

Declaration of Governance

Declaration of Compliance and Reporting on Corporate Governance

Epigenomics AG has consistently implemented its corporate governance in consideration of the recommendations and suggestions of the German Corporate Governance Code in its version dated December 16, 2019. During the 2021 fiscal year the Executive Board and the Supervisory Board discussed corporate governance matters several times and, in October 2021, jointly submitted the annual Declaration of Compliance for 2021 pursuant to Section 161 of the German Stock Corporation Act (*Aktiengesetz*, "AktG"). The Declaration was made permanently accessible to the general public on Epigenomics AG's website.

The current Declaration of Compliance of October 2021 reads as follows:

"The Executive Board and the Supervisory Board of Epigenomics AG hereby declare that, since the last declaration of compliance was issued in October 2020, Epigenomics AG has complied with the recommendations of the German Government Commission on the German Corporate Governance Code (hereinafter also referred to as the "Code") in the version of December 16, 2019, with the exceptions set forth below:

Recommendation A.2 sentence 2 of the Code

The company does not have a separate system that employees can use to report, in a protected manner, suspected breaches of the law within the company. Owing to its size and organization, the company does not believe that it is necessary to implement such a system. Accordingly, the company deviated from the recommendation pursuant to Section A.2 sentence 2 half-sentence 1 of the Code.

Recommendations B.1, B.5, C.1 and C.2 of the Code

In the past, when filling the positions in its bodies, the Executive Board and the Supervisory Board considered the company-specific situation, and also made allowances for potential conflicts of interest as well as the international activities of the company through an appropriate diversity of their members as well as the appointment of an adequate number of independent Supervisory Board members. Furthermore, the Supervisory Board has set a standard limit for the length of membership of the Supervisory Board as well as a competence profile for the entire body. In deviation from the recommendations B.5 and C.2 of the Code, we however consider the commitment to institute special age limits for members of the Executive Board and the Supervisory Board as an inadequate limitation of the voting rights of our shareholders. Accordingly, contrary to recommendations B.5 and C.2 of the Code, no such age limits are stated in the corporate governance declaration. In addition, we are convinced that sweeping requirements for the composition of the Executive Board as requested in B.1 of the Code, constrain the Supervisory Board inadequately in its selection of suitable members of the Executive Board. The same applies to blanket requirements for the composition of the Supervisory Board, as required by recommendation C.1 sentences 1 and 2 of the Code. We strive to achieve an appropriate diversity in the Executive Board and the Supervisory Board and to ensure that an adequate number of independent Supervisory Board members is elected. However, it is ultimately in the corporate interest to appoint the most suitable male or female candidates. Furthermore, the Supervisory Board has defined gender diversity objectives for the proportion of women in both the Executive Board and the Supervisory Board in accordance with Section 111 paragraph 5 of the Stock Corporation Act. We therefore believe that (additional) sweeping requirements constitute an inadequate limitation of the individual selection of suitable male and female candidates for the Executive Board or the Supervisory Board. Furthermore, a target requirement regarding the composition of the Supervisory Board also inadequately impairs our shareholders' right to elect the Supervisory Board members. Accordingly, we did not and will not comply with these recommendations of the Code. Finally, in the absence of concrete targets for the composition of the Supervisory Board, and contrary to recommendation C.1 sentence 4 of the Code, the status of the implementation of such targets is not published in the corporate governance statement.

Recommendations D.2 sentence 1 and D.5 of the Code

Due to the size of the company, the Supervisory Board did not and does not consider it necessary to form a Nomination Committee composed exclusively of shareholder representatives to recommend suitable Supervisory Board candidates for the proposals of the Supervisory Board to the general shareholders' meeting. Rather, this task is performed by the full Supervisory Board. Owing to the size of the company and of the Supervisory Board, the Supervisory Board considers it adequate and appropriate to form only an Audit Committee. In contrast, the implementation of further committees was, in the opinion of the Supervisory Board, not necessary. Hence, the Company has deviated from the recommendations pursuant to D.2 sentence 1 and D.5 of the Code.

Recommendations G.1, G.3, G.4 and G.11 sentence 2 of the Code

On 27 April 2021, the Supervisory Board resolved a new system for the remuneration of the members of the Executive Board and submitted it to the Annual General Shareholders' Meeting for approval on 16 June 2021. The Annual General Shareholders' Meeting approved the submitted remuneration system for members of the Executive Board. This approved remuneration system, like the previously existing remuneration system, does not contain any non-financial performance criteria, in deviation from recommendation G.1 third indent, because the pursuit of certain financial and strategic objectives appears to be urgent in view of the Company's situation. In all other respects, the approved system complies with the recommendations of the Code.

The previously existing remuneration system for Executive Board members, on the other hand, deviated from the following further recommendations of the Code:

- Recommendation G.1 first indent of the Code: The company's remuneration system did not contain any provisions on the (individual) maximum remuneration of the members of the Executive Board or on non-financial performance criteria for the granting of variable remuneration components. The Supervisory Board agreed with each member of the Executive Board a maximum amount for each compensation component, from which the maximum remuneration could be derived mathematically. However, the remuneration system did not provide for an additional separate determination of a maximum remuneration.
- Recommendations G.3 and G.4 of the Code: No peer group of other third-party entities was used to assess the customary level of the Executive Board remuneration, nor was a vertical remuneration comparison carried out. In the absence of a peer group of other third-party entities, their composition was not disclosed. Horizontal and vertical comparisons previously did not appear to be meaningful due to the special characteristics of the company and its size.
- Recommendation G.11 sentence 2 of the Code: The Supervisory Board did not have a possibility to retain or reclaim variable remuneration in justified cases. The introduction of such a possibility was refrained from against the background of legal uncertainties existing in the past.

Recommendation G.11 sentence 1 of the Code

The remuneration system for Executive Board members resolved by the Supervisory Board on 27 April 2021 and approved by the Annual General Meeting on 16 June 2021 provides for the possibility of adjusting variable remuneration "downwards" and "upwards" in the event of extraordinary developments. The existing contracts, on the other hand, do not contain any provision allowing the Supervisory Board to "upwardly" adjust compensation that is inappropriately low due to extraordinary developments. Until now, the regulatory framework for such an "upward" adjustment option has seemed unclear and the practical need not urgent. In future contracts with Executive Board members, however, such an "upward" adjustment option will be regulated in accordance with the remuneration system approved by the Annual General Meeting on 16 June 2021."

Corporate Bodies – Composition and Functioning

As a German stock corporation, Epigenomics AG is subject to the German Stock Corporation Act. Its constituting bodies are the Annual General Shareholders' Meeting (AGM), the Executive Board and the Supervisory Board. The Executive Board and the Supervisory Board each have their own competencies and closely collaborate in a trustworthy manner in steering and supervising the Company.

Annual General Shareholders' Meeting

The purpose of the Annual General Shareholders' Meeting (AGM) is to enable the shareholders (stockholders) to exercise their shareholder rights. The AGM of Epigenomics AG takes place within eight months after the end of the respective fiscal year. According to Section 119 AktG, the AGM decides and passes resolutions upon, inter alia, the formal approval of the actions of the Executive Board and the Supervisory Board, the composition of the Supervisory Board, the Company's Articles of Association, capital measures and the appointment of the Company's auditors. Each share of the Company corresponds to one single vote that its holder may exercise at the AGM. All shareholders who are entered in the share register and who have registered for the event in a timely manner are eligible to participate in the AGM. Participation and voting by proxy is also possible by granting a power of attorney to an attorney-in-fact of the shareholder's choice.

In due time before each AGM, Epigenomics AG publishes the invitation, the exact wording of the proposed resolutions as well as any reports and/or information required according to the applicable regulations concerning stock corporations in German and English on its website as well as in the Federal Gazette ("*Bundesanzeiger*").

Supervisory Board

According to Section 111 AktG, the Supervisory Board is responsible for consulting and supervision of the Executive Board. Furthermore, the Supervisory Board is responsible for appointing and dismissing members of the Executive Board as well as for the conclusion and termination of their Executive Board service contracts. The Supervisory Board is involved in strategy and planning as well as in all issues of material importance to the Company. All material decisions by the Executive Board require Supervisory Board approval. This includes the approval of the annual budget for each subsequent year, which is being proposed by the Executive Board. Upon discussion with the Supervisory Board, changes may be required and incorporated. The Supervisory Board also issues the mandate for the audit of the annual financial statements to the auditor that has been appointed by the AGM.

The Supervisory Board of Epigenomics AG consists of four members, none of whom has previously been a member of the Company's Executive Board. The Supervisory Board shall have a quorum if at least three of its members participate in the adoption of the resolution. At the Annual General Shareholders' Meeting on June 16, 2021 Heino von Prondzynski, Dr. Helge Lubenow, Franz Thomas Walt and Alexander Link were elected as members of the current Supervisory Board. At the Supervisory Board's constituent meeting, Heino von Prondzynski was elected as the Chairman of the Supervisory Board and Alexander Link was elected as his Deputy. The current term of office of all members of the Supervisory Board ends at the end of the AGM that resolves on the formal approval of the actions of the Supervisory Board for the fiscal year ending December 31, 2024. The *curricula vitae* of the members of the Supervisory Board are published on the Company's website (www.epigenomics.com) under "News & Investors" — "Corporate Governance" — "Supervisory Board".

In its meeting on February 17, 2017, the Supervisory Board had resolved that the target ratio of female members on the Supervisory Board shall be one third and that the target ratio shall be met by December 31, 2021. By the time of the 2021 Annual General Shareholders' Meeting, the Company had met the defined target ratio. The Supervisory Board, which consisted of six members, had two female and four male members. At the 2021 Annual General Shareholders' Meeting, it was resolved to reduce the size of the Supervisory Board from six to four members and to elect one female and three male members. Upon expiry

of the period to achieve the target ratio on December 31, 2021, the proportion of female members was therefore below the target ratio of one third. In its meeting on November 30, 2021, the Supervisory Board resolved that the new target ratio of female members on the Supervisory Board shall be 25% and a deadline of December 31, 2024 for achieving this target. Currently, the Supervisory Board has one female member. This corresponds to a share of women of 25% and thus meets the defined target ratio.

Furthermore, in its meeting on September 26, 2017, the Supervisory Board determined a profile of skills and expertise for the entire Supervisory Board. The profile of skills and expertise aims at facilitating a qualified supervision of and advice to the Executive Board by the Supervisory Board and at ensuring that the Supervisory Board's members collectively have the knowledge, skills and professional expertise required to properly perform all duties of the Supervisory Board of a capital market-oriented, internationally operating company in the molecular diagnostics industry. To this end, the members of the Supervisory Board collectively shall have expertise in and/or knowledge of managing an internationally operating company as well as expertise and/or knowledge in the fields of accountancy and financial reporting, auditing, corporate finance, controlling and risk management, corporate governance and compliance. Moreover, they shall collectively be familiar with the Company's field of business activity and thus have expertise and/or knowledge in the fields of research and development – if possible within the area of technologies that are relevant for the Company and adjacent or related areas – as well as in the fields of production, marketing and sales. The Supervisory Board assumes that its current composition fulfills this profile of skills and expertise. The Supervisory Board also pays attention to diversity.

In its meeting on April 9, 2020, the Supervisory Board resolved that, generally, members should belong to the Supervisory Board for a maximum of twelve years at the end of their term of office. In the future only individuals shall be nominated for election to the Supervisory Board who, at the time of election, have not yet been a member of the Supervisory Board for more than twelve years. At the date of this declaration, the members of the Supervisory Board, Heino von Prondzynski, Dr. Helge Lubenow, Franz Thomas Walt and Alexander Link comply with this internally established general time limit. The Supervisory Board regards the adequate number of independent Supervisory Board members and thus – as there are no employees' representatives on the Supervisory Board – of shareholder representatives to be at least three. According to the Supervisory Board's own assessment, the members of the Supervisory Board, Heino von Prondzynski, Dr. Helge Lubenow and Franz Thomas Walt are independent within the meaning of the German Corporate Governance Code. Alexander Link is a member of the executive board of Deutsche Balaton AG, which directly or indirectly through its subsidiaries holds more than 10% of the voting shares of Epigenomics AG. Beyond that, there are no other personal or business relationships of Mr. Link with the Group, the Company's corporate bodies or a shareholder holding a material interest in the Company, which would have to be disclosed according to the German Corporate Governance Code. Apart from this, the Supervisory Board has not determined any concrete objectives regarding its composition.

The working practices of the Supervisory Board have essentially been formally regulated by the rules of procedure that the Supervisory Board has adopted (the rules of procedure are available on the Company's website (www.epigenomics.com) under "News & Investors" - "Corporate Governance"). According to those rules, the Supervisory Board has to meet at least once per calendar quarter. These four quarterly meetings are typically physical meetings, but may possibly also be conducted by way of video or telephone conferences. Furthermore, additional meetings can be called. The Executive Board regularly attends the Supervisory Board Meetings and as needed, additional managers can be invited to attend the meetings. The first annual meeting following the completion and audit of the annual financial statements and the consolidated financial statements of the Company – the so-called "Balance Sheet Meeting" – is also attended by the Company's auditor, who reports to the Supervisory Board on the audits performed. During this meeting, the Supervisory Board also conducts confidential discussions with the auditors without the Executive Board being present.

The agenda and resolution proposals are communicated well in advance of a Supervisory Board meeting in text form to all participants. If needed at short notice, resolutions are also taken in writing by circular resolution or in telephone or video conferences. All meetings and resolutions of the Supervisory Board shall

be recorded in written minutes and the minutes of the Supervisory Board meetings have to be approved by all members of the Supervisory Board.

The Supervisory Board has established from among its members an Audit Committee, which consists of three members to which advisory, preparatory and monitoring tasks, but no decision-making powers, have been assigned. Alexander Link has been appointed as chairman of the Audit Committee, and Dr. Helge Lubenow and Franz Thomas Walt have been appointed as its other members. The appointments have been made in each case for a term corresponding to the relevant committee member's term of office on the Supervisory Board. The Supervisory Board has not established any other committees besides the Audit Committee.

The Supervisory Board regularly reviews the efficiency of its activities and the Audit Committee's activities. The last evaluation of efficiency took place at the end of 2020. A detailed questionnaire, which has been prepared with the aid of external legal advisers, was used for this purpose. The questionnaire was answered by the Supervisory Board members and the results of the evaluation were discussed by the Supervisory Board.

Once per year, the Supervisory Board reports on its activities to the shareholders; the report is published in the Company's annual report. Moreover, the Chairman of the Supervisory Board regularly reports to the AGM on the activities of the Supervisory Board of the previous business year.

Details of each individual member of the Supervisory Board as well as his/her remuneration can be found in the Company's remuneration report, which will be prepared for the first time for the 2021 fiscal year and published together with the auditor's report on the audit of the remuneration report on the Company's website (www.epigenomics.com) under "News & Investors" — "Corporate Governance" — "Remuneration", and in the remuneration system for the members of the Supervisory Board, which is described on the Company's website under "News & Investors" — "Corporate Governance" — "Remuneration".

Executive Board

The Executive Board is appointed by the Supervisory Board. The Executive Board leads and represents the Company. The Supervisory Board appoints the Executive Board members for a maximum of five years. Multiple successive appointments are permitted.

The Supervisory Board has issued rules of procedure for the Executive Board, which govern in particular the internal working practices and the allocation of responsibilities within the Executive Board and its cooperation with the Supervisory Board.

The Company's Articles of Association do not define a minimum number of Executive Board members. As of the end of December 31, 2021, the Executive Board consisted of two members. Gregory K. Hamilton has been CEO since July 1, 2016 with a term of office ending on December 31, 2025. Since December 1, 2021, Andrew Lukowiak has been a further member of the Executive Board acting as President and Chief Scientific Officer with responsibility for the Company's area of research and development. Andrew Lukowiak's current term of office will end on December 31, 2024. As successor of Albert Weber, who left the Company as of December 31, 2021, Jens Ravens has been appointed as the third member of the Executive Board for the period from February 1, 2022 to January 31, 2025. He is responsible for the areas of finance, human resources and administration.

Each member of the Executive Board represents the Company jointly with another member of the Executive Board or jointly with an authorized signatory (*Prokurist*). The Supervisory Board has not made use of the possibility to grant sole power of representation to members of the Executive Board.

On February 17, 2017, the Supervisory Board resolved that the target ratio of female members on the Executive Board shall be 0% and that the target ratio shall be met by December 31, 2021. The Company has reached the target ratio by that date. In its meeting on November 30, 2021, the Supervisory Board

again resolved that the target ratio of female members on the Executive Board shall be 0% for the period as of January 1, 2022 and that the target ratio shall be met by December 31, 2024. Currently, the ratio of female members of the Executive Board is 0% and the set target ratio is therefore met. A higher ratio, which the Supervisory Board deems desirable and intends to achieve, cannot realistically be implemented in the period until the end of 2024. The Executive Committee is to consist of a maximum of three members. A larger number of Executive Board members is neither required for operational purposes nor economically reasonable. The three positions on the Executive Board are the Chief Executive Officer (CEO), the Chief Scientific Officer (CSO) and the Chief Financial Officer (CFO). Since 2016, Gregory Hamilton has been the CEO. Gregory Hamilton's expertise and experience are of great importance to the Company particularly in view of the upcoming challenges. Moreover, there have been changes in all other positions of the Executive Board in the recent past; it is therefore particularly important that Gregory Hamilton remains with the Company and imparts continuity. For both the CSO position and the CFO position, a search process has been conducted in the 2020 fiscal year. In this context, the Supervisory Board attached great importance to recruiting a woman as a new member of the Executive Board. Although the group of candidates approached also included women, the Supervisory Board was not successful in doing so. The composition of the Executive Board until the end of the 2024 fiscal year is therefore in principle definite. In the event of changes in the composition or an expansion of the Executive Board before that date, the Supervisory Board will once again seek to recruit female members for the Executive Board.

Additionally, the Executive Board resolved at its meeting on November 30, 2021 on a target ratio of 50% for the proportion of women in positions at the first two management levels below the Executive Board to be met by December 31, 2024. Currently, the proportion of women at the first two management levels below the Executive Board is 50% and the set target ratio is therefore met.

The Executive Board regularly reports to the Supervisory Board in a timely and comprehensive manner on all significant aspects of the Company's development, its strategy and planning, on risks faced by the Group as well as on compliance related issues, and consults the Supervisory Board prior to any important strategic decisions.

Details of the remuneration for the members of the Executive Board can be found in the remuneration report, which will be prepared for the first time for the 2021 fiscal year and published together with the auditor's report on the audit of the remuneration report on the Company's website (www.epigenomics.com) under "News & Investors" — "Corporate Governance" — "Remuneration", and in the remuneration system for the members of the Executive Board, which is described on the Company's website under "News & Investors" — "Corporate Governance" — "Remuneration".

Together with the Executive Board, the Supervisory Board ensures long-term succession planning for the Executive Board. With regard to appointments to the Executive Board, the Supervisory Board gives top priority to the criteria of continuity and professional competence, and these are thus the cornerstones of its succession planning. This is regularly discussed by the Supervisory Board. The current members of the Executive Board are also consulted on these discussions, either individually or as a whole, and so are external experts, if necessary. The Supervisory Board draws up a profile of requirements for all Executive Board positions and, if necessary, outlines a pool of candidates. On this basis, potential internal or external candidates are identified, usually also with the support of a renowned recruitment agency.

Transparency

Consistent, comprehensive and timely information of employees, investors, customers, suppliers, authorities and other stakeholders is very important to Epigenomics AG. Reporting on any business activities and the financial situation of Epigenomics AG is done in the annual consolidated and annual financial statements (including the management report and group management report), in half-yearly and quarterly financial reports as well as in press conferences and conference calls. Information is also disseminated in a timely manner by means of press releases and where required by law, via ad hoc announcements. All press releases, presentations and notifications as well as the up-to-date corporate calendar are available at the Company's website (www.epigenomics.com) under "News & Investors".

Black-out Periods and Insider Trading Rules

Generally, trading in primary and derivative financial instruments of the Company by Executive Board members or employees of the Company is permitted only outside of the statutory "closed periods" and any further internally defined "black-out" periods. In addition to the black-out periods, the Company's insider trading rules also include prohibitions on notification, recommendation and use with regard to relevant insider information, which may also be relevant for financial instruments issued by other companies. When required, Epigenomics also maintains the insider registers required under Article 18 of the European Market Abuse Regulation (Regulation (EU) No 596/2014, "MAR"). Each internal and external person, who has been identified as an insider, will be informed individually and immediately in writing about the legal requirements and sanctions in connection with insider trading.

Accounting and Auditing

The annual financial statements of Epigenomics AG (single-entity financial statements) are prepared in compliance with the applicable provisions of the German Commercial Code (*Handelsgesetzbuch*) and the German Stock Corporation Act and published in accordance with statutory requirements. The consolidated financial statements of Epigenomics AG are prepared according to commercial law and applying the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), London, as they are to be applied in the European Union (EU) from time to time, and published in accordance with statutory requirements and the stock exchange rules and regulations of the Frankfurt Stock Exchange. After the single-entity financial statements and the consolidated financial statements have been prepared, they are audited by the Company's auditor and adopted and approved by the Supervisory Board. Generally, both financial statements are published within three months after the end of the fiscal year under review.

The auditor reports to the Audit Committee of the Supervisory Board and, at the Balance Sheet Meeting, to the Supervisory Board on all material findings and events derived from the audit that are relevant for the fulfillment of the duties of the Supervisory Board. This also includes any emerging grounds for exclusion or bias.

The half-yearly and quarterly reports and statements of the Company are regularly subjected to a critical review by the auditor. Prior to approval of each release of a half-yearly report or quarterly statement, a meeting of the Audit Committee of the Supervisory Board is held in which the reports awaiting release are analyzed, critically discussed and, if necessary, modified. Participants of these meetings include the auditor, the members of the Audit Committee, the Senior Vice President of Finance and Accounting and, as the case may be, further internal experts.

Risk Management

Epigenomics AG is a globally operating listed cancer molecular diagnostics company and as such is subject to many industry and company specific opportunities and risks. Epigenomics has established a comprehensive and effective system to identify early, document, assess, communicate and manage opportunities and risks across all of its functions and operations. The underlying principles and guidelines have been documented in a group-wide risk management policy. The goal of this policy and all related systems is to systematically identify risks at the earliest possible stage, to estimate their likelihood of occurrence as well as their potential qualitative and quantitative impact, and to be able to design and implement effective countermeasures. The risk management system is regularly evaluated and discussed with the auditors of the Company at the Executive Board and Supervisory Board levels.

Additional information on the Company's risk management system, any specific risks faced by the Company and on the accounting related internal control system can be found in the risk report, which is part of the management report and the group management report in the Company's annual/consolidated financial statements.

Compliance Management System

The main features of the Compliance Management System established at the Company are presented in the Company's annual report.