

DECLARATION OF CORPORATE GOVERNANCE 2024

Pursuant to Section 161 of the German Stock Corporation Act (AktG), the Executive Management Board and Supervisory Board of a listed stock company must declare annually that the recommendations of the “Government Commission on the German Corporate Governance Code” published by the Federal Ministry of Justice in the official section of the Federal Gazette have been and are being complied with or which recommendations have not been or are not being applied and why not.

The declaration must be made publicly available on the company’s website.

The German Corporate Governance Code (GCGC) contains regulations with varying degrees of binding force. In addition to descriptions of the applicable stock corporation law, it contains recommendations from which companies may deviate; however, they are then obliged to disclose this annually. According to Section 161 AktG, deviations from the recommendations of the GCGC must also be justified.

In addition, the GCGC contains suggestions from which deviations can be made without disclosure.

The declaration relates to the period since the last declaration of conformity in February 2024 and refers to the recommendations of the “Government Commission on the German Corporate Governance Code” in the version dated 28 April 2022 (“GCGC 2022”), which were published on 27 June 2022 and thus became effective.

YOC AG’s declaration is permanently available to the public on the company’s at <https://yoc.com/management-corporate-governance-en>. Earlier versions of the Declaration of Corporate Governance can also be found there.

The Management Board and Supervisory Board of YOC AG intend to continue to comply with the recommendations of the GCGC 2022 with the following exceptions.

- **Section A.4 GCGC 2022:** The establishment of a protected whistleblower system has so far been dispensed with, as the Management Board and Supervisory Board do not believe that there is sufficient practical experience with this in Germany for companies with fewer than 50 employees. We will therefore continue to wait and see whether the arguments against a whistleblower system for companies with fewer than 50 employees, such as high costs, possible negative effects on the working atmosphere and susceptibility to abuse, actually play a role in practice and what solutions will be established to avoid these issues.
- **Section A.2 GCGC 2022:** An appropriate participation of women in the two management levels below the Management Board depends on the individual suitability for the respective position. Under this premise, the Management Board will pay attention to diversity when filling management positions and strive for the appropriate participation of women.
- **Section G.4 GCGC 2022:** The Supervisory Board shall take into account the ratio of the remuneration of the Management Board to the remuneration of senior management and the workforce as a whole, including over time, whereby the Supervisory Board shall determine how senior management and the relevant workforce are to be defined for the purposes of comparison. No such explicit demarcation has been made in order not to restrict the economic scope for salary negotiations.

- **Section B.1 GCGC 2022:** The Management Board currently only has one male member. Membership of the Management Board is primarily based on individual suitability for this body.
- **Section B.2 GCGC 2022:** The Supervisory Board should ensure long-term succession planning together with the Management Board and describe the procedure in the corporate governance declaration in accordance with the GCGC. In view of the long-standing commitment of the current sole member of the Management Board, Dirk Kraus, as founder of the company, the Supervisory Board has not yet considered it necessary to develop guidelines for succession planning for the Management Board. The Supervisory Board will continuously review the necessity of succession planning with regard to the specific management structure and needs of the company and ensure long-term succession planning where necessary.
- **Section B.5 GCGC 2022:** The Supervisory Board has not set an age limit for members of the Management Board. The members of the Supervisory Board are convinced that suitability for company management depends largely on individual performance.
- **Sections D.2 and D.4 GCGC 2022:** Apart from the establishment of an Audit Committee, the Supervisory Board has not set up any other committees, in particular no Nomination Committee. In accordance with the Articles of Association, the Supervisory Board consists of three members, meaning that the Nomination Committee would have to be composed of (almost) all members of the full Supervisory Board, which would not lead to improved preparation of the Supervisory Board's proposed resolutions on the shareholders' election proposals. The same reason also speaks against the establishment of further committees.
- **Section C.1 GCGC 2022:** In order to implement the "Act on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector", which came into force in May 2015, the company's Supervisory Board has set targets for the proportion of female members on the Supervisory Board and the Management Board. Beyond fulfilling this legal obligation, the Supervisory Board has not defined any specific targets for its composition. The Supervisory Board has proposed and will propose to the Annual General Meeting the candidate it deems most suitable for the position to be filled on the Supervisory Board after careful consideration and taking into account the company-specific situation. In this respect, the Supervisory Board has always implicitly defined a "competence profile" for the vacancy to be filled on the Supervisory Board and will continue to do so. It goes without saying that the Supervisory Board has and will continue to be guided by the selection criteria of the German Corporate Governance Code when making its election proposals. However, there is no permanently written profile of skills and expertise for the entire Supervisory Board, even with regard to the size of the Supervisory Board.
- **Sections C.1 sentence 2 and C.2 GCGC 2022:** Individual suitability for membership of the Supervisory Board is decisive. Against this background, the Supervisory Board has not defined any explicit diversity criteria beyond the target figure for the proportion of women. No age limit or regular limit for the length of membership of the Supervisory Board has been set. The suitability of a member of the Supervisory Board to monitor and advise the Management Board and to be an equal partner to the Management Board depends largely on individual performance.
- **Section G.17 GCGC 2022:** The chairmanship and membership of committees have not been and are not taken into account in the remuneration of the Supervisory Board, as the Supervisory Board has only formed an Audit Committee to which all Supervisory Board members belong.

Section F.2 GCGC 2022: The company will endeavor to comply with the recommendation that the consolidated financial statements should be publicly accessible within 90 days of the end of the financial year and the interim reports within 45 days of the end of the reporting period. However, the company cannot always guarantee this, as this would only be possible with significantly increased personnel and organizational effort and thus only at considerable additional cost. Publications are therefore made within the statutory and stock exchange deadlines.

Berlin, February 2024

YOC AG

The Management Board

The Supervisory Board