements on fees. The Committee also discussed the annual financial statements, the consolidated financial statements and the joint management report of MLP SE and the MLP Group and submitted a recommendation for resolution to the Supervisory Board. The Supervisory Board also formed a Nomination Committee, composed exclusively of shareholder representatives, that proposes suitable Supervisory Board candidates for recommendation to the Annual General Meeting and addresses the requirements that these candidates must meet. The members of the previous Personnel Committee were: Ms. Sarah Rössler (since August 8, 2022), Ms. Tina Müller (up to June 2, 2022), Dr. Peter Lütke-Bornefeld (Chairman of the Personnel Committee), Mr. Matthias Lautenschläger and Ms. Monika Stumpf. The members of the Audit Committee were: Dr. Claus-Michael Dill (Chairman of the Audit Committee), Mr. Matthias Lautenschläger, Dr. Peter Lütke-Bornefeld, Mr. Alexander Beer and Ms. Sarah Rössler (since June 2, 2022). The members of the Nomination Committee were: Ms. Sarah Rössler (as of August 8, 2022), Ms. Tina Müller (up to June 2, 2022), Dr. Peter Lütke-Bornefeld (Chairman of the Nomination Committee), Mr. Matthias Lautenschläger and Dr. Claus-Michael Dill.

After MLP SE was granted a license by the German Federal Financial Supervisory Authority (BaFin) to operate as a financial holding company in 2022, the Supervisory Board aligned its structure and activities to the relevant requirements. To this end, in November 2022 as per the mandatory requirements of § 25d (7) et seq of the German Banking Act (KWG), the Supervisory Board has therefore established a joint Risk and Audit Committee, as well as a Nomination Committee and a Compensation Control Committee. These have now also taken over the duties of the previous Audit Committee, Personnel Committee and Nomination Committee. No meetings of the newly established joint Risk and Audit Committee, the Nomination Committee or the Compensation Control Committee were held in the financial year 2022, as they were only established in mid-November 2022.

The duties of the newly established committees include:

The newly established Nomination Committee focuses on preliminary deliberations regarding personnel matters of the members of the Executive Board, definition of targets and a strategy to ensure better representation of the underrepresented gender on the Supervisory Board. It is also involved in drafting guidelines/processes for assessing the individual and overall aptitude of the members of the Executive Board and Supervisory Board, as well as in the regular (at least once a year) assessment of the structure, size, composition, performance, knowledge, skills and experience of individual members of the Executive Board and of the Supervisory Board, succession planning for the Executive Board and Supervisory Board, preparation of election proposals of the Supervisory Board for the election and appointment of shareholders' representatives to the Supervisory Board.

The new Compensation Control Committee focuses on supporting the Supervisory Board in designing and stipulating appropriate pay systems for the members of the Executive Board, as well as reviewing the appropriate set-up of the pay systems, the effects of the pay systems on risk management, capital management and liquidity management, supporting the Supervisory Board in monitoring proper involvement of the internal control operations when setting up the pay systems and supporting the Supervisory Board in drafting the compensation report.

The duties of the newly established joint Risk and Audit Committee include preliminary deliberations regarding the financial statements and the management report, the consolidated financial statements and the group management report, as well as reviewing the reporting and accounting processes, the effectiveness of the control system, the internal risk management system, the internal audit system and execution of the actual audit. The joint Risk and Audit Committee prepares proposals for the appointment of an auditor, as well as submitting proposals for the level of the auditor's compensation and deliberates on termination or continuation of the audit engagement. It deliberates on the company's



current and future overall risk propensity and strategy, it reviews whether the company's risk, capital and liquidity structure is adequately factored into the incentives offered by the pay system. It also monitors rapid rectification of any deficiencies determined by the auditor or bank-internal audit functions during internal and external audits.

The members of the newly established joint Risk and Audit Committee that were elected during the meeting of the Supervisory Board on November 9 are: Dr. Claus-Michael Dill, who is also Chairman of the committee, Ms. Sarah Rössler, Dr. Peter Lütke-Bornefeld and Mr. Matthias Lautenschläger. The members of the newly established Nomination Committee that were elected during the meeting of the Supervisory Board on December 15, 2022 are: Dr. Peter Lütke-Bornefeld, who is also Chairman of the committee, Ms. Sarah Rössler, Dr. Claus-Michael Dill, Mr. Matthias Lautenschläger and Ms. Monika Stumpf. The members of the newly established Compensation Control Committee that were elected during the meeting of the Supervisory Board on December 15, 2022 are: Dr. Peter Lütke-Bornefeld (Chairman), Ms. Sarah Rössler, Mr. Matthias Lautenschläger and Ms. Monika Stumpf.

Corporate governance in the Supervisory Board

In 2022, the Executive and Supervisory Boards of MLP SE again dealt intensively with the German Corporate Governance Code and further new legislation significant to the work performed by the Supervisory Board and its committees. The GCGC and its amendments passed on April 24, 2022, were a subject of discussion by the Supervisory Board. Stipulations were analysed and corresponding adjustments to the internal regulations and procedures followed by the Supervisory Board were either proposed or submitted for verification.

Requirements profile and diversity concept for the Executive Board and Supervisory Board

The Supervisory Board has approved a requirements profile for the composition of the Executive Board in order to secure an orderly selection process, applying objective and comprehensible requirement criteria to the proposals for the appointment of new members of the Executive Board at MLP SE. Accordingly, each member of the Executive Board must display a certain level of indispensable general knowledge and experience. Only those candidates whose personal integrity, independence, commitment, motivation and personality indicates that they are capable of properly performing the duties of a member of the Executive Board at MLP SE, as well as the Financial Holding Group managed by it and its controlled companies, are to be proposed. The Executive Board should be composed in such a way that qualified management of MLP SE is assured at all times. Its members should together possess the knowledge, skills and specialist experience required to perform their respective legal duties properly. Members of the Executive Board must be reliable. As well as meeting the general requirements in terms of personal reliability, personal independence and freedom from conflicts of interest, each member of the Executive Board should also possess the kind of general professional expertise needed in order to execute the respective management role properly. This means that the candidates must possess sufficient theoretical and practical knowledge of the respective business, as well as specific management experience.

The Supervisory Board has also approved a requirements profile that applies to the composition of the Supervisory Board or to the proposals that are to be sent to the Annual General Meeting for appointing the Supervisory Board in order to secure an orderly selection process, applying objective and comprehensible requirement criteria to the proposals for the appointment of new members of the Supervisory Board at MLP SE. Accordingly, each member of the Supervisory Board must possess a certain level of indispensable general knowledge and experience. Only those candidates whose personal integrity, independence, commitment, motivation and personality indicates that they are capable of properly performing the duties of a member of the Supervisory Board at MLP SE, as well as the Financial Holding Group managed by it and its controlled companies, are to be proposed. The composition of the Supervisory Board must ensure qualified advising and monitoring of the Executive Board at MLP SE by the Supervisory Board at all times. Its members should together possess the knowledge, skills and specialist experience required to perform the respective legal duties properly. As well as meeting the general requirements in terms of personal reliability, personal independence and



freedom from conflicts of interest, each member of the Supervisory Board should also possess the requisite professional expertise. All members should be capable of both understanding and evaluating the reports presented to the Supervisory Board, as well as drawing their own conclusions regarding the content. Alongside this, they should also display a general understanding of the brokerage, insurance, wealth management and banking business, as well as the real estate agent and real estate project development business and in particular the market environment, the individual business fields, the client requirements and the regions in which MLP SE and its subsidiaries are active and the strategic alignment of both MLP SE and the Group. From the perspective of the Supervisory Board, the ability to judge the correctness, efficiency, legality and expediency of the business decisions to be assessed also represents an absolute qualification requirement for members of the Supervisory Board. Alongside this, candidates should also be capable of understanding and evaluating the annual financial statements and associated documents. The member to be proposed should possess commercial experience gained from having worked in corporate management or as a senior executive and/or member of a Supervisory Board or comparable corporate body.

The legislation on equal participation of women and men in management positions came into force on May 1, 2015. It stipulates an obligation to specify targets for members of supervisory and executive boards, as well as the two upper management levels, although it does not define an actual minimum target. Insofar as the percentage of women is below 30 %, the targets must then not fall below the percentage reached. The legal deadline for achievement of the first targets was fixed for June 30, 2017. After that deadlines can be up to five years. The targets and deadlines are to be specified in concrete terms. In addition to this, it must be stated whether the specified targets have been achieved and, if not, information as to the reasons must be specified.

The Supervisory Board at MLP SE has set internal rules for the composition of both the Executive Board and Supervisory Board. Assuming equal personal and professional aptitude, these stipulate a minimum 25 % representation of women in both bodies (in the case of the Supervisory Board on the shareholder side). MLP SE has met this quota on the shareholder side of the Supervisory Board. The Supervisory Board has had at least one female member continually since 2015. The quota has therefore been met for many years. This makes any further reporting on the implementation steps with regard to meeting the quota unnecessary.

In November 2020, the Supervisory Board confirmed the target of at least 25 percent for the proportion of women on the Executive Board – which currently only comprises three persons – and set itself the end of the financial year 2025 as the implementation deadline. Therefore, it is currently also not possible to report on any concrete measures for achieving these objectives in the Declaration of Corporate Governance. However, the Supervisory Board aims to take into account the aforementioned objective in the event of personnel changes. This is to be supported by various measures, including efforts with respect to diversity making appointments to executive positions, as well as giving appropriate consideration to women at the management levels in the company. To this end, measures directed at improving reconciliation of work and family life have already been introduced in the company in the past. The newly established Nomination Committee will also address the aforementioned objective of promoting representation of the underrepresented gender, as well as the strategy for achieving this. The legal regulation, based on which the Executive Board at listed companies must include at least one woman or one man when it has four or more members is not applicable to MLP SE.

Cooperation between Executive Board and Supervisory Board

Intensive dialogue between the Executive and Supervisory Boards forms the basis of transparent and responsible company management. The Executive Board of MLP SE provides the Supervisory Board with regular, timely and comprehensive information on the Group's position, including information on its risk situation, risk management and compliance. The Supervisory Board is informed of particularly important or urgent projects outside of the regular meetings. Furthermore, the Chairman of the Supervisory Board meets with the Executive Board on a regular basis to discuss specific issues. The Chairman of the Supervisory Board informs the other members of the Supervisory Board in detail about



the content of his meetings with the Executive Board. The Supervisory Board discusses the Group's corporate planning and plans for strategic growth with the Executive Board.

Significant legal transactions by the Executive Board require the consent of the Supervisory Board. A set of rules of procedures issued by the Supervisory Board in particular governs the distribution of business, powers of approval outside the Articles of Association and co-operation with the Executive Board. Further details on the co-operation between Executive Board and Supervisory Board can be found in the report by the Supervisory Board.

Further disclosures on the Supervisory Board's activities can be found in the report by the Supervisory Board.

Directors' Dealings

Pursuant to Art. 19 of the Market Abuse Regulation (MAR), persons assuming executive positions at the issuer of shares must notify the issuer and the Federal Financial Supervisory Authority (BaFin) of transactions in financial instruments. This obligation also applies to natural persons and legal entities that are closely linked to such a person assuming an executive position.

Transactions up to a total value of € 20,000 per calendar year are exempt from the reporting obligation.

Two transactions pursuant to Art. 19 of the Market Abuse Regulation (MAR) were reported to us in the financial year 2022.

Reported transactions from previous years can be viewed on our website at www.mlp-se.com.



Corporate governance practices – Compliance as a management duty

Compliance regulations

The trust of our clients, shareholders and business partners in our capacity to act professionally and responsibly forms the basis of our business operations. Compliance with all relevant legislation and capital market regulations represents the foundation of our business activities and an integral part of our corporate culture. Violations against applicable legislation and regulations not only have the potential to lead to legal disputes and financial losses, but can also have a negative effect on our Group's reputation. The Executive Board at MLP SE ensures Group-wide compliance with legal provisions and internal company guidelines, while also guaranteeing both a trusting and transparent system of corporate governance.

The basic principles of abidance to laws, integrity and economically successful business practices are firmly anchored in our Code of Business Conduct and Ethics. Our compliance activities are based on a Group-wide compliance strategy, which in particular employs preventive measures to avoid the occurrence of risks due to non-compliance with applicable legislation, internal standards and processes. The focus here is on compliance with legal provisions and corporate policies with regard to the provision of (ancillary) securities services, consumer and data protection, as well as the prevention of money laundering, financing terrorist activities and all other criminal conduct. In the interests of our clients, shareholders and employees, the Compliance department supports and advises the Executive Board in establishing uniform standards for all Group companies. Taking into account the constantly changing regulatory requirements and market conditions, Compliance steers the continuous further development of our internal behavioural standards and monitors implementation of applicable requirements.

On the basis of a Group-wide risk analysis, the Compliance department identifies, analyses and evaluates the compliance risks relevant to MLP SE's business operations. Compliance also collaborates with the specialist departments responsible for developing risk-reducing measures and continuously monitors their effectiveness in our day-to-day business.

Regular training sessions, during which all employees of the MLP Group familiarise themselves with the key regulations as a way of preventing any accidental infractions while also providing support in applying our Code of Business Conduct and Ethics, represent an important element of our risk prevention measures.

In particular they include web-based training events on market abuse legislation, securities compliance, data and consumer protection as well as the prevention of money laundering, financing of terrorist activities and criminal conduct. Compliance is also available to all employees as a point of contact for reporting internal suspicious transactions with regard to criminal activities or violations against our compliance regulations. Any violations determined are investigated promptly, comprehensively clarified and then used to eliminate any weaknesses identified. The Executive Board and Supervisory Board are regularly informed of all relevant actions and measures taken by the Compliance department.

The Compliance Policy in the MLP Group also sets out the measures for insider trading prevention and describes the internal provisions for execution of employee transactions. Our Code of Conduct also ensures that confidential information is handled responsibly at MLP and defines standards for advising and supporting our clients, as well as the policy on giving and accepting invitations and gifts. To prevent any impairment of client interests, we have defined policies regarding the avoidance and monitoring of conflicts of interest and the acceptance of gifts. These policies are regularly reviewed and adapted to changing requirements.

Defined company values



Group vision with mission statement



The MLP Group and its brands Deutschland.Immobilien, DOMCURA, FERI, MLP, RVM and TPC is the financial services provider for private, corporate and institutional clients. Special added value is created by networking the various perspectives and areas of expertise – enabling clients to reach better financial decisions.



In 2021, MLP developed a Group vision as a way of further strengthening the common basis for successful cooperation. In this context, a mission statement was drafted for the MLP Group.

"Our network provides suitable solutions for all financial matters – always committed to our clients. We help individuals and companies reach better decisions."

An intensive transfer of knowledge and expertise takes place within the Group. The specialists support one another in the areas of research and concept development, as well as in client consulting. This valuable and targeted interaction generates additional value for clients, as well as for the company and its shareholders.

The various corporate missions are arranged under the umbrella of a common Group vision, which all companies work to. The mission statement of the MLP brand is: "We motivate people to engage with the topic of finance. We help people reach better financial decisions independently. That is MLP." The corporate mission of MLP with its governing principles is based on various core values, which were defined with input from a large number of employees and consultants. "Performance" and "Trust" were identified as special core values. You can find details on our corporate mission on our homepage at www.mlp-se.com.

On the basis of the corporate mission, new governance principles were then developed in an interactive workshop in the autumn of 2021 with input from managers at all hierarchy levels. These were implemented, communicated and anchored in the course of the financial year 2022. Initial management and personnel development instruments, such as a comprehensive leadership feedback survey with

questions on direct line managers, on general management, as well as on the company and the general sentiment, were also derived on this basis in the financial year 2022.

The personnel strategy and its vision represent another part of the corporate governance practices. MLP is an attractive employer and is perceived as such both by its own employees and by relevant stakeholders and applicants on the employment market. All employees, including trainees and students, see themselves as a part of MLP and are proud to make an important contribution to the company's sustainable success as a business through their work. Within the economic framework conditions, staff at MLP can express and continuously develop their preferences and strengths. MLP regards itself as a dynamic and learning organisation that promotes lifelong learning for all. Not only do the employees feel a connection with MLP's mission statement and leadership principles, they also identify with MLP's culture of performance and trust.

Various HR fields of action have also been defined on the basis of this. This exemplifies the positioning of the employer brand or the increase in employer attractiveness, in particular for women - among other things through active expansion and optimisation of the family-friendly framework conditions associated with working at MLP. Another action area revolves around actively working towards greater participation of women at all management levels within the company, which has been gaining significance at MLP since 2021. Focus is also on increasing the identification and commitment of employees through targeted measures for promoting staff retention, as well as further development of strategic personnel and succession planning.

An explanation of the business and risk strategy as well as the risk management system can be found in the chapter "[Risk and disclosure report](#)" of the Annual Report.

Stipulations for promoting equal participation of women in management positions pursuant to § 76 (4) of the German Stock Corporation Act (AktG)

The legislation on equal participation of women and men in management positions came into force on May 1, 2015. It stipulates an obligation to specify targets for members of supervisory and executive boards, as well as the two upper management levels, although it does not define an actual minimum target. Insofar as the percentage of women is below 30 %, the targets must then not fall below the percentage reached. The deadline for achievement of the first targets was fixed for June 30, 2017. After that deadlines can be up to five years. The targets and deadlines are to be specified in concrete terms. In addition to this, it must be stated whether the specified targets have been achieved and, if not, information as to the reasons must be specified.

MLP places great emphasis on promoting women and helping employees combine a career with a family. The company has therefore already made this topic a focus over the last few years and implemented various measures to promote women into management positions. The concept for example includes measures such as family-friendly meeting arrangements or flexible work place and working hours arrangements. As a sign of its public commitment to diversity, MLP signed the Diversity Charter in 2014. In addition to this, the workandfamily audit was successfully performed in 2019. As part of the target agreement associated with this, various measures aimed at promoting the concept of women in management positions and part-time management were successfully implemented. On the basis of the recertification of the audit in 2022, further implementation objectives for promoting family friendliness, as well as life phase-oriented alignment of the measures for employee retention have been agreed for the next three years.

In November 2020, the Executive Board at MLP SE approved a target of at least 33 % for female managers at the first management level at MLP SE. In December 2022, the Executive Board has furthermore approved the same minimum target figure of 33 % for female managers at the second management level at MLP SE. These targets are to be met by the end of the financial year 2025.

Equal pay for women and men doing the same or equivalent work as per the German Transparency of Pay Act (EntgTranspG)

The Transparency of Pay Act (EntgTranspG) came into force on July 6, 2017 to counteract wage differences between women and men doing the same or equivalent work. The legislation promotes disclosure of company pay systems and prescribes an individual right to information regarding in-house pay structures for staff at enterprises with more than 200 employees.

A "pay system" works agreement was concluded in December 2015 as the basis for establishing improved transparency of pay at MLP. This works agreement applies to MLP SE, MLP Banking AG, as well as MLP Finanzberatung SE in the version dated July 2, 2019. Each job type is assessed independently of the incumbent, i.e. in a gender-neutral way, and then assigned to a salary range. The salary benchmark is then based on this assignment when hiring new staff and redeploying existing staff. Private employers that generally have more than 500 employees are called upon to use operational audit procedures to regularly review the application of their pay systems and the various pay components paid for compliance with the equal pay requirement in the meaning of this legislation. MLP has decided to perform these audits for MLP SE, MLP Banking AG and MLP Finanzberatung SE in 2018.

Special legal provisions

As per Recommendation F.4 of the GCGC 2022, the Supervisory Board and Executive Board at listed companies that are subject to special legal provisions should specify in the Declaration of Corporate Governance which recommendations of the Code could not be applied due to statutory provisions. It is the opinion of the Executive Board and Supervisory Board that the provisions of the Ordinance on the Supervisory Requirements for Institutions' Pay Systems (InstitutsVergV) take precedence over the provisions of the German Stock Corporation Act (AktG) or the GCGC in certain cases. Alongside this, the mandatory requirements of § 25d (7) et seq. of the German Banking Act (KWG) for establishing a joint Risk and Audit Committee, as well as a Nomination Committee and a Compensation Control Committee also represent a deviation from the provisions of the German Corporate Governance Code 2022 (GCGC). On the basis of a special legal provision, MLP is also deviating from Recommendation D4 of the German Corporate Governance Code 2022 (GCGC), according to which the Supervisory Board should establish a Nomination Committee exclusively composed of shareholder representatives. § 25d (11) of the German Banking Act (KWG) stipulates that the Nomination Committee of the Supervisory Board must also assume further duties that should not only be performed by the representatives of the shareholders on the Supervisory Board. The Nomination Committee of the Supervisory Board at MLP SE therefore also includes one employee representative. However, assurances are in place that the nominations proposed to the Annual General Meeting for the election of shareholder representatives to the Supervisory Board are prepared solely by the representatives of the shareholders that sit on the Supervisory Board.

