

Declaration of Conformity with the German Corporate Governance Code

The management board and the supervisory board of Basler AG declare after due examination that in the elapsed fiscal year 2024, Basler AG complied with the recommendations of the German Corporate Governance Code pursuant to the version of April 28, 2022 (hereinafter called “code”) with the following exceptions:

B. COMPOSITION OF THE MANAGEMENT BOARD

B1

On January 1, 2025, there was a change in the management board. Mr Alexander Temme left the company on December 31, 2024. Ms Ines Brückel was appointed to the management board of Basler AG on January 1, 2025, and now forms the management board together with Mr Dietmar Ley and Mr Hardy Mehl.

B.3

Mr Alexander Temme was appointed to the management board for a term of four years, starting on January 1, 2021, and ending on December 31, 2024. In this way, the company ensured that the contracts of the members of the management board expire at different times and that decisions do not have to be made at any time about two personnel matters in this body at the same time.

C. COMPOSITION OF THE SUPERVISORY BOARD

C.2

The supervisory board does not set an age limit for supervisory board members in accordance with section C.2 of the German Corporate Governance Code, as the supervisory board – in agreement with the management board – does not consider it appropriate for certain candidates to be excluded from the selection of candidates solely on the basis of their age, even though they otherwise appear to be best suited for the position in the specific decision-making situation.

G. REMUNERATION OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

G.1

The remuneration system of Basler AG provides for financial performance criteria for the granting of variable remuneration components. Non-financial performance criteria are used in corporate management, but they are not used as a basis for determining the variable remuneration components.

G.6, G7, G.10

The remuneration system of the management board is based on a „bonus bank system“ which is set up as follows:

The total target achievement (-100 % to 400 %) is multiplied by a defined variable component of the target salary (25 % of the agreed target salary) and results in the amount in Euro for the bonus entitlement of the respective member of the management board for the elapsed fiscal year. Accordingly, the bonus entitlement can amount from -25 % (malus) to +75 % of the target salary.

The bonus entitlement calculated in that way is not paid immediately. In order to satisfy the required long-term and multi-year assessment basis, the bonus amounts are paid out on a delayed basis by a bonus bank and are subject to the interim risk of a substantial reduction due to a subsequent deterioration in performance. A separate account is kept for the bonus claims of each member of the management board.

The bonus or malus calculated for the elapsed fiscal year is booked to the individual account. Allowing for the previous balance this results in a current account balance. If this account balance is positive one third will be paid out. Two thirds will be forwarded to a new account and be considered in the next year. Negative balances must be compensated by positive balances or bonus deposits before payouts can be made by the bonus bank.

In order to create a special performance incentive for the management board and to motivate its members to work in the long run on increasing the value of the company, the supervisory board decided to convert a part of the bonus into shares. Since 2018, an individually fixed percentage part of the respective future claim for variable remuneration above 100 % of target achievement will be granted in shares. In this case, the above described bonus bank procedure will also come into effect.

The total remuneration consists of the fixed salary (75 % of the target salary) and the payment made by the bonus bank.

If the targets agreed upon concerning profitability and growth are achieved on average over several years, the actual total remuneration will be in the amount of the target salary. If the targets are clearly missed for a long time, only the fixed salary will be paid out (75 % of the target salary) in the long term.

In case of significant overachievement of the profitability and the growth target over several years, total compensation will gradually increase to a maximum of 175% of target salary.

The supervisory board considers the remuneration system appropriate and long-term oriented. It also prevents conflicts of interest and misaligned incentives in the best possible way. A detailed description of the remuneration system can be found in the management report under point 10. In many aspects it is oriented at the DCGK (Deutscher Corporate Governance Kodex, German Corporate Governance Code), however, it slightly deviates from the recommendations of the Corporate Governance Code in points G.6, G.7, and G.10:

G.6 AND G.7

These recommendations are deliberately not complied with. Instead, a profound strategy process is conducted every year in which the supervisory board and the management board agree upon the medium and long-term company targets and derive hereof the short-term oriented targets for the variable remuneration.

G.10

The company considers a ratio of 50 % of the variable component exceeding the target (over-performance) as a payout in shares to be appropriate. The transfer to the bonus bank as well as the payout are conducted analogously to the process for the variable remuneration in money. One third of the resulting annual balance is paid out and two thirds are carried forward.

Ahrensburg, March 27th, 2025

Dr. Dietmar Ley	Hardy Mehl	Ines Brückel
CEO	CCO/COO	CFO

Norbert Basler	Horst W. Garbrecht	Lennart Schulenburg	Prof. Dr. Mirja Steinkamp
Aufsichtsrats- vorsitzender	Stellvertr. Auf- sichtsratsvorsitzender	Aufsichtsrat	Aufsichtsrätin

Tanja Schley	Alexander Jürn
Aufsichtsrätin	Aufsichtsrat