

## Invitation to the 2022 Annual General Shareholders' Meeting of Epigenomics AG, Berlin

– ISIN: DE000A3H2184 / German Securities Identification Number (WKN): A3H218 –

Dear Shareholders,

We hereby invite you to attend

### the Annual General Shareholders' Meeting of Epigenomics AG

on **Wednesday, June 15, 2022 at 10:00 a.m. (CEST)**

The Annual General Shareholders' Meeting will be held as a **virtual Annual General Shareholders' Meeting without the physical presence of the shareholders** or their authorized representatives (except for the proxies nominated by the Company). The virtual General Shareholders' Meeting will be broadcast **live on the internet** for registered shareholders. The shareholders or their authorized representatives can exercise their voting rights exclusively by way of postal vote or by authorizing the proxies nominated by the Company. The venue of the Annual General Shareholders' Meeting for purposes of the German Stock Corporation Act (*Aktiengesetz, AktG*) is Leopoldstraße 8, 80802 Munich, Germany.

#### **PART A AGENDA**

##### **1.**

**Presentation of the approved annual financial statements and the approved consolidated financial statements as well as the management report of Epigenomics AG and the group management report, the report of the Supervisory Board and the explanatory report of the Executive Board on the information pursuant to Section 289a sentence 1, Section 315a sentence 1 of the German Commercial Code (HGB) for the fiscal year 2021**

As of the date of convening the Annual Shareholders' Meeting, the aforementioned documents are available on the internet at <https://www.epigenomics.com/news-investors/general-shareholder-meeting-2/>. These documents will also be available on the aforementioned website during the Annual General Shareholders' Meeting on June 15, 2022.

The Supervisory Board has approved the annual financial statements and the consolidated financial statements prepared by the Executive Board. Pursuant to Section 172 sentence 1 AktG, the annual financial statements are adopted upon approval by the Supervisory Board. The documents specified under this item of the agenda need only be made available to the Annual General Shareholders' Meeting. No resolution shall therefore be adopted by the virtual Annual General Shareholders' Meeting regarding item 1 of the agenda.

##### **2.**

**Resolution on the approval of the actions of the members of the Executive Board for the fiscal year 2021**

The Executive Board and the Supervisory Board propose that the actions of the members of the Executive Board holding office in the fiscal year 2021 be approved for that period.

3.

**Resolution on the approval of the actions of the members of the Supervisory Board for the fiscal year 2021**

The Executive Board and the Supervisory Board propose that the actions of the members of the Supervisory Board holding office in the fiscal year 2021 be approved for that period.

4.

**Resolution on the approval of the remuneration system for the members of the Executive Board**

Pursuant to Section 120a (1) sentence 1 AktG, as amended by the German Act Implementing the Second Shareholder Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie, ARUG II*) of December 12, 2019 (German Federal Law Gazette, Part I 2019, pp. 2637 et seqq.), the general shareholders' meeting shall resolve on the approval of the remuneration system for the members of the company's executive board presented by the supervisory board in the event of significant amendments to the system, but at least once every four years.

On April 28, 2022, the Supervisory Board resolved to adjust the remuneration system for the members of the Executive Board adopted by it on April 27, 2021 and approved by the Company's Annual Shareholders' Meeting on June 16, 2021. The adjusted remuneration system is set out below in Part B. (the "remuneration system for members of the Executive Board").

The Supervisory Board proposes to approve the remuneration system for members of the Executive Board.

5.

**Submission for discussion of the remuneration report for the fiscal year 2021 prepared and audited in accordance with Section 162 AktG**

Pursuant to Section 162 AktG, as amended by the German Act Implementing the Second Shareholder Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie, ARUG II*) of December 12, 2019 (German Federal Law Gazette, Part I 2019, pp. 2637 et seqq.), the Executive Board and the Supervisory Board are obliged to prepare each year a report on the remuneration granted and due (*gewährt und geschuldet*) to the members of the Executive Board and Supervisory Board in the previous fiscal year (remuneration report). In accordance with Section 26j (2) of the German Act introducing the German Stock Corporation Act (*Einführungsgesetz zum Aktiengesetz, EGAktG*), the obligation to prepare a remuneration report applies for the first time for the fiscal year starting after December 31, 2020.

Accordingly, the Executive Board and the Supervisory Board of the Company prepared a remuneration report for the first time for the fiscal year 2021. The remuneration report is set out at the end of the agenda in Part C. Furthermore, the remuneration report will be available on the Company's website at <https://www.epigenomics.com/news-investors/corporate-governance-2/remuneration/> as of the date on which the Annual General Shareholders' Meeting is convened and during the Annual General Shareholders' Meeting.

The remuneration report is submitted to the General Shareholders' Meeting for discussion. Since the Company is a small corporation within the meaning of Section 267 (1) HGB, no resolution on this item of the agenda has to be passed pursuant to Section 120a (5) AktG.

## 6.

**Resolution on the increase of the number of Supervisory Board members and the amendment of § 10 (1) of the Articles of Association**

The Supervisory Board currently consists of four members. The number of Supervisory Board members shall be increased from currently four to five members. The increase is intended to attract additional expertise to the company.

The Executive Board and the Supervisory Board therefore propose to resolve:

The number of Supervisory Board members is increased from four to five members and § 10 (1) of the Articles of Association is amended accordingly as follows:

"(1) The Supervisory Board shall consist of five members, who are elected by the General Shareholders' Meeting."

## 7.

**Election of a new Supervisory Board member**

From the date on which the amendment to § 10 (1) of the Articles of Association proposed under item 6 of the agenda takes effect, the Supervisory Board of the Company shall consist of a total of five members elected by the General Shareholders' Meeting in accordance with Sections 95, 96 (1) 1 AktG in conjunction with § 10 (1) of the Articles of Association (in the version proposed under item 6 of the agenda).

The Supervisory Board currently consists of only four members elected by the General Shareholders' Meeting, whose term of office ends upon conclusion of the General Shareholders' Meeting that resolves on the approval of the actions of the members of the Supervisory Board for the fiscal year 2023. Therefore, a further member of the Supervisory Board shall be elected, whose term of office begins when the amendment to § 10 (1) of the Articles of Association proposed under item 6 of the agenda takes effect, and ends upon conclusion of the General Shareholders' Meeting that resolves on the approval of the actions of the members of the Supervisory Board for the fiscal year 2023.

The Supervisory Board proposes to resolve, to elect

Mr. Heikki Lanckriet, Ph.D., Cambridge, United Kingdom, Chief Executive Officer of 4basebio PLC, Cambridge, United Kingdom,

as a member of the Supervisory Board for the period beginning when the amendment to § 10 (1) of the Articles of Association proposed under item 6 of the agenda takes effect until the conclusion of the General Shareholders' Meeting that resolves on the approval of the actions of the Supervisory Board for the fiscal 2023.

Mr. Lanckriet, Ph.D., is a member of the following legally required supervisory boards (marked with "—") and comparable domestic or foreign control committees of commercial enterprises (marked with "■"):

- Biofrontera AG, Leverkusen
- 4basebio UK Ltd, Cambridge, United Kingdom
- 4basebio Discovery Limited, Cambridge, United Kingdom
- 4basebio SLU, Madrid, Spain
- I2I Capital Limited, Cambridge, United Kingdom
- KITHER BIOTECH S.R.L., Turin, Italy
- NeoPhore Ltd, Cambridge, United Kingdom

Mr. Lanckriet, Ph.D., is the Chief Executive Officer of 4basebio PLC. Deutsche Balaton AG, which directly and indirectly through subsidiaries holds more than 10 % of the voting shares of the Company and whose Executive Board member, Mr. Alexander Link, is a member of the Company's Supervisory Board, is a major shareholder of 4basebio PLC and consolidates it. Beyond this, in the opinion of the Supervisory Board, there are no other personal or business relationships of Mr. Lanckriet, Ph.D., with the Group, the Company's executive bodies or a shareholder with a material interest in the Company that would have to be disclosed in accordance with recommendation C.13 of the German Corporate Governance Code.

Pursuant to Section 111 (5) AktG, the Supervisory Board has set a target of 25 % for the proportion of women on the Supervisory Board. Taking into account the election proposal, the proportion of women amounts to 20 % and is therefore not in line with this target. For the Supervisory Board, diversity, particularly with regard to gender, is a key issue in its composition. For this reason, the aspect of diversity, in particular the target set by the Supervisory Board for the proportion of women, was taken into account in its decision on the election proposal. However, even when taking this aspect into account, the Supervisory Board is of the opinion that Mr. Lanckriet's experience and expertise make him the right candidate for the Company's Supervisory Board.

The election proposal is in line with the profile of skills and expertise prepared by the Supervisory Board with respect to its composition.

The Supervisory Board has satisfied itself that Mr. Lanckriet, Ph.D., will be able to devote the time expected to be necessary to exercise his mandate.

The curricula vitae of Mr. Lanckriet, Ph.D., including an overview on his main activities, is attached to this invitation as an annex and can be found on the Company's website at <https://www.epigenomics.com/company/supervisory-board/>.

## 8.

### **Resolution on the amendment of Conditional Capital XI (Stock Option Program 16-18), Conditional Capital XII (Stock Option Program 17-19) and Conditional Capital XIII (Stock Option Program 19-21)**

Conditional Capital XI resolved by the Annual General Shareholders' Meeting of May 25, 2016 under item 9 of the agenda, Conditional Capital XII resolved by the Annual General Shareholders' Meeting of May 30, 2017 under item 7 of the agenda and Conditional Capital XIII resolved by the Annual General Shareholders' Meeting of May 15, 2019 under item 10 of the agenda – all three of which currently amount to EUR 1,000,000.00 each – are no longer required in the full amount. Option rights granted under the Company's Stock Option Program 16-18 established in accordance with the resolution of the General Shareholders' Meeting of May 25, 2016 may only be exercised for 29.102 shares representing a pro rata amount of the share capital of, in aggregate, EUR 29,102.00 (Conditional Capital XI), option rights granted under the Company's Stock Option Program 17-19 established in accordance with the resolution of the General Shareholders' Meeting of May 30, 2017 may only be exercised for 52.547 shares representing a pro rata amount of the share capital of, in aggregate, EUR 52,547.00 (Conditional Capital XII) and option rights granted under the Company's Stock Option Program 19-21 established in accordance with the resolution of the General Shareholders' Meeting of May 15, 2019 may only be exercised for 141.516 shares representing a pro rata amount of the share capital of, in aggregate, EUR 141,516.00 (Conditional Capital XIII). Moreover, the authorizations to issue option rights in connection with the Stock Option Program 16-18, the Stock Option Program 17-19 and the Stock Option Program 19-21 resolved by the General Shareholders' Meeting have each expired. Therefore, Conditional Capital XI is to be reduced to EUR 29,102.00, Conditional Capital XII to EUR 52,547.00 and Conditional Capital XIII to EUR 141,516.00.

The Executive Board and the Supervisory Board therefore propose to resolve:

1. The amount of Conditional Capital XI will be adjusted from EUR 1,000,000.00 to EUR 29,102.00 and sentence 1 of the resolution adopted by the General Shareholders' Meeting of May 25, 2016 with respect to item 9 b) of the agenda will be amended as follows:  
"The Company's share capital is conditionally increased by up to € 29,102.00 through issuance of up to 29,102 non-par value registered shares (Conditional Capital XI)".  
In accordance with this amendment, § 5 (9) sentence 1 of the Articles of Association will be amended as follows:  
"(9) The Company's share capital is conditionally increased by up to € 29.102,00 divided into up to 29,102 non-par value registered shares (Conditional Capital XI)".
2. The amount of Conditional Capital XII will be adjusted from EUR 1,000,000.00 to EUR 52,547.00 and sentence 1 of the resolution adopted by the General Shareholders' Meeting of May 30, 2017 with respect to item 7 b) of the agenda will be amended as follows:  
"The Company's share capital is conditionally increased by up to € 52,547.00 through issuance of up to 52,547 non-par value registered shares (Conditional Capital XII)".  
In accordance with this amendment, § 5 (10) sentence 1 of the Articles of Association will be amended as follows:  
"(10) The Company's share capital is conditionally increased by up to € 52,547.00 divided into up to 52,547 non-par value registered shares (Conditional Capital XII)".
3. The amount of Conditional Capital XIII will be adjusted from EUR 1,000,000.00 to EUR 141,516.00 and sentence 1 of the resolution adopted by the General Shareholders' Meeting of May 15, 2019 with respect to item 10 b) of the agenda will be amended as follows:  
"The Company's share capital is conditionally increased by up to € 141,516.00 through issuance of up to 141,516 non-par value registered shares (Conditional Capital XIII)".  
In accordance with this amendment, § 5 (11) sentence 1 of the Articles of Association will be amended as follows:  
"(11) The Company's share capital is conditionally increased by up to € 141,516.00 divided into up to 141,516 non-par value registered shares (Conditional Capital XIII)".

## 9.

### **Appointment of the auditor for the audit of the annual financial statements and the consolidated financial statements for the fiscal year 2022 as well as the auditor for the review, if applicable, of interim financial statements for the fiscal year 2022 and the first and second quarter of the fiscal year 2023**

In accordance with the recommendation issued by the Audit Committee, the Supervisory Board proposes that the audit firm Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Düsseldorf, be appointed

- a) as auditor for the annual financial statements and the consolidated financial statements for the fiscal year 2022 and
- b) as auditor for the review of interim (condensed) financial statements and interim management reports for the fiscal year 2022 and for the first and second quarter of the fiscal year 2023, if and to the extent such interim financial statements and interim management reports are reviewed.

According to Article 16 (2) subparagraph 3 of Regulation (EU) No 537/2014 of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (EU Audit Regulation), the Audit Committee has stated that its recommendation is free from undue influence by third parties and that no clause of the kind referred to in Article 16 (6) of the EU Audit Regulation has been imposed on it.

The audit firm of Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Düsseldorf, has issued the confirmation pursuant to Article 6 (2) lit. a) of the EU Audit Regulation.

**PART B**  
**THE REMUNERATION SYSTEM FOR MEMBERS OF THE EXECUTIVE BOARD**  
**(on item 4 of the agenda)**

**1. Preliminary remarks**

Pursuant to Section 87a (1) sentence 1 AktG, the supervisory board of a listed company adopts a clear and understandable system for the remuneration of the executive board members.

On April 28, 2022, the Supervisory Board of Epigenomics AG adopted an adjusted remuneration system for members of the Executive Board that is presented herein below. To the extent that this remuneration system deviates from the recommendations set forth in the German Corporate Governance Code in each case as amended from time to time, this will be separately disclosed in the Company's declaration of conformity and justified.

The remuneration system adopted by the Supervisory Board is basically equal to the remuneration system that was adopted last year and approved by the Annual General Shareholders' Meeting on June 16, 2021, but deviates from the remuneration system approved in 2021 in certain aspects. These deviations mainly relate to the following:

- Unlike the remuneration system approved in 2021, the present remuneration system hereby presented for approval does not provide for a value enhancement bonus potentially to be paid in the event of a change of control or asset deal. An exception from this rule only applies in an "old case".
- The due date for payout of the short-term variable remuneration will be delayed. According to the remuneration system approved in 2021, it will be paid out after the end of the Annual General Shareholders' Meeting of the following year. According to the remuneration system hereby presented for approval, it is to be paid after the consolidated financial statements for the year for which the goals were set have been adopted;
- The maximum amount for fringe benefits (excluding extraordinary fringe benefits like relocation costs and sign-on bonuses) is 15%. The remuneration system approved in 2021 provides for a maximum amount of 6%.

**2. The remuneration system for members of the Executive Board**

***Principles of the remuneration system for members of the Executive Board***

The remuneration system of the Company's Executive Board is designed to contribute to the achievement of strategic goals and the Company's development. The remuneration of the Executive Board is determined by the Company's size, complexity, geographical scope and financial position, as well as the performance of the members of the Executive Board as a whole. The amount of the variable remuneration is derived from the achievement of operational and strategic goals as well as the development of the share price. The long-term strategic goals communicated as part of Epigenomics AG's strategy form the key performance indicators for the short-term and long-term variable remuneration (short-term incentives (STI) and long-term incentives (LTI)).

The Supervisory Board determines the structure and amount of remuneration of the members of the Executive Board. To assess the appropriateness of the structure and level of remuneration, a comparison to the external market has been performed. For this, a selection of companies operating in the biotechnology sector and operating in Europe and the United States have served as an external reference. The following 18 companies were identified to make up the peer group: 4basebio AG, 4SC AG, AC Immune SA, Advaxis, Inc., Advicenne S.A., Biofrontera AG, BioPorto A/S, Cembio Diagnostics, Inc., Exact Sciences, Corp.,

Genmark Diagnostics, Inc., Heidelberg Pharma AG, Medigene AG, Oramed Pharmaceuticals, Inc., Oxford Biodynamics plc, Oxford Immunotec, Inc., Paion AG, Synlogic, Inc., Synthetic MR AB. The peer group used is depicted in Table 1. When determining the remuneration of the members of the Executive Board, Epigenomics AG has also considered the internal wage and salary structure and looked at the relation between the Executive Board remuneration and that of Senior Managers and other employees over time.

The remuneration system for the Executive Board is determined by the Supervisory Board. If needed, the Supervisory Board can call on external independent advisors. The Supervisory Board also annually reviews the system and determines the target total remuneration for each member of the Executive Board. This is done in compliance with the provisions set out by the German Stock Corporation Act and the German Corporate Governance Code (GCGC) regarding executive remuneration and the treatment of conflicts of interests. If material changes are made, and in any case at least once every four years, the remuneration system resolved by the Supervisory Board is submitted to the General Shareholders' Meeting for approval.

In exceptional cases (e.g., in the event of a severe economic crisis), the Supervisory Board may temporarily deviate from the components of the remuneration system for the Executive Board if this is in the interest of the long-term well-being of the Company. This applies to the structure and the amount of remuneration as well as to all or individual remuneration components.

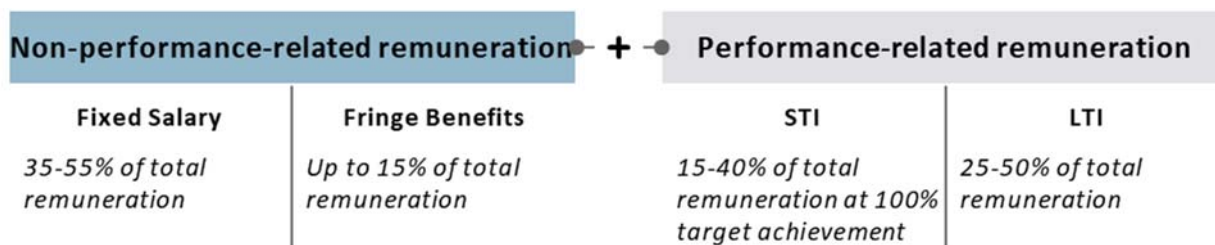
**Table 1: Peer group**

Company	Country
4basebio AG	Germany
4SC AG	Germany
AC Immune SA	Switzerland
Advaxis. Inc.	USA
Advicenne S.A.	France
Biofrontera AG	Germany
BioPorto A/S	Denmark
Chembio Diagnostics. Inc.	USA
Exact Sciences Corp.	USA
Genmark Diagnostics. Inc.	USA
Heidelberg Pharma AG	Germany
Medigene AG	Germany
Oramed Pharmaceuticals Inc.	USA
Oxford Biodynamics plc	UK
Oxford Immunotec, Inc.	UK
Paion AG	Germany
Synlogic. Inc.	USA
SyntheticMR AB	Sweden

The remuneration components for members of the Executive Board are a fixed salary, an STI and an LTI as well as further fringe benefits customary in the market. The two variable components STI and LTI are linked

to Epigenomics AG's annual performance and the performance over four years, respectively, and reward the sustainable, value-oriented development of the Company. The remuneration system for the Executive Board contains the components listed in Figure 1 below:

**Figure 1: Overview of remuneration components for each member of the Executive Board**



The remuneration system also includes a clawback clause, which enables variable remuneration components to be clawed back in the event that a Board member commits a serious infringement of the duty of care as a member of the Executive Board.

The structure of the remuneration is significantly aligned to the Company's performance and long-term value creation.

#### **Fixed salary**

The fixed salary is paid out in twelve equal instalments at month-end and is market oriented.

#### **Short-term incentive (STI)**

For each fiscal year, a short-term variable remuneration with a one-year performance period is granted. The short-term variable remuneration is based on the achievement of financial criteria, commercial goals and development goals, which are relevant for the further development of the Company. The weights attributed to the financial, commercial and development goals are 25%, 50% and 25%, respectively. The achievement of each of these goals is calculated additively. The actual amount of the short-term variable remuneration will be paid out after the consolidated financial statements have been approved for the year for which the goals were set;

Epigenomics AG's primary corporate objective is to develop and commercialize in vitro diagnostic products for detecting cancer. The Company takes a goal-oriented approach to managing and monitoring operational progress when executing its strategy. The Supervisory Board and the Executive Board of the Company regularly define milestones and deliverables including revenue, operating results and business targets as well as product development, clinical and regulatory milestones against which the performance of the Company and its employees is regularly monitored.

In order to assess the performance of the members of the Executive Board, each year the Supervisory Board sets a target agreement with the Executive Board as a whole. This target agreement primarily contains targets for commercial success and the development of the Company:

- One-year financial goals;
- One-year strategic targets relating to the further development of Epigenomics AG.

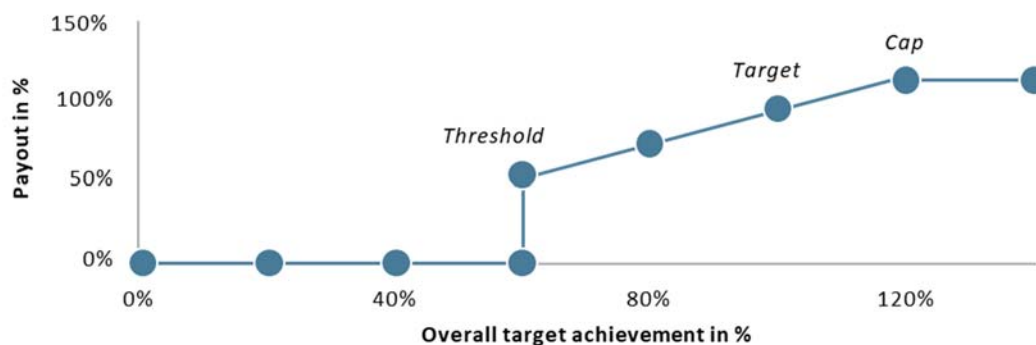
The overall level of achievement is subject to the discretion of the Supervisory Board. No payout takes place at an overall level of achievement below 60%. Payout is capped at a maximum of 120% of target performance. The corresponding payout curve is shown in Figure 2. The payout mechanism underlying the short-term variable remuneration component will be identical for all members of the Executive Board.

The service agreements can provide that, in accordance with the recommendation of the German Corporate Governance Code, the Supervisory Board is entitled to take extraordinary developments and circumstances into account and apply adequate upward/downward adjustments. Notably, the Supervisory Board shall have the power through corresponding agreements in the service agreements, in particular



through a so-called clawback clause (see below), to withhold or reclaim variable remuneration components.

**Figure 2: STI payout curve for all members of the Executive Board**



### **Long-term incentive (LTI)**

The LTI plan takes into consideration the development of the share price of Epigenomics AG over a period of four years and, thus, fosters the creation of long-term value. This long-term remuneration component is granted in the form of stock options under the Company's Stock Option Program (SOP). Epigenomics AG intends to give substantial weight to the long-term variable remuneration in order to stay competitive and to be able to attract, motivate and retain the necessary talent.

Provided that a sufficient number of stock options is available under the respective SOP in a given calendar year, the Company grants on an annual basis a fixed number of stock options to each member of the Executive Board.

The Supervisory Board decides whether the stock options will be issued in one or several tranches. The stock options will vest over a four-year period with a vesting proportion of 25% per year. The waiting period of four years calculated from the date of grant ensures an orientation towards the long-term development of the Company.

After the waiting period the stock options can be exercised within an exercise period of three years with the exception of certain black-out periods. The exercise price includes a premium ensuring an ambitious target level. The remuneration which the Executive Board members receive under the long-term component for a fiscal year is limited to a maximum amount determined for each Board member. Once the member of the Executive Board has received from the exercise of stock options granted in a calendar year a total remuneration equal to the defined maximum amount, the member of the Executive Board is not entitled to exercise any further stock options granted in that calendar year and such further stock options automatically expire without consideration.

Should the number of available stock options not be sufficient, the Supervisory Board can grant virtual phantom stock rights in lieu of stock options on terms that are essentially economically equivalent.

### **Special remuneration for extraordinary achievements; fringe benefits**

The Supervisory Board may provide in the service agreements that, in exceptional cases and taking into account the determined maximum remuneration, it is entitled to grant a special remuneration of up to 60% of the base salary for extraordinary achievements of a member of the Executive Board.

In addition to the above-mentioned remuneration, the Company grants fringe benefits to members of the Executive Board. These fringe benefits may include:

- a D&O insurance policy with deductible according to the statutory minimum amount;
- in the case of a temporary incapacity to work due to illness, a continued payment of the fixed salary for a period of up to twelve months or up to the termination of the respective service agreement

(in such a case, any payments received under insurance policies as sickness benefits will be deducted from the fixed salary);

- an annual car allowance;
- various insurance policies and reimbursement for legal and tax advice expenses and the communication costs associated with the Executive Board member working from his or her country of residence;
- contributions to health insurance, long-term care insurance and accident and/or term life insurance;
- further fringe benefits, in particular, sign-on bonuses and relocation costs.

The total amount of the fringe benefits must not exceed 15% (excluding sign-on bonuses and relocation costs) or 50% (including sign-on bonuses and relocation costs), as the case may be, of the sum of (i) the fixed salary and (ii) the STI at 100% target achievement (cap).

#### ***Clawback provision***

A clawback provision is included in the service agreements of all members of the Executive Board. In the event of serious substantial violations by the Executive Board member of his statutory obligations or internal company guidelines, the Company is entitled:

- To withhold the short-term variable remuneration (STI) of the Executive Board member for the fiscal year in which the serious substantial violation, in whole or in part, was committed and / or persisted, or to reclaim it from the board member if the bonus has already been paid out; and / or
- To refrain from granting the long-term variable remuneration (LTI) for the fiscal year in which the serious substantial violation was committed and/or persisted and/or for subsequent years or, if it has already been granted but not paid out or the rights have not yet been exercised, to declare it expired without compensation.

The assertion of claims is at the dutiful discretion of the Supervisory Board. It is not necessary to provide evidence of damage caused by the member of the Executive Board acting in breach of duty. The claims also exist if the time of office or the employment relationship with the Board member has already ended at the time the respective claim is asserted. The Board member cannot plead that the remuneration that is the subject of a claim for reimbursement is no longer available in his or her assets; Section 818 (3) BGB does not apply. Claims for damages against the Board member remain unaffected.

#### ***Maximum remuneration***

The total remuneration is capped in accordance with Section 87a AktG and the recommendation under G.1 of the German Corporate Governance Code (GCGC). By establishing a maximum amount (cap) for the STI and the LTI, the amount of both variable remuneration components is limited. The maximum remuneration levels based on the current target remuneration for members of the Executive Board are calculated as sum of fixed salary, fringe benefits, maximum amount of variable remuneration components (STI and LTI) and any special remuneration for extraordinary achievements. The maximum remuneration amounts to EUR 5 million for the CEO and EUR 3.25 million for other Executive Board members. These maximum remuneration levels concern the sum of all payments resulting from the remuneration system for a given fiscal year (provided that, as regards the LTI, in the calculation of the maximum amounts, only the payments or remuneration relating to an LTI tranche granted for one year are taken into account, even if the LTI tranches for several years are paid out or exercised in the same year). Regarding the foregoing amounts it should be noted that the Company continues to be in a crucial stage. The remuneration of the board members largely depends on whether and to what extent this situation is successfully mastered. In line with their nature as maximums, the foregoing amounts, while high, are and can only be achieved in case of extraordinary performance by the Board members and exceptional circumstances in the event of which they appear to be commensurate with the increase in value of the Company and thus the added value for the shareholders.

***Value enhancement bonus in an "old case"***

In cases where service agreements for Executive Board members provide for a value enhancement bonus at the time the present remuneration system is approved, such a bonus may also be granted as a component of the present remuneration system. This is only the case for the CEO, Gregory Hamilton.

The value enhancement bonus is a bonus to be paid in cash that is triggered in the event of a change of control or an asset deal during the term of the service agreement, and that is equal to the lower of 3% of the amount by which the change of control consideration respectively the asset deal consideration exceeds the initial market capitalization, and an individually determined maximum amount. A "change of control" means the gaining of control over the Company within the meaning of Sections 29 (2), 30 of the German Securities Acquisition and Takeover Act (*Wertpapierübernahmegesetz, WpÜG*), irrespective of whether the control is gained by way of a merger, share purchase, share swap or any other means. The "change of control consideration" means the aggregate purchase price or any other consideration offered to the shareholders of the Company as a whole in connection with the change of control. An "asset deal" means an asset deal under which the Company transfers all or essentially all of its assets to a third party. The "asset deal consideration" means the total consideration received by the Company in connection with the asset deal minus the book value of (y) all liabilities of the Company and its subsidiaries existing, and (z) all provisions/accruals booked or that would have to be booked based on statutory law and applicable GAAP in the consolidated financial statements of the Company, in each case at the time of the closing of the asset deal and not assumed by the acquirer in connection with the asset deal. The "initial market capitalization" means the number of shares issued by the Company times the stock exchange closing price of the shares of the Company in the electronic trading system of the Frankfurt Stock Exchange, in each case of the last trading day preceding a date specified in the service agreement, or times a higher value agreed in the service agreement.

If a value enhancement bonus is agreed, the maximum amount of remuneration (maximum remuneration) will be EUR 12 million instead of the amount of EUR 5 million set out above.

***End-of-service benefits in special cases***

Normally, the Supervisory Board observes a time limit of two to three years for the service agreements of members of the Executive Board. Pursuant to Section 84 AktG, the maximum contractual term is five years.

There is a general limit on severance pay (severance payment cap) for all members of the Executive Board. Accordingly, payments made to a member of the Executive Board upon premature termination of their contract, without cause, may not exceed the value of two years' remuneration (not taking into account any special remuneration for extraordinary achievements or any value enhancement bonuses in an "old case"), including fringe benefits, nor compensate more than the remaining term of the contract. The severance payment cap is to be calculated based on the total remuneration for the past fiscal year and, if appropriate, also the expected total remuneration for the current fiscal year. Stock options that have not yet vested will be forfeited without compensation if the service agreement is terminated by the Company for cause or by the member of the Executive Board. Stock options that have already vested but have not yet been exercised will be forfeited without compensation if the service agreement is terminated by the Company for cause.

In the event of (i) a change of control pursuant to the provisions of the German Securities Acquisition and Takeover Act (*Wertpapierübernahmegesetz, WpÜG*) or (ii) the closing of an Asset Deal, the members of the Executive Board have a special right to terminate their service agreements and resign from their office as members of the Executive Board by written notice to the Supervisory Board observing a six months' notice period, and would in such case be entitled to receive payment of their fixed remuneration plus STI for the remaining term of their respective service agreements. However, in no case would such payment exceed 150% of the severance cap described in G.13 of the German Corporate Governance Code. Severance payments stemming from post-contractual non-compete provisions are considered in the calculation of any remuneration payments.

**PART C.**  
**REMUNERATION REPORT 2021**  
**(on item 5 of the agenda)**

This Remuneration Report presents and discusses the individual remuneration granted and due to the current and former members of the Executive Board and Supervisory Board of Epigenomics AG (the "Company") in fiscal year 2021 (January 1, 2021 to December 31, 2021). Detailed remuneration information is available on the Company's website at <https://www.epigenomics.com/news-investors/corporate-governance-2/remuneration/>.

The members of the Executive Board in office during the reporting period – Gregory Hamilton, Jorge Garces and Andrew Lukowiak – generally received their remuneration in U.S. dollars (USD). The USD amounts are translated into euros (EUR) for the purposes of this Remuneration Report. Unless otherwise indicated, amounts are translated at the EUR exchange rate published by the European Central Bank as of the end of the month in which the corresponding amount was paid out.

Due to rounding and currency translation, the individual figures disclosed in this report may not add up precisely to the totals given and the percentages may not precisely reflect the absolute values.

**A. OVERVIEW OF FISCAL YEAR 2021**

**Basis**

The German Act Implementing the Second Shareholder Rights Directive (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie*) dated December 12, 2019 (Federal Gazette (BGBl.) 2019 I, p. 2637 et seq.; "ARUG II") introduced a new remuneration report under section 162 of the German Stock Corporation Act (*Aktiengesetz – AktG*) (new version) aimed at providing the shareholders of listed companies with comprehensive information on the remuneration granted to executive and supervisory board members. Epigenomics AG is subject to the reporting obligation for the first time for the 2021 reporting period. Section 162 (1) sentence 2 no. 2 AktG in conjunction with section 26j (2) sentence 2 of the Introductory Act to the German Stock Corporation Act (*Einführungsgesetz zum Aktiengesetz – EGAktG*) sets a five-year period for businesses to transition to the new requirements. In accordance therewith, the requirement to make "vertical" remuneration disclosures for the past five fiscal years does not apply in the first year of mandatory application. Instead, the Remuneration Report contains these disclosures only for the reporting period and the previous year, in other words for fiscal years 2020 and 2021. Each subsequent fiscal year will see the reporting obligation expand by one further year until ultimately the Remuneration Report for fiscal year 2024 will contain disclosures for the full five-year period stipulated.

In accordance with section 120a (1) sentence 1 AktG in the version amended by ARUG II, the General Shareholders' Meeting must vote on whether to approve the remuneration system for the members of the Executive Board – in the form presented to it by the Supervisory Board – whenever material changes are made to it or at least every four years. The first resolution on approval of the remuneration system for the members of the Executive Board, as presented by the Supervisory Board, had to be adopted by the end of the first Annual General Shareholders' Meeting held after December 31, 2020 (section 26j (1) sentence 1 EGAktG). On April 27, 2021, the Supervisory Board of Epigenomics AG resolved a new remuneration system for the members of the Executive Board in accordance with section 87a (1) AktG (in the version amended by ARUG II), which was approved by the Company's Annual General Shareholders' Meeting on June 16, 2021 with a majority of 90.36% of votes cast. This remuneration system approved by the General Shareholders' Meeting was applied in fiscal year 2021, to the extent it did not conflict with the provisions of service agreements entered into beforehand. During the reporting period, the members of the Executive Board opted to forgo 10% of their fixed salaries between January 1, 2021 and September 12, 2021 on account of the COVID-19 pandemic.

Furthermore, the Annual General Shareholders' Meeting on June 16, 2021 resolved the remuneration for the members of the Supervisory Board, including the disclosures in accordance with section 87a (1) sentence 2 AktG, with a majority of 81.36% of the votes cast, and reworded Article 12 of the Company's Articles of Association which governs Supervisory Board remuneration. Following its adoption, the remuneration for the members of the Supervisory Board was brought into line with the resolution of the Annual General Shareholders' Meeting on June 16, 2021 for the remainder of the reporting period. During the period from January 1, 2021 until the resolution of the Annual General Shareholders' Meeting on June 16, 2021, the Supervisory Board remuneration was granted in accordance with the previous version of Article 12 of the Articles of Association. On account of the COVID-19 pandemic, the Supervisory Board also forwent 20% of the remuneration due for Supervisory Board and committee work and 50% of the attendance fees for virtual Supervisory Board meetings during the period until the resolution of the Annual General Shareholders' Meeting on June 16, 2021.

Given the above, this Remuneration Report outlines the key elements of the remuneration system for the Executive Board and Supervisory Board of Epigenomics AG and discloses the underlying structure of Executive Board and Supervisory Board remuneration and the respective amounts in the 2021 reporting period. Further details relating to the remuneration system for the members of the Executive Board can be found in Part B of the Invitation to the 2021 Annual General Shareholders' Meeting.

### ***Changes on the Executive Board and Supervisory Board***

The composition of the Executive Board and Supervisory Board changed during fiscal year 2021.

Jorge Garces, Ph.D., left the Executive Board with effect as of January 31, 2021, and Albert Weber left with effect as of December 31, 2021.

The Supervisory Board appointed the following persons to the Executive Board: Andrew Lukowiak, Ph.D. as President and Chief Scientific Officer with effect as of December 1, 2021, and Jens Ravens as Chief Financial Officer with effect as of February 1, 2022. Andrew Lukowiak's experience in molecular diagnostics and life sciences is a key element in successfully implementing the strategic plan for Epi proColon "Next-Gen". Following the departure of Albert Weber, Jens Ravens will bring his many years of management experience and financial acumen to bear providing the financial leadership needed to realize the Company's strategic vision.

Ann C. Kessler, Ph.D and Prof. Günther Reiter left the Supervisory Board with effect as of June 16, 2021 following the end of their terms of office. The General Shareholders' Meeting of the Company on June 16, 2021 reelected Heino von Prondzynski, Alexander Link, Dr. Helge Lubenow and Franz Thomas Walt as members of the Supervisory Board.

## **B. REMUNERATION FOR THE MEMBERS OF THE EXECUTIVE BOARD**

### ***Principles of the remuneration system***

The current remuneration system for the members of the Company's Executive Board has been in place since fiscal year 2021 and was approved by the General Shareholders' Meeting on June 16, 2021 with a majority of 90.36% of votes cast.

The remuneration for the members of the Executive Board comprises fixed remuneration components (fixed salary and market standard fringe benefits), variable remuneration components (short-term incentive ("STI") and long-term incentive ("LTI") components) and a value enhancement bonus. The two variable components (STI and LTI) are linked to Epigenomics AG's performance over a period of one and four years, respectively, and thus reward sustainable and value-oriented corporate development. The Executive Board remuneration system includes the components listed in the following overview:

*Overview of the remuneration components for each member of the Executive Board*

Non-performance-Related Remuneration	Fixed salary	35 – 55 % of total remuneration
	Fringe benefits	Up to 6 % of total remuneration
Performance-related Remuneration	Value Enhancement Bonus <sup>(1)</sup>	3% of the amount by which the consideration received for the change of control or asset deal exceeds the Company's market capitalization on the date the respective member of the Executive Board entered into their service agreement; capped at an amount determined individually for each position of the Executive Board
	STI	15 - 40 % of total remuneration at 100 % target achievement
	LTI	25 - 50 % of total remuneration

(1): Eligibility for the value enhancement bonus is triggered by a change of control or asset deal.

The components of the remuneration system include a clawback provision that enables variable remuneration components to be reclaimed if an Executive Board member grossly breaches their duty of care as a member of the Executive Board.

The structure and substantive design of the remuneration is closely aligned with Company's net profit and long-term value enhancement.

## **II. Principles for determining remuneration**

The Executive Board remuneration system is designed to help achieve strategic goals and contribute to the Company's development. The Executive Board remuneration is based on the size, complexity, geographical reach and financial position of the Company and the performance of the Executive Board members as a whole. The amount of the variable remuneration is determined based on the achievement of operating and strategic targets and the Company's share price performance. The key performance indicators for the STI and LTI components are the long-term strategic targets communicated as part of Epigenomics AG's strategy.

The Supervisory Board defines the structure and amount of remuneration for the member of the Executive Board. The structure and amount of the remuneration is reviewed for appropriateness based on a peer comparison. Internal wage and salary structures are also taken into consideration in determining the Executive Board remuneration, as is the relationship between Executive Board remuneration and that of senior managers and other employees over time.

The Supervisory Board reviews the system at regular intervals and determines the total target remuneration for the individual members of the Executive Board each year. It does so in accordance with the provisions of the AktG and the recommendations of the German Corporate Governance Code on executive board remuneration and conflicts of interest. If material changes are made, and in any case at least once every four years, the remuneration system resolved by the Supervisory Board is submitted to the General Shareholders' Meeting for approval.

### III. *Executive Board members during the reporting period*

The Executive Board of Epigenomics AG consisted of the following members during the reporting period (2021):

Name	Function	Executive Board membership during the reporting period
Greg Hamilton	Chief Executive Officer	January 1, 2021 – December 31, 2021
Albert Weber	Executive Vice President Finance	January 1, 2021 – December 31, 2021
Jorge Garces, Ph.D.	Chief Scientific Officer	January 1, 2021 – January 31, 2021
Andrew Lukowiak, Ph.D.	Chief Scientific Officer	December 1, 2021 – December 31, 2021

### IV. *Fixed and variable remuneration components*

#### 1. **Fixed remuneration components**

The fixed remuneration components comprise fixed salary and fringe benefits.

##### a) *Fixed salary*

The fixed salary is paid out in 12 equal installments at the end of each month. The annual fixed salary paid to the members of the Executive Board is market-oriented and in accordance with the remuneration system amounts to between 35% and 55% of the total remuneration of each individual member of the Executive Board.

During the reporting period, the members of the Executive Board opted to forgo 10% of their fixed salaries in the period to September 12, 2021 on account of the COVID-19 pandemic.

##### b) *Fringe benefits*

The Company grants members of the Executive Board various fringe benefits in addition to their fixed salaries. These fringe benefits are capped at 6% of total remuneration.

In the reporting period, the fringe benefits for all members of the Executive Board included:

- D&O insurance policy with excess set at the statutory minimum;
- reimbursements of expenses for travel between their place of residence and the Company's registered office in accordance with the Company's travel expenses policy, as amended from time to time;
- in the case of temporary unfitness for work due to sickness, continued payment of their fixed salary for a period of up to 12 months or until the termination of their respective service agreement (in this case any payments under insurance policy benefits are deducted from the fixed salary as sickness benefits);
- contributions to health insurance, long-term care insurance and accident insurance.

Mr. Hamilton, Mr. Garces and Mr. Lukowiak were also entitled to the following fringe benefits:

- an annual car allowance;
- a 50% matching contribution by the Company to a 401k plan in the USA;
- various insurance premiums;
- reimbursement of expenses for legal and tax advice;
- reimbursement of communications costs associated with working from their place of residence.

The Company may also grant other fringe benefits in addition to those stated above, in particular a sign-on bonus or relocation package if the respective total cost does not exceed 15% of the fixed salary and STI at a target achievement rate of 100% (excluding sign-on bonus) or 50% (including sign-on bonus). No members of the Executive Board received these fringe benefits in the reporting period.

## 2. Variable remuneration components

The variable remuneration components include a short-term incentive (STI) and long-term incentive (LTI) component, and a value enhancement bonus.

### a) *STI*

At 100% target achievement, the STI can amount to between 15% and 40% of total remuneration. The STI is awarded for a one-year performance period. It is based on the achievement of

- financial criteria (25%);
- commercial targets (50%); and
- development targets (25%)

that are relevant to the Company's further development. Target achievement is calculated by adding the figures together. The actual STI amount is paid out after the Annual General Shareholders' Meeting in the following year.

To assess the performance of the members of the Executive Board, the Supervisory Board defines a target agreement with the Executive Board as a whole. This target agreement includes one-year financial targets and one-year strategic targets relating to the Company's further development. The overall level of target achievement is determined at the discretion of the Supervisory Board. No payment is made below an overall performance level of 60%. The payment is capped at 120% of target performance. The payment mechanism underlying the STI will (going forward) be identical for all Executive Board members' service agreements.

### b) *LTI*

The LTI can account for 25% to 50% of total remuneration.

The LTI plan takes into consideration the Company's share price performance over a period of four years and therefore promotes long-term value enhancement. The LTI is generally awarded in the form of rights under stock option programs ("SOPs"). Stock options ensure that Executive Board remuneration follows developments in the Company's value (both upwards and downwards). They serve to align the Executive Board's interests with those of the shareholders. The Company assigns a relatively strong weighting to the LTI component in the context of the overall remuneration package (20% to 50%) to win out against other employers in the competition to recruit, motivate and retain talented board members and staff. Depending on availability, the Company awards each Executive Board member a fixed number of stock options every year.

The stock options vest at 25% per year for a period of four years. The waiting period of four years from the date on which the stock options are granted ensures a focus on the Company's long-term development. The exercise price includes a premium in order to ensure an ambitious target level. Further rules and regulations can be found in the Company's SOPs. The remuneration that each individual member of the Executive Board receives under the STI per year is subject to a cap set by the Supervisory Board. Once a member of the Executive Board has received a total amount of remuneration from the subsequent exercise of stock options granted in a given calendar year that corresponds to the maximum amount defined for that calendar year, the member of the Executive Board is no longer entitled to exercise any further stock options and those further stock options automatically expire without consideration. If there is an insufficient number of stock options available, the Supervisory Board may grant virtual stock rights (e.g., phantom



stock rights) in lieu of the stock options on terms that essentially have the same economic effect as those of the stock options.

The table below shows the stock options held by the members of the Executive Board, each with a term of seven years. Please note that an agreement was reached with Jorge Garces on his departure that his unvested stock options will expire.

Executive Board member	Program	Reporting year	Rights held on January 1	Rights granted in 2021	Rights expired and forfeited in 2021	Rights held on December 31
Greg Hamilton	SOP 16-18	2021	<b>28,436</b>	<b>0</b>	<b>8,552</b>	<b>19,884</b>
		2020	28,436	0	0	28,436
	SOP 17-19	2021	<b>20,509</b>	<b>0</b>	<b>3,947</b>	<b>16,562</b>
		2020	20,509	0	0	20,509
SOP 19-21	2021	<b>12,500</b>	<b>25,000</b>	<b>0</b>	<b>37,500</b>	
	2020	0	12,500	0	12,500	
Total AOP	2021	<b>61,445</b>	<b>25,000</b>	<b>12,499</b>	<b>73,946</b>	
	2020	48,945	12,500	0	61,445	
Jorge Garces, PhD until January 31, 2021	SOP 17-19	2021	<b>21,250</b>	<b>0</b>	<b>13,282</b>	<b>7,968</b>
		2020	21,250	0	0	21,250
	SOP 19-21	2021	<b>10,625</b>	<b>0</b>	<b>0</b>	<b>n/a</b>
		2020	0	10,625	0	10,625
Total AOP	2021	<b>31,875</b>	<b>0</b>	<b>13,282</b>	<b>7,968</b>	
	2020	21,250	10,625	0	31,875	
Albert Weber	SOP 16-18	2021	<b>3,750</b>	<b>0</b>	<b>3,750</b>	<b>0</b>
		2020	3,750	0	0	3,750
	SOP 17-19	2021	<b>17,500</b>	<b>0</b>	<b>0</b>	<b>17,500</b>
		2020	17,500	0	0	17,500
SOP 19-21	2021	<b>8,750</b>	<b>17,500</b>	<b>0</b>	<b>26,250</b>	
	2020	0	8,750	0	8,750	
Total AOP	2021	<b>30,000</b>	<b>17,500</b>	<b>3,750</b>	<b>43,750</b>	
	2020	21,250	8,750	0	30,000	

The following table shows the exercise prices and earliest possible exercise dates for the rights held by active Executive Board members during the reporting period (as of December 31, 2021):

Executive Board member	Program	Rights held on December 31, 2021	Exercise price in EUR	Earliest possible exercise date
Greg Hamilton	SOP 16-18	11,447	43.44	Oct. 1, 2020
		8,437	32.96	Apr. 1, 2022
	SOP 17-19	4,062	32.96	Apr. 1, 2022
		12,500	15.36	Apr. 1, 2023
	SOP 19-21	12,500	20.00	Apr. 1, 2024
		25,000	20.00	Apr. 1, 2025
Jorge Garces, PhD	SOP 17-19	5,312	32.96	Apr. 1, 2022
		2,656	15.36	Apr. 1, 2023
Albert Weber	SOP 17-19	8,750	32.96	Apr. 1, 2022
		8,750	15.36	Apr. 1, 2023
	SOP 19-21	8,750	20.00	Apr. 1, 2024
		17,500	20.00	Apr. 1, 2025

The table below outlines the maximum remuneration for each member of the Executive Board under the stock options (or virtual stock rights) granted annually:

	Maximum contractual level of annual LTI remuneration
Greg Hamilton	EUR 4,530,400
Albert Weber	EUR 1,500,000
Jorge Garces (until Jan. 31, 2021)	EUR 3,397,800
Andrew Lukowiak (since Dec. 1, 2021)	EUR 3,397,800

If the maximum amounts in the service agreements are given in U.S. dollars, the amounts in the table above are translated into euros at the exchange rate published by the European Central Bank as of December 31, 2021.

c) *Value enhancement bonus*

Another long-term component of the Executive Board remuneration is the value enhancement bonus. This can be claimed by Executive Board members in the event of a change of control or an asset deal during the term of their service agreements. A change of control is defined in accordance with section 29 (2) of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz – WpÜG*) and an asset deal is defined as a transaction under which the Company transfers all or substantially all of its total assets to a third party.

Upon target achievement, the value enhancement bonus will be paid out in cash in the lower of the two amounts given below:

- 3% of the amount by which the consideration received for the change of control or asset deal exceeds the Company's market capitalization on the date the respective member of the Executive Board entered into their service agreement;
- an individual amount contractually agreed for each member of the Executive Board.

The table below shows the individual maximum value enhancement bonus amounts agreed with each member of the Executive Board:

	Maximum amount of the value enhancement bonus
Greg Hamilton	EUR 7,928,200
Albert Weber	EUR 3,000,000
Jorge Garces (until Jan. 31, 2021)	EUR 5,776,260
Andrew Lukowiak (since Dec. 1, 2021)	No value enhancement bonus agreed.

If the maximum amounts in the service agreements are given in U.S. dollars, the amounts in the table above are translated into euros at the exchange rate published by the European Central Bank as of December 31, 2021.

#### **V. End of service benefits**

No commitment is made to grant benefits to the members of the Executive Board in the event that their employment is subject to regular termination. A general severance payment cap applies to all members of the Executive Board. Payments to Executive Board members in the event of their service agreements being terminated early without cause may not exceed twice their annual salary including fringe benefits (but excluding value enhancement bonus), and may not constitute remuneration for more than the remaining term of the agreement.

In the event of a change of control, each member of the Executive Board has the right to terminate their service agreement without observance of a notice period and resign from their position as a member of the Executive Board. If a member of the Executive Board exercises this right, they have a claim to payment of their fixed salary plus STI for the remaining term of their service agreement, however up to a maximum of 150% of the cap on severance pay within the meaning of recommendation G.13 of the German Corporate Governance Code. During the reporting period, this clause in the service agreement with Greg Hamilton was modified so as also to apply to the closing of an asset deal. Andrew Lukowiak signed a new agreement on joining the Company, and in his case the clause applies to both a change of control and the closing of an asset deal.

No benefits were promised or granted to any member of the Executive Board in the reporting period in connection with the termination of their employment. This notwithstanding, a consultancy agreement was entered into with Jorge Garces in connection with his departure. The Company paid Jorge Garces EUR 93 thousand in the reporting period for services performed under this consultancy agreement.

#### **VI. Clawback provision**

The service agreements with all members of the Executive Board contain a clawback provision. In the case of a gross breach of statutory duties or gross violation of Company policies by a member of the Executive Board, this entitles the Company to

- withhold the Executive Board member's short-term variable remuneration (STI) for the fiscal year in which the gross breach of duty was committed (either in full or in part) and/or persisted, or to reclaim from the Executive Board member any bonus that has already been paid out; and/or
- to refrain from granting long-term variable remuneration (LTI) for the fiscal year in which the gross breach/violation was committed and/or persisted and/or for subsequent years or, if it has already been granted but not paid out or the rights have not yet been exercised, to declare it expired without compensation.

Such claims are asserted at the due discretion of the Supervisory Board. It is not necessary to demonstrate the damage/losses arising due to the actions of the Executive Board member in breach of their duties. The claims also apply if the member of the Executive Board has already left office or their service agreement has already been terminated at the time the claims are asserted.

In the reporting period, the Company did not make use of the opportunity to reclaim variable remuneration components from current or former members of the Executive Board.

### **VII. Maximum remuneration**

The total remuneration of every member of the Executive Board is capped in accordance with section 87a AktG and recommendation G.1 of the German Corporate Governance Code.

The maximum remuneration is calculated as the total of all remuneration components: fixed salary, fringe benefits, STI, LTI and value enhancement bonus. The service agreements with the members of the Executive Board contain maximum amounts for all variable components. In addition, the service agreements that have been entered into since the approval of the remuneration system by the General Shareholders' Meeting on June 16, 2021 include a maximum amount of total remuneration. These maximum amounts correspond to the maximum remuneration amounts stipulated in the approved remuneration system. To determine whether the actual remuneration complies with the contractually agreed maximum amount, all remuneration payments for the respective fiscal year (including fringe benefits) are added up, in accordance with the remuneration system approved by the Annual General Shareholders' Meeting on June 16, 2021. For the LTI, the calculation only includes payments or (in the case of stock options) the amount by which the closing price of the Company's shares in electronic trading on the Frankfurt Stock Exchange (XETRA or successor system) on the date preceding exercise of the respective stock options exceeds the exercise price (as defined in the SOP) paid in each case by the member of the Executive Board in relation to the LTI tranches for the given fiscal year. This applies irrespective of the year in which the payments are made or the remuneration paid out. Likewise, the calculation does not include LTI tranches granted for other fiscal years but paid out or exercised in the same year. These contractual mechanisms ensure that the actual remuneration does not exceed the defined maximum remuneration.

Accordingly, the maximum remuneration was complied with in the reporting period.

The maximum remuneration stipulated by the General Shareholders' Meeting is as follows:

- Chairperson of the Executive Board (CEO): EUR 5 million (excluding value enhancement bonus) and EUR 12 million (including value enhancement bonus);
- other members of the Executive Board: EUR 3.25 million and EUR 6.75 million, respectively.

The actual remuneration of the members of the Executive Board was as follows, and was significantly below the respective maximum remuneration amounts:

- Greg Hamilton (CEO) EUR 801,616
- Jorge Garces, Ph.D. EUR 33,984
- Andrew Lukowiak EUR 54,490;
- Albert Weber EUR 198,787.

### **VIII. Remuneration granted and due to the members of the Executive Board**

The Remuneration Report must disclose the remuneration granted and due, in accordance with section 162 (1) sentence 1 AktG. This report discloses a remuneration component as granted in relation to the fiscal year in which the activities underlying the remuneration were fully performed. A remuneration component is disclosed as due in relation to the fiscal year in which it falls due but has not yet been paid. If the dates for granted remuneration and due remuneration fall in different fiscal years, the remuneration is disclosed for the earlier of the two. If the two dates fall in different fiscal years and this causes the amount to vary, the difference is disclosed in the fiscal year in which the later date falls.

In particular, the principles outlined above mean that:

- the STI is disclosed for the fiscal year to which the key targets for its calculation relate and in which the underlying activities for its calculation were performed, and not for the fiscal year in which the STI was paid out. This means that although the STI presented in this report relates to fiscal year 2021, it will not fall due and be paid out until fiscal year 2022;
- when awarded, stock options are disclosed at their fair value on the date of issue. Any amount in excess of this arising on exercise of the stock options is disclosed in the fiscal year of execution;
- by contrast, share-based payments (e.g., under phantom stock rights) are disclosed in accordance with the non-share-based remuneration to be settled in cash.

#### **1. STI: target setting and achievement**

In accordance with the remuneration system approved by the General Shareholders' Meeting on June 16, 2021, the underlying weightings for the STI for 2021 are as follows: 25% financial criteria, 50% commercial targets and 25% development targets. The targets are applied on a uniform basis for all Executive Board members. No individual targets are agreed.

The following specific targets applied in fiscal year 2021:

##### **a) Financial targets**

The financial targets determined for the reporting period were revenue of EUR 0.5 million and adjusted EBITDA of EUR -7.3 million.

While revenue was of lesser importance to the Company in 2021 (as in previous years) due to the fact that none of its products have been approved for coverage, adjusted EBITDA (EBITDA before share-based payment expenses) is a key measure of the annual loss, cost controls and the annual liquidity outflow. Adjusted EBITDA is thus a key criterion for the Company's sustainable and long-term development.

The actual revenue figure was EUR 6.2 million and the actual figure for adjusted EBITDA was EUR -1.8 million. As such, both amounts significantly exceeded the targets.

##### **b) Commercial targets**

The commercial targets were: (1) to obtain a coverage decision for Epi proColon in the U.S.A. by legislative means, (2) to identify a potential M&A transaction or asset deal, and (3) to minimize net cash consumption.

All three targets relate to aspects of strategic significance for the Company. Obtaining a positive coverage decision for Epi proColon would open up the U.S. market and with it completely new opportunities for the Company. An M&A transaction or asset deal could significantly strengthen the Company's financial position and give it the stability to face future challenges and investment demands. Minimizing net cash consumption is of fundamental importance for the Company's long-term financial health.

The Company failed to obtain a coverage decision for Epi proColon in the U.S.A. in the reporting period. Nevertheless, a bill was introduced in the House of Representatives, the number of representatives co-

sponsoring the bill was doubled and the support of key legislators was secured. A biobank sale was agreed with New Horizon Health Limited in the summer of 2021. This related to the sale of a non-essential portion of the Company's biobank (blood samples). The sale generated EUR 5.7 million in revenue. The Executive Board also held discussions with various parties interested in a potential M&A deal, however these failed to produce a favorable outcome. Net cash consumption was reduced significantly. The actual net cash consumption was within the budgeted range. Adjusted for the revenue generated by the biobank sale (less transaction costs), net cash consumption was significantly lower.

c) *Development targets*

Developing an alternative strategy for Epi proColon was set as a development target in the reporting period.

Epi proColon is a blood-based CRC screening test approved by the competent authorities in Europe and the U.S.A. in particular, and as such it the Company's key product. Despite considerable efforts on the part of the Company, to date it has not been included in coverage in either Europe or the U.S.A. For the Company, it is therefore of great importance to formulate an alternative strategy for Epi proColon should it not prove possible to obtain a positive coverage decision for Epi proColon in the U.S.A.

During the reporting period, the Company developed Epi proColon "Next-Gen", the next generation of the Epi proColon test. It has also developed a strategy and timetable for Epi proColon "Next-Gen".

d) *Target achievement*

After a thorough review, the Supervisory Board determined the following levels of target achievement for the reporting period:

Target	Target achievement	Weighting	Total target achievement
Financial targets	120%	25%	100%
Commercial targets	85%	50%	
Development targets	110%	25%	

e) *STI for the individual members of the Executive Board*

On this basis, the table below summarizes the individual Executive Board members' STI for the reporting period. Please note that an agreement was reached with Jorge Garces and Albert Weber on their departure that they would not receive a bonus for fiscal year 2021. As such, the STI payout amount in the table below is given as EUR 0.

	Lower threshold (60%/80% target achievement)	Target amount (100% target achievement)	Cap (120% target achievement)	Total target achievement	Payout amount
Greg Hamilton	80%: EUR 305,139	EUR 381,423	EUR 457,708	100%	EUR 381,423
Albert Weber	60%: EUR 72,000	EUR 120,000	EUR 144,000		EUR 0
Jorge Garces (until Jan. 31, 2021)	60%: EUR 173,759	EUR 289,599	EUR 347,519		EUR 0
Andrew Lukowiak (since Dec. 1, 2021)	60%: EUR 165,283	EUR 275,472	EUR 330,567		EUR 22,956

The amounts given in the columns lower threshold, target amount and cap in the table are disclosed in relation to performance over the reporting period as a whole. If a member joins or leaves during the year, the amounts are in principle reduced pro rata temporis.

For those members of the Executive Board with whom a U.S. dollar-denominated STI has been agreed, the amounts in the table above are translated into euros at the exchange rate published by the European Central Bank as of December 31, 2021. Depending on the date of the payment and the exchange rate prevailing at that time, this may mean that the figures given in the table differ from the amount actually paid out in euros.

## 2. Total remuneration

The table below gives the remuneration granted and due to the individual members of the Executive Board in the reporting period, the individual remuneration components and their relative share of the total remuneration:

<b>Greg Hamilton, CEO</b>		2021		2020
	in EUR	% of total remuneration	in EUR	% of total remuneration
<b>Fixed remuneration</b>				
– Fixed salary	340,552	42%	349,301	44%
– Fringe benefits	69,462	9%	81,548	10%
– <b>Total</b>	<b>410,014</b>	<b>51%</b>	<b>430,849</b>	<b>55%</b>
<b>Variable remuneration</b>				
– STI	381,423	48%	316,845	40%
– LTI	10,179	1%	37,517	5%
– Value enhancement bonus	0	0%	0	0%
– <b>Total</b>	<b>391,602</b>	<b>49%</b>	<b>354,362</b>	<b>45%</b>
<b>Total remuneration</b>	<b>801,616</b>	<b>100%</b>	<b>785,211</b>	<b>100%</b>

<b>Albert Weber, EVP Finance</b>		2021		2020
	in EUR	% of total remuneration	in EUR	% of total remuneration
<b>Fixed remuneration</b>				
– Fixed salary	186,000	93%	185,000	57%
– Fringe benefits	6,688	3%	5,942	2%
– <b>Total</b>	<b>192,688</b>	<b>96%</b>	<b>190,942</b>	<b>59%</b>
<b>Variable remuneration</b>				
– STI	0	0%	108,000	33%
– LTI	7,099	4%	26,206	8%
– Value enhancement bonus	0	0%	0	0%
– <b>Total</b>	<b>7,099</b>	<b>4%</b>	<b>134,206</b>	<b>41%</b>
<b>Total remuneration</b>	<b>199,787</b>	<b>100%</b>	<b>325,148</b>	<b>100%</b>

<b>Jorge Garces, Ph.D., CSO (until January 31, 2021)</b>		2021		2020
	in EUR	% of total remuneration	in EUR	% of total remuneration
<b>Fixed remuneration</b>				
– Fixed salary	25,338	75%	303,036	73%
– Fringe benefits	8,646	25%	78,344	19%
– <b>Total</b>	<b>33,984</b>	<b>100%</b>	<b>381,380</b>	<b>92%</b>
<b>Variable remuneration</b>		0		0
– STI	0	0%	0	0%
– LTI	0	0%	31,889	8%
– Value enhancement bonus	0	0%	0	0%
– <b>Total</b>	<b>0</b>	<b>0%</b>	<b>31,889</b>	<b>8%</b>
<b>Total remuneration</b>	<b>33,984</b>	<b>100%</b>	<b>413,269</b>	<b>100%</b>

<b>Andrew Lukowiak, Ph.D., CSO (since December 1, 2021)</b>		2021		2020
	in EUR	% of total remuneration	in EUR	% of total remuneration
<b>Fixed remuneration</b>				
– Fixed salary	28,695	53%	n/a	n/a
– Fringe benefits	2,839	5%	n/a	n/a
– <b>Total</b>	<b>31,534</b>	<b>58%</b>	<b>n/a</b>	<b>n/a</b>
<b>Variable remuneration</b>		0		
– STI	22,956	42%	n/a	n/a
– LTI	0	0%	n/a	n/a
– Value enhancement bonus	0	0%	n/a	n/a
– <b>Total</b>	<b>22,956</b>	<b>42%</b>	<b>n/a</b>	<b>n/a</b>
<b>Total remuneration</b>	<b>54,490</b>	<b>100%</b>	<b>n/a</b>	<b>n/a</b>

In the above tables showing the total remuneration of Executive Board members, the fixed remuneration for those members whose remuneration is agreed in U.S. dollars was translated into euros at the exchange rate published by the European Central Bank as of the last day of the month in which the respective portion of fixed remuneration was paid. The STI payments to those members of the Executive Board were translated at the exchange rate published by the European Central Bank as of December 31, 2021.

## C. REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD

### *Principles of the remuneration system*

#### 1. Period from January 1, 2021 to June 15, 2021

Under the remuneration system in force until June 15, 2021, Supervisory Board remuneration was made up of annual fixed pay comprising three components:

- fixed remuneration for Supervisory Board membership;
- fixed remuneration for Supervisory Board committee membership;
- attendance fee.



a) *Fixed remuneration for Supervisory Board membership*

The members of the Supervisory Board received fixed annual remuneration of EUR 30,000.00. The fixed remuneration for the Chairperson of the Supervisory Board amounted to EUR 90,000.00 and for each Deputy Chairperson of the Supervisory Board EUR 40,000.00.

b) *Fixed remuneration for committee membership*

Members of the Supervisory Board belonging to a committee received fixed annual remuneration of EUR 5,000.00 for their committee work. The fixed annual remuneration amounted to EUR 10,000.00 for committee chairpersons. Supervisory Board members who belonged to multiple committees were only paid for their work on one committee, determined at the highest remuneration amount calculated in accordance with the preceding sentences. If and to the extent a committee member or chairperson was simultaneously the Chairperson or Deputy Chairperson of the Supervisory Board, their fixed remuneration for being the chairperson or a member of Supervisory Board committees was reduced by the excess of their remuneration entitlement for that period as Chairperson or Deputy Chairperson of the Supervisory Board over the remuneration for ordinary members of the Supervisory Board (where applicable taking into account reductions calculated *pro rata temporis*).

c) *Attendance fee*

Supervisory Board members received an attendance fee of EUR 2,000.00 for taking part at a Supervisory Board meeting in person. The attendance fee primarily remunerated members for their preparation and participation at the meeting. No differentiation was made between physically attending the meeting or taking part via conference or video call.

d) *Partial waiver of remuneration by Supervisory Board members*

Due to the COVID-19 pandemic, in the period to June 15, 2021, the members of the Supervisory Board opted to forgo 20% of the fixed remuneration due to them as members of the Supervisory Board and of the committees and 50% of the attendance fees for meetings held in virtual form.

e) *No variable remuneration*

The members of the Supervisory Board did not receive any variable remuneration components and in particular did not receive share-based remuneration components. The waiver of variable remuneration components corresponds to recommendation G.18 of the German Corporate Governance Code. It is the view of the Executive Board and Supervisory Board that purely fixed remuneration corresponds to the Supervisory Board's function as supervisory body and thus serves the performance of its duties. In turn, this supports the Company's business strategy and its long-term development. The Executive Board and Supervisory Board do not consider it necessary or expedient to go beyond this and align the remuneration with and therefore promote specific business policy or strategic aspects, since the Supervisory Board does not generally play an operational role.

## **2. Period from June 16, 2021 to December 31, 2021**

The Annual General Shareholders' Meeting on June 16, 2021 resolved to revise Article 12 of the Company's Articles of Association (Supervisory Board remuneration). The new version entered into force upon resolution by the General Shareholders' Meeting. The members of the Supervisory Board likewise receive exclusively fixed remuneration under the new version (no variable remuneration). However, the fixed remuneration now comprises just a fixed annual payment for membership of the Supervisory Board amounting to EUR 25,000 per year for the members of the Supervisory Board (including the Deputy Chairperson) and EUR 75,000 per year for the Chairperson of the Supervisory Board. Remuneration is no longer paid for membership of committees, nor are attendance fees paid.

## II. Supervisory Board members in the reporting period

The Supervisory Board of Epigenomics AG consisted of the following members during the reporting period (2021):

Name	Function	Supervisory Board membership in the reporting period
Heino von Prondzynski	Chairman of the Supervisory Board	January 1, 2021 – December 31, 2021
Alexander Link	Deputy Chairman of the Supervisory Board (since June 16, 2021)	January 1, 2021 – December 31, 2021
Dr. Helge Lubenow	Member of the Supervisory Board	January 1, 2021 – December 31, 2021
Franz Walt	Member of the Supervisory Board	January 1, 2021 – December 31, 2021
Dr. Ann C. Kessler, PhD.	Deputy Chairwoman of the Supervisory Board (until June 16, 2021)	January 1, 2021 – June 16, 2021
Prof. Günther Reiter	Deputy Chairman of the Supervisory Board (until June 16, 2021)	January 1, 2021 – June 16, 2021

## III. C. Remuneration of the members of the Supervisory Board in the reporting period

The table below shows the remuneration of the individual members of the Supervisory Board in the reporting period, the individual remuneration components and the respective relative share of total remuneration:

Member of the Supervisory Board	Remuneration for Supervisory Board work		Remuneration for committee work		Attendance fees in EUR		Total remuneration in EUR
	in EUR thousand	Share of total remuneration	in EUR thousand	Share of total remuneration	in EUR thousand	Share of total remuneration	
Heino von Prondzynski	73,625	43%	0	0%	2,000	14%	75,625
Alexander Link	24,542	14%	0	0%	2,000	14%	26,542
Dr. Helge Lubenow	24,542	14%	1,833	17%	2,000	14%	28,375
Franz Walt	24,542	14%	1,833	17%	2,000	14%	28,375
Dr. Ann C. Kessler, Ph.D. (until June 16, 2021)	11,069	7%	3,667	33%	3,000	21%	17,736
Prof. Günther Reiter (until June 16, 2021)	11,067	7%	3,689	33%	3,000	21%	17,756
<b>Total Supervisory Board</b>	<b>169,386</b>	<b>100%</b>	<b>11,022</b>	<b>100%</b>	<b>14,000</b>	<b>100%</b>	<b>194,409</b>

## D. COMPARISON OF THE ANNUAL CHANGE IN REMUNERATION, THE COMPANY'S EARNINGS DEVELOPMENT AND EMPLOYEE REMUNERATION

### Average employee remuneration

The average remuneration of Epigenomics AG employees amounted to EUR 102 thousand on an FTE-equivalent basis in 2021.

This figure takes into account all of the Group's employees, in other words 29 persons on an FTE-equivalent basis.

The average remuneration comprised the personnel expenses for the employees under IFRS (wages and salaries, stock options, social security contributions, fringe benefits).

**Comparison of the annual change in remuneration, the Company's earnings development and average employee remuneration (FTE-equivalent basis)**

Fiscal year/ amount in EUR thousand:	2017	2018	Change	2019	Change	2020	Change	2021	Change
Net income	-7,028	-10,482	-49%	-9,702	7%	-19,987	-106%	-3,074	85%
Consolidated net income	- 10,235	-12,692	-24%	-17,020	-34%	-11,686	31%	-2,428	79%
Average employee remuneration	n/a	n/a	n/a	n/a	n/a	106	n/a	103	-3%
<b>Executive Board remuneration</b>									
Greg Hamilton	909	962	6%	878	-9%	806	-8%	816	1%
Albert Weber (from Jan. 1, 2018)	n/a	422	n/a	328	-22%	340	4%	198	-42%
Jorge Garces (from Dec. 1, 2017 to Jan. 31, 2021)	58	935	1512%	826	-12%	413	-50%	33	-92%
Andrew Lukowiak (since Dec. 1, 2021)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	60	n/a
<b>Remuneration for Supervisory Board work</b>									
Heino von Prondzynski	102	102	0%	102	0%	86	-16%	76	-12%
Alexander Link (since Jun. 12, 2020)	n/a	n/a	n/a	n/a	n/a	14	n/a	27	93%
Dr. Helge Lubenow	47	47	0%	47	0%	39	-17%	28	-28%
Franz Walt (since May 15, 2019)	n/a	n/a	n/a	28	n/a	39	39%	28	-28%
Dr. Ann C. Kessler, Ph.D. (until June 16, 2021)	52	52	0%	52	0%	43	-17%	18	-58%
Prof. Günther Reiter (until June 16, 2021)	47	52	11%	52	0%	43	-17%	18	-58%

The figure given for net income in the table corresponds to Epigenomics AG's net income/net loss for the year (HGB) and the figure for consolidated net income corresponds to the net income/net loss of the Epigenomics Group (IFRS).

On behalf of the Executive Board

Greg Hamilton  
Chairman of the Executive Board  
Epigenomics AG

On behalf of the Supervisory Board

Heino von Prondzynski  
Chairman of the Supervisory Board of  
Epigenomics AG

## **INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE EXAMINATION OF THE REMUNERATION REPORT**

To Epigenomics AG, Berlin

### **Opinion**

We have examined the attached remuneration report of Epigenomics AG, Berlin, for the financial year from January 1 to December 31, 2021 which was prepared in accordance with the requirements of Section 162 AktG [German Stock Corporations Act]. The examination of the content of the remuneration report described in this audit report includes the formal examination of the remuneration report required by Section 162 paragraph 3 AktG, including the issuance of a report on this audit.

In our opinion based on our audit findings, the remuneration report for the financial year from January 1 to December 31, 2021 complies, in all material respects, with the disclosure requirements pursuant to Section 162 Akt.

### **Basis for the opinion**

We conducted our audit of the remuneration report in accordance with Section 162 paragraph 3 AktG and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

### **Responsibilities of the Legal Representatives and the Supervisory Board**

The legal representatives and the Supervisory Board of Epigenomics AG are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The legal representatives and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibilities**

Our objective is to obtain reasonable assurance as to whether the disclosures in accordance with Section 162 paragraph 1 and 2 AktG have been made in the remuneration report in all material respects including the issuance of a report on this audit.

We planned and performed our audit so as to give reasonable assurance on the formal completeness of the remuneration report by comparing the information provided in the remuneration report with the information required in Section 162 paragraph 1 and 2 AktG. In accordance with Section 162 paragraph 3 AktG we have not audited the accuracy of the information, the completeness of the individual information or the appropriate presentation of the remuneration report.

München, den 11. März 2022

Baker Tilly GmbH & Co. KG  
Wirtschaftsprüfungsgesellschaft  
(Düsseldorf)

Andreas Weissinger  
Wirtschaftsprüfer

Felix Ilg  
Wirtschaftsprüfer

## PART D.

## FURTHER INFORMATION AND DETAILS ON THE CONVENED GENERAL SHAREHOLDERS' MEETING

## 1. Conducting the General Shareholders' Meeting as a virtual General Shareholders' Meeting

On the basis of the German Act Concerning Measures Under the Law of Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic (*Gesetz über Maßnahmen im Gesellschafts-, Genossenschafts-, Vereins-, Stiftungs- und Wohnungseigentumsrecht zur Bekämpfung der Auswirkungen der COVID-19-Pandemie*) (Article 2 of the German Act to Mitigate the Consequences of the COVID-19 Pandemic under Civil, Insolvency and Criminal Procedure Law (*Gesetz zur Abmilderung der Folgen der COVID-19-Pandemie im Zivil-, Insolvenz- und Strafverfahrensrecht*), German Federal Law Gazette Part I 2020, p. 569), last amended by Article 15 of the German Reconstruction Aid Act (*Aufbauhilfegesetz*) of September 10, 2021 (German Federal Law Gazette Part I 2021, pp. 4147 et seq.) ("German COVID-19 Act"), the General Shareholders' Meeting, with the consent of the Supervisory Board, will be held as a virtual General Shareholders' Meeting without the shareholders or their authorized representatives (except for the proxies nominated by the Company) being physically present. This means the following:

- **No physical attendance.** Physical attendance on the part of the shareholders or their authorized representatives (except for the proxies nominated by the Company) is excluded.
- **Broadcast on the Shareholders' Portal.** Instead, the Annual General Shareholders' Meeting will be broadcast live in the password-protected internet portal of the Company (Shareholders' Portal) on June 15, 2022 starting at 10.00 a.m. (CEST) at <http://www.epigenomics.com/de/news-investors/general-shareholder-meeting/>. The live broadcast via the Shareholders' Portal does not allow for a participation in the Annual General Shareholders' Meeting within the meaning of Section 118 (1) sentence 2 AktG.
- **Access to the Shareholders' Portal.** For access to the Shareholders' Portal, the shareholders require their shareholder number and the related login password. The shareholder number and the login password are contained in the materials sent to the shareholders with the invitation to the Annual General Shareholders' Meeting; shareholders who are already registered in the Shareholders' Portal will also receive a new password. If shareholders do not receive the convening documents unsolicitedly - for example because they are not yet entered in the share register on the date relevant for sending the documents - they will be sent to the shareholders upon request. Such request must be sent to the registration address stated below under 2.
- **Registration requirement.** Shareholders who merely wish to follow the broadcast of the Annual General Shareholders' Meeting in the Shareholders' Portal only require access to the Shareholders' Portal and do not need to register for the Annual General Shareholders' Meeting. Shareholders who do not merely wish to follow the Annual General Shareholders' Meeting via the Shareholders' Portal but intend to participate in the virtual Annual General Shareholders' Meeting (and to, e.g., exercise their voting rights, to pose questions or to raise objections) must register for the Annual General Shareholders' Meeting on Wednesday, June 8, 2022, 24:00 hours (CEST), at the latest (see section 2 below).
- **Exercising voting rights.** Shareholders or their authorized representatives can exclusively exercise their voting rights via absentee ballot (postal vote) (see section 5 below) or by issuing power of attorney to the proxies nominated by the Company (see section 6 below). In addition, power of attorney may also be granted to third parties. Authorized third parties (except for the proxies nominated by the Company) may, however, not physically attend the Annual General Shareholders' Meeting either, and may exercise the voting rights on behalf of the shareholders

represented by them only by way of absentee voting or by granting a (sub-)power of attorney to the proxies nominated by the Company (see section 7 below).

- **Questions.** Questions of the shareholders must be submitted by way of electronic communication to the Executive Board by Monday, June 13, 2022, 24:00 hours (CEST) at the latest (see section 8.3 below).
- **Raising objections.** Shareholders that have exercised their voting rights may, by way of derogation from Section 245 no. 1 AktG, electronically raise an objection against a resolution adopted by the Annual General Shareholders' Meeting (see section 9 below).

## 2. Attendance at the virtual Annual General Shareholders' Meeting

Shareholders who merely wish to follow the broadcast of the Annual General Shareholders' Meeting in the Shareholders' Portal do not need to register for the Annual General Shareholders' Meeting. Rather, access to the Shareholders' Portal is sufficient.

However, shareholders of the Company who do not merely wish to follow the broadcast of the Annual General Shareholders' Meeting in the Shareholders' Portal but intend to participate in the virtual Annual General Shareholders' Meeting and, in particular, to exercise their voting rights will be entitled to do so only if they are entered as shareholders into the Company's share register and register with the Company to attend the Annual General Shareholders' Meeting.

The registration must be made in text form in German or English and must be received by the Company by Wednesday, June 8, 2022, 24:00 hours (CEST), at the latest.

In particular, the registration may be made via the internet using the password-protected Shareholders' Portal at <https://www.epigenomics.com/news-investors/general-shareholder-meeting-2/>. Shareholders gain online access by entering their shareholder number and the related access password.

If registration is not made using the Shareholders' Portal, registration in text form must be received by the Company in German or English

at the following address:

Epigenomics AG  
c/o Computershare Operations Center  
80249 Munich

or by email to [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de).

Intermediaries are not entitled to exercise the voting rights associated with shares not owned by them but recorded under their name in the Company's share register unless they have been authorized to do so by the relevant owner of the shares. The same applies to persons and associations within the meaning of Section 135 (8) AktG, which include in particular shareholders' associations and proxy voting advisory firms.

## 3. Entering changes in the share register

As stated in section 2 above, only those shareholders who are entered in the share register and have properly registered in due time with the Company to attend the Annual General Shareholders' Meeting are authorized to participate in the virtual Annual General Shareholders' Meeting and to exercise their voting rights. In this respect, entry in the share register at the time of the Annual General Shareholders' Meeting is the relevant point in time. In order to ensure proper preparation and conduct of the Annual General Shareholders' Meeting, the Company will not make any changes to the entries in the share register, i.e., it will not perform any cancellations or add new entries, if the request for a change of a register entry is received by the Company after the end of June 8, 2022, i.e., after June 8, 2022, 24:00 hours (CEST). If a request for a change of a register entry is received by the Company after June 8, 2022, the entry in the share register will be changed only after the Annual General Shareholders' Meeting has ended; the right to attend and vote at the Annual General Shareholders' Meeting pertaining to the shares affected by the

change of the register entry will remain with the person whose name is to be canceled in the share register based on such request for a change of the register entry.

It is therefore recommended to file requests for changes of share register entries in good time before the date of the Annual General Shareholders' Meeting.

#### **4. Holders of American Depositary Receipts (ADRs)**

Holders of American Depositary Receipts (ADRs) can obtain further information from

BNY Mellon Shareowner Services  
 P.O. Box 30170  
 College Station, TX 77842-3170  
 U.S.A.  
 Tel. +1 888-269-2377 (toll-free number in the U.S.)  
 Tel. +1 201 680 6825 (international)  
 Website: [www.mybnymdr.com](http://www.mybnymdr.com)  
 Email: [shrrelations@cpushareownerservices.com](mailto:shrrelations@cpushareownerservices.com)

#### **5. Absentee voting**

Shareholders may cast their votes via absentee voting (postal vote). Shareholders must duly register in order to be able to exercise their voting rights.

Votes can be cast by absentee voting in writing or electronically:

- For the casting of absentee votes in writing, shareholders may use the form provided with the invitation to the Annual General Shareholders' Meeting. Absentee votes submitted in writing must be received by the Company in text form by the end of June 14, 2022, 24:00 hours (CEST) at the latest,  
 by mail at the following address  
 Epigenomics AG  
 c/o Computershare Operations Center  
 80249 Munich.
- For the casting of absentee votes electronically, the internet-based Shareholders' Portal will be available at <https://www.epigenomics.com/news-investors/general-shareholder-meeting-2/>. Votes may be cast electronically via the internet-based Shareholders' Portal up until the time voting begins at the virtual Annual General Shareholders' Meeting. Shareholders and shareholder representatives are requested to cast their votes at an early point in time, if possible.

If differing declarations for the exercise of voting rights by absentee voting (postal vote) are received via different means of transmission, the declaration that was submitted last will be given priority. In the event that it is not clear in which order the declarations were submitted, the declarations which were submitted via the internet-based Shareholders' Portal will be given priority.

If, for a specific resolution proposal, both postal votes and a power of attorney with instructions are received from a shareholder, the postal vote will be given priority. The same shall apply in the event that postal votes and powers of attorney/instructions are received and it cannot be determined which was submitted last. Otherwise, the declaration last made will be given priority.

#### **6. Absentee voting by granting power of attorney to the proxies nominated by the Company**

Shareholders have the option to grant power of attorney to proxies nominated by the Company, who will be bound by the instructions given to them. In the case of voting by the proxies nominated by the Company, the conditions for attending the virtual Annual General Shareholders' Meeting and for exercising voting rights as stated in section 2 above must likewise be observed.



Powers of attorney granted to the proxies nominated by the Company must be issued in text form. Instructions must be given to the proxies nominated by the Company; the instructions must likewise be given in text form. The proxies nominated by the Company are obliged to exercise the voting rights in accordance with the instructions. Accordingly, the proxies nominated by the Company will only exercise voting rights on those items of the agenda on which they receive instructions from the shareholders. The proxies nominated by the Company will not make any proposals or ask any questions; they will also not declare any objections.

Powers of attorney and instructions may be issued via the Shareholders' Portal or outside the Shareholders' Portal:

- Shareholders (or their authorized representatives) may grant power of attorney and give instructions to the proxies nominated by the Company via the Shareholders' Portal at <https://www.epigenomics.com/news-investors/general-shareholder-meeting-2/> until the voting starts at the virtual Annual General Shareholders' Meeting. Up to this point in time, powers of attorney and instructions (granted or given via the Shareholders' Portal, by email or in writing) may be amended or revoked via the Shareholders' Portal under the aforementioned internet address. The details for the registration to the Annual General Shareholders' Meeting via the Shareholders' Portal set forth under section 2 above apply accordingly if registration is made using the Shareholders' Portal.
- On the other hand, shareholders may grant power of attorney and give instructions in text form to the proxies nominated by the Company also outside of the Shareholders' Portal, in particular using the form for the granting of power of attorney and the giving of instructions to proxies nominated by the Company, which is sent to the shareholders together with the invitation to the Annual General Shareholders' Meeting. The same applies to any revocation of a power of attorney and any revocation or change of the instructions that have been given to the proxies nominated by the Company. The power of attorney and the instructions as well as any revocation thereof or changes of instructions must be received by the Company, in this case, in text form, by June 14, 2022, 24:00 hours (CEST) at the latest,  
by mail at the following address:  
Epigenomics AG  
c/o Computershare Operations Center  
80249 Munich  
or by email to [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de).

In case of differing declarations regarding the granting and the revocation of a power of attorney to the proxies nominated by the Company or regarding the issuing, changing and revocation of instructions to the proxies nominated by the Company, in each case, the declaration that was submitted last will be given priority. In the event that it is not clear in which order the declarations were submitted, firstly, the declarations which were submitted via the internet-based Shareholders' Portal will be given priority, then those submitted via email and, finally, those submitted in paper form.

If, for a specific resolution proposal, both postal votes and a power of attorney with instructions are received from a shareholder, the postal vote will be given priority. The same shall apply in the event that postal votes and powers of attorney/instructions are received and it cannot be determined which was last submitted. Otherwise, the declaration last made will be given priority.

## **7. Authorizing third parties**

Shareholders may exercise their voting rights in the virtual Annual General Shareholders' Meeting also by authorized representatives, e.g., an intermediary, a shareholders' association, a proxy voting advisory firm or any other person of their choice. In the case of proxy voting, too, as stated in section 2 above, shareholders must be registered in the share register of the Company and must have registered themselves or their authorized representatives in due time.

Authorized representatives (except for the proxies nominated by the Company) cannot physically participate in the Annual General Shareholders' Meeting. They may exercise voting rights for the shareholders whom they represent by way of absentee voting only, as described in section 5 above, or by issuing (sub-)power of attorney to proxies nominated by the Company, as described in section 6 above.

The granting and revocation of power of attorney and proof of authorization of third parties to the Company must be in text form. Where power of attorney is granted to intermediaries or any persons and associations pursuant to Section 135 (8) AktG (which include in particular shareholders' associations and proxy voting advisory firms), the provisions of Section 135 AktG must be observed. Section 135 AktG provides in particular that the authorized representative must keep a verifiable record of the power of attorney granted to it. Furthermore, the power of attorney must be complete and may only contain declarations relating to the exercise of voting rights. In addition, any rules that are relevant to the authorized representative with respect to its authorization must be observed and should be clarified with the authorized representative.

The participation of the authorized representative via the Shareholders' Portal requires that the authorized representative has the information required for access. The authorized representative may obtain the information in three ways. First, the shareholder may provide the authorized representative with his/her shareholder number and access password. The use of the access password by the authorized representative also serves as proof of authorization. Second, if the power of attorney granted to the authorized representative is communicated to the Company, the authorized representative will receive an individual access password to the Shareholders' Portal, which allows the authorized representative to participate on behalf of the shareholder. In this case, in order to ensure that the access password is received in good time, the shareholders are requested to communicate the granting of power of attorney to the Company at an early point in time and, if possible, to provide an email address to which the access password for the authorized representative can be sent. Third, the proxy can also be issued until the voting starts at the virtual Annual General Shareholders' Meeting via the Shareholders' Portal. In this case, the proxy will receive the details by e-mail.

The granting of power of attorney to the Company and the transmission to the Company of the proof of power of attorney granted to the authorized representative and of a possible revocation thereof, may be effected in text form as of June 14, 2022, 24:00 hours (CEST) at the latest,

to the following address:

Epigenomics AG  
c/o Computershare Operations Center  
80249 Munich

or by email to [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de).

Forms for granting power of attorney and giving instructions are sent to the shareholders together with the invitation.

## **8. Shareholders' rights**

### **8.1. Request to include items on the agenda pursuant to Section 122 (2) AktG**

Shareholders whose shares in the aggregate amount to no less than one twentieth of the share capital or represent a proportional amount of no less than EUR 500,000.00 may request that items be included on the agenda and be published. Each new item must be accompanied by an explanation or a proposal for a resolution. Any such request must be received in writing by the Company by the end of May 15, 2022, i.e., by May 15, 2022, 24:00 hours (CEST). The request must be addressed in writing to the Executive Board of Epigenomics AG. Please address any such request exclusively to:

Epigenomics AG  
Executive Board  
Attn.: Jens Ravens  
Geneststraße 5

10829 Berlin

Additions to the agenda that are to be published will be published in the German Federal Gazette (*Bundesanzeiger*) without undue delay after receipt of the request unless they have already been published together with the invitation to the Annual General Shareholders' Meeting. In addition, these requests will be made accessible on the internet at <https://www.epigenomics.com/news-investors/general-shareholder-meeting-2/> and communicated in accordance with Section 125 AktG.

Shareholders requesting to have an item added to the agenda must provide proof that they have held the shares for at least 90 days prior to the day of receipt of the request by the Company and that they will hold the shares until the request has been decided upon by the Executive Board. Section 70 AktG applies to the calculation of the shareholding period. In all other respects, Section 121 (7) AktG applies *mutatis mutandis* when calculating the time limit. Accordingly, the day on which the request is received by the Company is not to be counted. Any postponement from a Sunday, Saturday or public holiday to a preceding or subsequent working day is not possible. Sections 187 to 193 of the German Civil Code (BGB) do not apply *mutatis mutandis*.

### **8.2 Motions by shareholders and election proposals pursuant to Section 126 (1) and Section 127 AktG, Section 1 (2) sentence 3 of Article 2 of the German COVID-19 Act**

No counter-motions or election proposals may be submitted during the virtual Annual General Shareholders' Meeting.

However, each shareholder is entitled to file counter-motions against the proposals made by the Executive Board and/or the Supervisory Board with respect to certain items on the agenda and election proposals even before the Annual General Shareholders' Meeting. Such counter-motions and proposals for election by shareholders, including the name of the shareholder, are to be made accessible by the Company pursuant to Section 126 (1) and Section 127 AktG if they are received by the Company

to the following address:

Epigenomics AG  
Geneststraße 5  
10829 Berlin

or by email to [HV@epigenomics.com](mailto:HV@epigenomics.com)

by the end of May 31, 2022, i.e., by May 31, 2022, 24:00 hours (CEST), at the latest, and comply with the statutory requirements in all other respects. In addition, Section 126 (2), Section 127 sentences 1 and 3 AktG govern the preconditions for not having to make counter-motions and election proposals accessible. Counter-motions and election proposals will be made accessible in compliance with the statutory provisions on the Company's website at <https://www.epigenomics.com/news-investors/general-shareholder-meeting-2/>. Any comments by the management on received counter-motions and election proposals will likewise be published under the internet address stated above.

Counter-motions and election proposals of shareholders that are to be made accessible by the Company pursuant to Section 126 AktG or Section 127 AktG will be treated at the Annual General Shareholders' Meeting as if they had been raised orally in the Annual General Shareholders' Meeting, provided that the shareholder who makes the counter-motion or the election proposal – as set forth above in section 2 – is listed in the share register, and has duly registered for the virtual Annual General Shareholders' Meeting, at the time of the virtual Annual General Shareholders' Meeting.

### **8.3 Right to submit questions pursuant to Section 1 (2) sentence 1 no. 3, sentence 2 of Article 2 of the German COVID-19 Act**

Shareholders who are registered for the Annual General Shareholders' Meeting are entitled to ask questions by way of electronic communication via the Shareholders' Portal under <https://www.epigenomics.com/news-investors/general-shareholder-meeting-2/>.

Questions from shareholders must be received by the Company by June 13, 2022, 24:00 hours (CEST) at the latest, via the Shareholders' Portal. Any other form of transmission is excluded. For technical reasons, the length of the individual question may be limited to a certain number of characters under certain circumstances; however, the number of possible questions is not limited thereby.

No questions may be asked during the virtual Annual General Shareholders' Meeting.

The Executive Board will decide at its due and absolute discretion how to answer questions. In particular, it may summarize questions and the answers to them if this appears reasonable to it.

When questions are answered during the Annual General Shareholders' Meeting, the name of the shareholders who submitted the questions will only be disclosed by the Company, if the shareholders expressly requested or agreed to such disclosure when submitting the questions.

Shareholders who wish to ask questions are requested to do so as early as possible via the Shareholders' Portal in order to facilitate the answering of the questions.

#### **8.4 Additional explanations**

Additional explanations regarding shareholders' rights pursuant to Section 122 (2), Section 126 (1) and Section 127 AktG, Section 1 (2) sentence 3 of Article 2 of the German COVID-19 Act and Section 1 (2) sentence 1 no. 3 and sentence 2 of Art. 2 of the German COVID-19 Act can be found on the website of Epigenomics AG at <https://www.epigenomics.com/news-investors/general-shareholder-meeting-2/>.

#### **9. Objections to resolutions of the virtual Annual General Shareholders' Meeting**

Shareholders who exercised their voting rights by voting by absentee ballot or by granting power of attorney to proxies nominated by the Company have the possibility of objecting to resolutions of the virtual Annual General Shareholders' Meeting. Objections may be raised once the virtual Annual General Shareholders' Meeting has commenced and until its end by sending an email to [notar-hauptversammlung-2022@epigenomics.com](mailto:notar-hauptversammlung-2022@epigenomics.com). The objection must contain the name and shareholder number of the shareholder as proof of share ownership.

#### **10. Total number of shares and voting rights at the time of convening the Annual General Shareholders' Meeting**

As at the date of convening the Annual General Shareholders' Meeting, the Company's share capital amounts to EUR 16,357,301.00 divided into 16,357,301 registered non-par value shares. Pursuant to § 18 (1) of the Articles of Association, each share entitles to one vote in the General Shareholders' Meeting. Accordingly, as at the date of convening this Annual General Shareholders' Meeting, the total number of voting rights amounts to 16,357,301. The Company does not hold any treasury shares.

#### **11. Reference to the Company's website**

This invitation to the Annual General Shareholders' Meeting, the documents with respect to the items on the agenda, in particular with respect to item 1 of the agenda, the other documents pursuant to Section 124a AktG as well as further information relating to the Annual General Shareholders' Meeting can be downloaded from the website <https://www.epigenomics.com/news-investors/general-shareholder-meeting-2/> as of the date on which the Annual General Shareholders' Meeting is convened.

The documents that are required to be made available to the Annual General Shareholders' Meeting will also be available during the Annual General Shareholders' Meeting on June 15, 2022 on the above-mentioned website.

#### **12. Information on data protection for shareholders**

As data controller, Epigenomics AG processes personal data relating to the shareholders (e.g., surname and first name, address, email address, number of shares, type of share, type of share ownership and shareholder number) and, if applicable, personal data relating to shareholder representatives on the basis of the applicable data protection laws. The Company is required to maintain a share register.

The processing of personal data of shareholders and shareholder representatives is mandatory under applicable law for the proper preparation and conduct of the virtual Annual General Shareholders' Meeting, for the exercise of shareholders' voting rights, for the tracking of electronic participation and for the maintenance of the share register. The processing is based in legal terms on Sections 67, 67e AktG and point (c) of Article 6(1) sentence 1 GDPR in conjunction with Sections 118 et seqq. and in conjunction with Section 1 of Article 2 of the German COVID-19 Act. In addition, personal data that is necessary for the organization of the virtual Annual General Shareholder's Meeting can be processed on the basis of prevailing legitimate interests (Article 6 (1) sentence 1 lit. f) GDPR). Insofar as shareholders do not provide their personal data themselves, the Company will generally obtain these via the registration office and, if applicable, from the last intermediary that held the shares in custody on behalf of the relevant shareholder.

The service providers commissioned by Epigenomics AG for the purpose of organizing the Annual General Shareholders' Meeting will process the personal data of the shareholders and shareholder representatives exclusively in accordance with the instructions of the Company and only to the extent that this is necessary for the performance of the commissioned service. All employees of the Company and the employees of the commissioned service providers who have access to and/or process the personal data of the shareholders or shareholder representatives are obliged to treat this data confidentially. In addition, personal data of shareholders and shareholder representatives exercising their voting rights will be made available to other shareholders and shareholder representatives subject to the statutory requirements (in particular the list of participants, Section 129 AktG). This also applies to questions that shareholders or shareholder representatives have submitted, where applicable, in advance (Section 1 (2) sentence 1 no. 3 of Article 2 of the German COVID-19 Act) and in connection with the announcement of a shareholder's request to include additional items on the agenda, and of counter-motions and election proposals.

The Company will erase the personal data of the shareholders and shareholder representatives in accordance with the statutory provisions, in particular if the personal data are no longer necessary for the original purposes of collection or processing, if the data are no longer required in connection with any administrative or court proceedings and if no statutory record retention requirements apply.

Subject to the statutory requirements, shareholders and shareholder representatives have the right to receive information about their processed personal data and to request the rectification or erasure of their personal data or the restriction of the processing thereof. In addition, the shareholders or shareholder representatives, as the case may be, have the right to lodge a complaint with the supervisory authorities. If personal data are processed on the basis of Article 6(1) sentence 1 lit. f) GDPR, shareholders or shareholder representatives, as the case may be, also have a right of objection subject to the statutory requirements.

For comments and queries regarding the processing of personal data, shareholders can contact the data protection officer of the Company: Dr. Uwe Schläger, datenschutz nord GmbH, Niederlassung Berlin, Reinhardtstr. 46, 10117 Berlin; email: office@datenschutz-nord.de; phone: +49 30 30877490.

Additional information on data protection is available for shareholders on the Company's website at <https://www.epigenomics.com/imprint/data-protection-statement/>.

Berlin, in May 2022

Epigenomics AG  
The Executive Board

**Annex – Curriculum Vitae Heikki Lanckriet, Ph.D.** (including an overview on main activities)

**Heikki Lanckriet, Ph.D.**

born 1977 in Ypern, Belgium  
Belgian  
resident in Cambridge, United Kingdom

**Education**

1995-2000 M. Eng Chemical Engineering, University of Gent, Belgium  
2001-2004 Ph.D. in Chemical Engineering, University of Cambridge, United Kingdom

**Professional Career**

2002-2005 Co-Founder and Chief Scientific Officer Novexin  
2005-2008 Chief Operating Officer Novexin  
2008-2016 Chief Executive Officer Expedeon Group  
2016-2019 Chief Executive Officer Sygnis AG/Expedeon AG  
since 2019 Chief Executive Officer 4basebio PLC

**Main activities besides the Supervisory Board mandate**

Mr. Lanckriet, Ph.D., has been Chief Executive Officer of 4basebio PLC, Cambridge, United Kingdom, the shares are traded on the Alternative Investment Market (AIM) of the London Stock Exchange (LSE), since 2019. He is also a member of the legally required Supervisory Board of Biofrontera AG, Leverkusen, Germany, and a member of comparable domestic and foreign control committees of the following commercial enterprises: 4basebio UK Ltd and 4basebio Discovery Limited, both Cambridge, United Kingdom; 4basebio SLU, Madrid, Spain; I2I Capital Limited, Cambridge, United Kingdom; KITHER BIOTECH S.R.L., Turin, Italy; and NeoPhore Ltd, Cambridge, United Kingdom.