

# Declaration of Conformity with German Corporate Governance Code

(convenience translation: only the German version is binding)

Pursuant to section 161 of the German Stock Corporation Act (AktG), the Management Board and the Supervisory Board of PAION AG have an obligation to annually declare that the company has complied and will comply with the recommendations of the latest version of the "Government Commission German Corporate Governance Code" (the "**Code**") published by the Federal Ministry of Justice in the official section of the Federal Gazette, or which of the recommendations have not been or are not being applied and why.

Pursuant to section 161 of the German Stock Corporation Act, the Management Board and the Supervisory Board of PAION AG declare: Since issuing the last declaration of conformity in December 2020, PAION AG has complied with all recommendations of the Code as published on 20 March 2020 („**DCGK 2019/2020**“), with the exception of the following deviations.

- **Recommendation F.2 DCGK 2019/2020:**

According to recommendation F.2 DCGK 2019/2020, the consolidated financial statements and the group management report shall be publicly accessible within 90 days of the end of the financial year and the mandatory financial information during the year shall be publicly accessible within 45 days of the end of the respective reporting period.

The company has not complied with recommendation F.2 DCGK with regard to the time of public disclosure of the mandatory financial information during the year, beginning with the half-year report 2021. The deviation from the recommendation is due to the following fact:

The sales reports of the remimazolam licensees, which are essential for the half-yearly reports, may only be expected at the end of July of each year at the earliest. To ensure that this information, important for the half-year reports, is always considered, the company will also not comply with recommendation F.2

DCGK 2019/2020 regarding the timing of the public disclosure of the mandatory interim financial information in the future.

- **Recommendation C.5 DCGK 2019/2020:**

“Supervisory Board Members, who are members of the Management Board of a listed company, shall not have, in aggregate, more than two Supervisory Board mandates in non-group listed companies or comparable functions, and shall not accept the Chairmanship of a Supervisory Board in a non-group listed company”.

Dr. Chris Tanner, member of the Supervisory Board of PAION AG, was a member of the management board of the listed company Cassiopea SpA. until the end of 2020 and had more than two further Supervisory Board mandates in non-group listed companies or comparable functions. With the departure of Dr. Tanner from the Management Board with effect of 31 December 2020 of the listed company, PAION AG complies with recommendation C.5 of the Code.

PAION AG will continue to comply with the recommendations of the DCGK 2019/2020 with the aforementioned deviation from recommendation F.2.  
Aachen, December 2021

### **The Supervisory Board of PAION AG**

For the Supervisory Board: Dr Jörg Spiekerkötter, Chairman of the Supervisory Board

### **The Management Board of PAION AG**

Dr. James Phillips, Chairman of the Management Board  
Abdelghani Omari, Member of the Management Board