

Declaration on Corporate Governance under Section 289f HGB (German Commercial Code)

Fundamentals of Corporate Governance

General information

OVB Holding AG is an international financial advisory group headquartered in Cologne, Germany. The management of OVB Holding AG and its subordinate group companies ("OVB Group") is based primarily on the relevant legal regulations, the Articles of Association of OVB Holding AG available at www.ovb.eu/english/investor-relations/corporate-governance, and the requirements of the German Corporate Governance Code (GCGC).

As a German stock corporation, OVB Holding AG has a dual management system. This means there is strict separation of personnel between the Executive Board as managing body and the Supervisory Board as a supervisory body. Both work closely together for the benefit of the Company and maintain an intensive and open dialogue on a regular basis.

The third corporate body is the Annual General Meeting of shareholders where the Company's shareholders participate in essential decisions regarding the Company.

Declaration on the German Corporate Governance Code

The executive management of OVB Holding AG feels that responsible, transparent corporate governance is the basis for long-term financial success. As guidance, it uses the German Corporate Governance Code (GCGC) as amended from time to time.

On 16 December 2019, the Government Commission "German Corporate Governance Code" resolved a fundamental revision of the German Corporate Governance Code, as published on 20 March 2020 in the Federal Gazette ("GCGC 2020").

In the 2020 financial year, OVB closely examined the changes under GCGC 2020 and the required measures for implementation.

On 8 December 2020, the Executive Board and Supervisory Board of OVB Holding AG, having conducted a

diligent examination, published the following Declaration of Conformity pursuant to Section 161 AktG (Stock Corporation Act), available at www.ovb.eu/english/investor-relations/corporate-governance:

Declaration of Conformity

Section 161 AktG (Stock Corporation Act) requires the executive board and the supervisory board of any listed German stock corporation to declare at least once each year if and to what extent the German Corporate Governance Code was and is complied with and which of the Code's recommendations were or are not applied, and for what reason.

The Executive Board and Supervisory Board declare that since the last declaration of conformity was issued on 2 December 2019, OVB Holding AG has complied with the recommendations of the German Corporate Governance Code in the version of 7 February 2017 ("GCGC 2017") - released in the Federal Gazette on 24 April 2017 and corrected on 19 May 2017 - with the exception of the deviations shown in section 1. Furthermore, the Executive Board and Supervisory Board declare that OVB Holding AG has complied and will comply with the recommendations of the German Corporate Governance Code in the version of 16 December 2019 ("GCGC 2020"), released in the Federal Gazette on 20 March 2020, apart from the exceptions specified in section 2.

1. In the period between the release of the last declaration of conformity on 2 December 2019 and the entry into force of the GCGC 2020, the company complied with all recommendations of the GCGC 2017, with the following exceptions:

a) No. 3.8 (3) GCGC 2017

(directors' & officers' liability insurance)

OVB Holding AG has not provided for a deductible in the D&O liability insurance policy taken out for the members of the Supervisory Board. The members of the Supervisory Board attend to their duties responsibly and in the Company's best interest. The legislator considers a differentiation between executive board and supervisory board adequate as, unlike executive board members, supervisory board members are not subject to statutory provisions governing a deductible.

*b) No. 4.1.3 sentence 3 GCGC 2017**(whistleblowing system with whistleblower protection)*

At OVB Holding AG, employees have the opportunity to report suspected violations of the law within the company to the Head of Compliance. According to the opinion shared by Executive Board and Supervisory Board, the effectiveness and purpose of a whistleblower system do not require the reporting person's anonymity. The faithful and sensitive handling of such reports is mandatory and also sufficient. The whistleblower's unrestricted anonymity is not called for and shall not be provided in order to prevent misuse. As it is not ultimately clear if No. 4.1.3 sentence 3 GCGC 2017 demands the whistleblower's strict anonymity, a deviation from this recommendation is declared by way of precaution.

*c) No. 4.1.5 sentence 1 GCGC 2017**(consideration of diversity for executive positions)*

According to the recommendations of the GCGC 2017, the executive board shall pay attention to the aspect of diversity in filling executive positions and thus aim for the adequate representation of women. The Executive Board of OVB Holding AG pursues the goal of promoting women and aims at having more women assume executive positions. However, the Executive Board holds the view that the aspect of diversity which includes the consideration of women should not be the sole determinant for filling executive positions. In the interest of the Company, the right choice much rather depends on management and leadership qualities, expert knowledge in response to the respective executive areas and responsibilities and professional experience. Therefore, a deviation from No. 4.1.5 sentence 1 GCGC 2017 is declared preventively.

*d) No. 5.1.2 (1) sentence 2 GCGC 2017**(consideration of diversity for composition of the executive board)*

According to the recommendations of the GCGC 2017, the supervisory board shall pay attention to the aspect of diversity in the composition of the executive board. The Supervisory Board of OVB Holding AG does consider diversity an objective

to be pursued for the composition of the Executive Board yet regards the specialist knowledge, capabilities and experience of the candidates in their respective fields of business and areas of responsibility as the ultimately deciding criteria for their selection in the interest of the Company and its shareholders. In view of these considerations, a deviation from No. 5.1.2 (1) sentence 2 GCGC 2017 is declared by way of precaution.

*e) No. 5.3.2 (3) sentence 2 GCGC 2017**(independence of the chairman of the audit committee)*

Among other topics, No. 5.3.2 (3) sentence 2 of the GCGC 2017 recommends that the chairman of the audit committee shall be independent. The Chairman of the Audit Committee of OVB Holding AG is a member of the Supervisory Board of an entity that is part of the SIGNAL IDUNA Group. As the requirements of the GCGC 2017 for independence are not ultimately clear, a deviation from this recommendation is declared by way of precaution.

*f) No. 5.4.1 (2) sentence 2 GCGC 2017**(consideration of diversity and definition of a regular limit of length of membership of the supervisory board)*

In the composition of the Supervisory Board, the aspect of diversity is generally taken into account. In the interest of the Company, however, the Supervisory Board will be governed in its election proposals to the Annual General Meeting primarily by the knowledge, capabilities and expert experience of the candidates to be suggested. For this reason a deviation from No. 5.4.1 (2) sentence 2 GCGC 2017 is declared by way of precaution.

Furthermore, the Supervisory Board of OVB Holding AG has decided not to determine a regular limit of length of Supervisory Board membership as a blanket regular limit would not consider individual factors justifying longer membership of individual members of the Supervisory Board. Suitability for performing one's tasks on the Board does not expire as one completes a certain time period of membership but depends solely on one's respective individual capabilities.

2. OVB Holding AG has complied and will continue to comply with the recommendations of the GCGC 2020, with the following exceptions:
- a) *A.1 GCGC 2020*
(*consideration of diversity for executive positions*)
According to A.1 GCGC 2020, the executive board must consider diversity when staffing executive positions. The Executive Board of OVB Holding AG believes that the aspect of diversity should not be the sole deciding criterion or even a primary criterion for staffing executive positions, but instead in the interests of the company the decisive factors should be management and leadership qualities, expert knowledge in the respective executive areas and responsibilities, and professional experience. Therefore, a deviation from A.1 GCGC 2020 is declared preventively.
- b) *A.2 sentence 2 GCGC 2020*
(*whistleblowing system with whistleblower protection*)
As in the case of No. 4.1.3 sentence 3 GCGC 2017, which had the same content, a deviation from A.2 sentence 2 GCGC 2020 is declared by way of precaution for the reasons specified in section 1.b) above.
- c) *B.1 GCGC 2020*
(*consideration of diversity for composition of the executive board*)
As with the preceding regulation in No. 5.1.2 (1) sentence 2 GCGC 2017, which had the same content, a deviation from the recommendation of B.1 GCGC 2020 is declared by way of precaution. To avoid repetition here, please refer to the statements in section 1.d) above for the reasons.
- d) *B.2 half-sentence 2 GCGC 2020*
(*description of the procedure for long-term succession planning in the declaration on corporate governance*)
As the GCGC 2017 did not yet include any recommendation that the procedure for joint long-term succession planning by the Executive Board and the Supervisory Board should be described in the declaration on corporate governance, no such description is included in the last declaration on corporate governance of OVB Holding AG from 26 February 2020. OVB Holding AG will include this description in the next declaration on corporate governance, meaning that the recommendation of B.2 half-sentence 2 GCGC 2020 will then be followed.
- e) *B.5 GCGC 2020*
(*disclosure of the specified age limit for executive board members in the declaration on corporate governance*)
Unlike B.5 GCGC 2020, the GCGC 2017 did not yet recommend that the age limit specified by the Supervisory Board for Executive Board members should be disclosed in the declaration on corporate governance. OVB Holding AG will include the specified age limit for Executive Board members in the next declaration on corporate governance, thus complying with the recommendation of B.5 GCGC 2020.
- f) *C.1 sentences 2 and 3 GCGC 2020*
(*consideration of diversity when staffing the supervisory board and making proposals to the Annual General Meeting*)
In the composition of the Supervisory Board, the aspect of diversity is generally taken into account. However, in view of the complexity of the business activities, the Supervisory Board bases its election proposals to the Annual General Meeting primarily on the knowledge, skills and professional experience of the candidates to be proposed, and for this reason a deviation from C.1 sentences 2 and 3 GCGC 2020 is declared by way of precaution.
- g) *C.1 sentence 5 GCGC 2020*
(*information about what the supervisory board regards as the appropriate number of independent shareholder representatives and the names of these members in the declaration on corporate governance*)
As it is not ultimately clear how detailed the information required by recommendation C.1 sentence 5 GCGC 2020 with regard to the independence of the shareholder representatives needs to be, a deviation from this recommendation is declared by way of precaution.
- h) *C.2 GCGC 2020*
(*disclosure of the specified age limit for supervisory board members in the declaration on corporate governance*)
Unlike C.2 GCGC 2020, the GCGC 2017 did not yet recommend that the age limit specified by the Supervisory Board for Supervisory Board members should be disclosed in the declaration on corporate governance. OVB Holding AG will state the specified age limit for Supervisory Board members in the next declaration on corporate governance, thus following the recommendation of C.2 GCGC 2020.

*i) G.9 sentence 2 GCGC 2020**(comprehensibility of target achievement)*

As confidentiality concerns of the company may prevent this in the case of strategically important targets, OVB Holding AG does not make any disclosures on target achievement that go beyond the legal obligations, contrary to the recommendation in G.9 sentence 2 GCGC 2020.

*j) G.10 sentence 1 GCGC 2020**(share-based remuneration elements)*

According to G.10 sentence 1 GCGC 2020, the variable remuneration granted to the executive board member, including the respective tax burden, should mainly be invested by this member in shares of the company or accordingly granted in a share-based form.

In view of the low free float at OVB Holding AG, the Supervisory Board does not consider such a share subscription as part of the Executive Board remuneration to be useful as a management element.

*k) G.10 sentence 2 GCGC 2020**(ability to access long-term variable components granted)*

G.10 sentence 2 GCGC 2020 recommends that executive board members should be able to access the long-term variable components granted only after four years. In view of the developments in the company's business area, OVB Holding AG does not consider this four-year period appropriate. Instead, the Supervisory Board believes that OVB's existing bonus bank system represents an appropriate incentive for sustainable business development.

*l) G.11 sentences 1 and 2 GCGC 2020**(accounting for extraordinary developments; possibility to retain or reclaim variable remuneration)*

Variable remuneration for the members of the Executive Board of OVB Holding AG is linked to

the achievement of defined ambitious criteria. Any possibility for the Supervisory Board to account for extraordinary developments and to retain or reclaim variable remuneration that goes beyond section 87 (2) AktG is not considered appropriate.

*m) G.12 GCGC 2020**(adherence to the due dates stipulated in the contract in the event that an executive board member's contract is terminated)*

The recommendation in G.12 GCGC 2020 stipulates that if an executive board member's contract is terminated, the disbursement of any remaining variable remuneration components attributable to the period up until contract termination shall be based on the originally agreed targets and comparison parameters, and on the due dates or holding periods stipulated in the contract. In deviation from this, at OVB Holding AG the remaining variable remuneration components of the bonus bank attributable to the period up until contract termination are disbursed immediately after the Executive Board member leaves. In this situation, it is not considered expedient to adhere to the due dates stipulated in the contract.

*n) G.13 sentence 2 GCGC 2020**(taking account of the severance payment in the calculation of the compensation payment)*

According to G.13 sentence 2 GCGC 2020, if post-contractual non-compete clauses apply, the severance payment shall be taken into account in the calculation of the compensation payment. However, it is not possible to interfere with current contracts of Executive Board members. Furthermore, the Supervisory Board considers it sensible to keep to the current contractual regulations.

Cologne, 8 December 2020

On behalf of the Executive Board



Mario Freis



Oskar Heitz



Thomas Hücker



Michael Johnnigk

On behalf of the Supervisory Board

Detailed information on the subject of corporate governance is also available on the OVB Holding AG website. For previous declarations of conformity that are no longer in effect, go to www.ovb.eu/english/investor-relations/corporate-governance.

Executive Board

Executive Board and Executive Board members

The Executive Board of OVB Holding AG consists of the following three members at present:

Mario Freis

(born 1975), on the Executive Board since 2010
CEO, responsible for Sales

Frank Burow

(born 1972), on the Executive Board since 2021
CFO

Thomas Hücker

(born 1965), on the Executive Board since 2014
COO

The curricula vitae for the members of the Executive Board can be found at www.ovb.eu/english/company-ovb/management.

As the management holding company, OVB Holding AG is at the top of the OVB Group. It determines the strategic goals and secures the aligned business policies. It is involved only to a limited extent in the business operations of the Group companies. Therefore, a three-person Executive Board is sufficient. The Board has expertise in a wide range of topics and has the required qualifications to perform the specific activities. Due to the current appointments on the Executive Board, the percentage of women will be zero until further notice. This has been taken into account by the Supervisory Board of OVB Holding AG in its definition of the target. In March 2017, pursuant to Section 111 (5) AktG it resolved a target of 0 for the five-year period between 1 July 2017 and 30 June 2022.

However, it is possible that this figure will be exceeded if the Executive Board adds further members or one of the three current members leaves office prematurely.

The Supervisory Board and Executive Board keep aiming at increasing the representation of women on the Supervisory Board, on the Executive Board and at the executive level below the Executive Board and giving preference for new openings to women over men at equal professional qualification.

For the representation of women at the senior executive level below the Executive Board, in March 2017 the Executive Board of OVB Holding AG resolved a 10.5 per cent target for the time period between 1 July 2017 and 30 June 2022.

The long-term succession planning for the Executive Board provides for a formal internal process that regularly reviews suitable people within the Group. These people are categorized into various groups depending on when they might be eligible for a position. The central criteria for suitability when selecting candidates for the Executive Board's long-term succession planning include professional qualifications for the segment they will oversee, management skills, their performance to date, and their industry expertise. Diversity is also taken into account and will be achieved primarily by selecting people with different, complementary profiles, particularly with regard to their professional and personal experience. In sum, the Executive Board should have many years of company management experience, particularly in executive management. For specific personnel nominations, a balanced mix must be ensured so that the desired expertise on the Executive Board is represented as much as possible. The defined age limit for the Executive Board members must also be taken into account for succession planning. Executive Board members of OVB Holding AG will reach the age limit automatically when they turn 67.

Activities of the Executive Board

The Executive Board of OVB Holding AG directs the Company and the Group managed by the Company on its own authority. The Executive Board assumes its management tasks, particularly including corporate planning, the Group's strategic orientation and its control and monitoring as well as the Group's financing, as a corporate body composed of Executive Board members who share the overall responsibility for the Company's management. They work together as colleagues and inform each other constantly about the measures and transactions of relevance in their respective areas of responsibility. Overall responsibility of all Executive Board members notwithstanding, the individual Board members manage the areas of responsibility assigned to them on their own authority.

The Executive Board's work is defined in detail by the bylaws resolved by the Supervisory Board, also determining the topics that are subject to Executive Board decisions to be made in full session and other formalities for the Executive Board's resolutions. The assignment of the areas of responsibility to the individual members of the Executive Board derives from a schedule of responsibilities that is part of the bylaws.

The Executive Board consults the Supervisory Board on the Company's strategic orientation in detail and discusses the strategy and its implementation with the Supervisory Board at regular intervals. The Executive Board reports to the Supervisory Board on all aspects of relevance to the Company relating to business performance, assets and liabilities, financial position and profit/loss, planning and target achievement, risk position and risk management regularly, comprehensively and in a timely manner. Any deviations of the business performance from the scheduled plans and targets are discussed and explained within this framework. The Executive Board's regular and in-depth reports delivered at the meetings of the Supervisory Board and the Audit Committee also include the subject of compliance, i.e. the measures for the observance of statutory provisions and in-house guidelines.

Certain Executive Board decisions of special importance require the approval of the Supervisory Board. Those cases are defined in the Executive Board's bylaws and relate to e.g. the acquisition of non-current assets or borrowing of financial loans in excess of a certain amount. The formation, acquisition, liquidation and disposal of holdings require approval as well.

Executive Board resolutions are adopted at meetings held regularly – at least once a month – and chaired generally by the Chairman of the Executive Board. Furthermore, any Board member may call for the convening of a meeting. If not required otherwise by law, the Executive Board decides by a simple majority of the votes cast. In case of a tie of votes, the Chairman has the casting vote.

Practices and tools of corporate governance

In regularly published annual reports, semi-annual reports and quarterly reports, the company provides information about the activities and decisions of the Executive Board. The publication dates are listed in the financial calendar under www.ovb.eu/english/investor-relations/financial-publications-and-financial-calendar. OVB Holding AG also issues ad hoc reports on events in the Group that are relevant for the capital market.

As one of Europe's leading financial advisory groups, OVB Holding AG's core business does not involve manufacturing. The influence of OVB's business operations on the use of natural resources is low compared with the manufacturing industry and should be considered immaterial for the Company's business.

Nonetheless, the company takes its social responsibility seriously and focuses in particular on customer and employee concerns as well as combating corruption and bribery. The activities that OVB Holding AG performs in order to live up to this responsibility and the expectations of its stakeholders are described and published annually in a separate, non-financial consolidated report in accordance with Sections 315b and 315c in conjunction with Sections 289c to 289e of the Commercial Code (HGB).

This is published along with the annual reports and is available at www.ovb.eu/english/investor-relations/financial-publications-and-financial-calendar.

Compliance as an essential management task of the Executive Board

OVB Holding AG defines compliance as legally and ethically correct actions of its employees in their daily business. Each employee has an impact on the Company's reputation as a result of his or her professional conduct.

Violations of applicable law, relevant codes or in-house rules are not tolerated. The subject of compliance is very important to OVB Holding AG. Compliance activities as a means to ensure adherence with these rules and their observance by the Group companies are essential tasks in management and monitoring for OVB and are not limited to our own employees but also address the financial advisors who work for us in our various markets.

The OVB Group transacts its business responsibly and in compliance with European ordinances, the laws and official regulations of the countries in which the respective group companies operate.

The OVB Group has implemented compliance principles and there is a compliance management system (CMS) with the pillars of "prevent, recognise, respond". This CMS is being further developed on a continuous basis in house, and reviewed regularly with regard to the changing legal requirements. With the regular advancement of the CMS implemented at OVB, an important contribution is made to the systematic expansion of prevention and control measures.

In close cooperation with the Executive Board, the CMS is reviewed and adapted regularly to the requirements of the OVB Group by the Head of Compliance and their compliance team.

Under the “three lines of defence” model, Compliance works toward an appropriate defence model in close cooperation with the departments Risk, Controlling and Auditing.

The Governance Risk committee, which is comprised of representatives from the aforementioned departments, supports the Executive Board in assessing identified risks and evaluating any measures that may be required.

The CMS comprises OVB's principles and measures for assuring compliant conduct of its staff. One central component of conduct in compliance with the rules is a code of conduct, representing the foundation of the compliance provisions throughout the Group and explaining the basic principles our actions are based on. It was fully revised in the last financial year and communicated to all employees of the OVB Group.

With the help of the CMS, the continuous development of OVB's in-house standards of conduct and the implementation of internal and external requirements, particularly regulatory ones, are managed and controlled. The entire OVB management team has made it their job to bring compliance to life.

Another key instrument provided by the CMS for safeguarding compliance throughout the OVB Holding AG is the guideline management system of OVB. In addition to the guideline management system, other internal control mechanisms are implemented as part of the CMS, particularly in order to meet the legislator's EU-wide regulatory requirements adequately and in good time. In particular, these include the requirements of the EU General Data Protection Regulation and the IDD (Insurance Distribution Directive).

The individual corporate guidelines contain further specific instructions for safeguarding compliance with legal obligations and internal guidelines and creating consistent standards for all Group companies wherever possible.

The essential tasks of OVB's compliance management include the identification and prevention of potential compliance risks in a systematic process, promoting the regulation-compliant conduct of business partners and developing and implementing communication measures on this subject. These Group-wide risk analyses are carried out quarterly at a minimum.

Regulatory developments are constantly observed to make sure that potential significant effects on OVB are identified early on and suitable corresponding measures can be taken.

The Group's Head of Compliance reports directly to the Chief Financial Officer. Local compliance officers from all operating companies report to the Head of Compliance and handle all compliance-relevant situations at operating level.

The compliance team of OVB Holding AG works closely together with the Executive Board, the management teams of its subsidiaries and other executives, addresses questions of doubt and assists all employees in adhering to external and internal provisions.

Based on regular reports delivered by the Head of Compliance, the Executive Board, the Supervisory Board's Audit Committee and the Supervisory Board in full session are informed about recent developments in this field. The compliance reports also form part of OVB's risk management reporting. Furthermore, the Head of Compliance is available to all employees and third parties in all issues of compliance for discussion and advice and assists in finding solutions to compliance issues.

Cooperation with the Supervisory Board

The Executive Board and Supervisory Board of OVB Holding AG work closely together in the interest of the company and communicate with each other on a regular basis. The Executive Board notifies the Supervisory Board regularly, as soon as possible, and comprehensively of the key aspects of the strategic alignment, the course of business, compliance, and risk management. It notifies the Supervisory Board of the current earnings and risk situation and significant transactions. Deviations from the business plans are examined and explained in full.

Compensation system and pay for the Executive Board members

The Executive Board compensation system is in accordance with the relevant requirements under the stock corporation laws that apply to the reporting period.

Details on the structure of the compensation system and the amount of payment can be found in the compensation report, which is part of the annual report.

Supervisory Board

Members and chair

The Supervisory Board of OVB Holding AG consists of the following members at present:

Michael Johnigk,

Chairman

Diplom-Kaufmann (degree in business)

Retired, previously Member of the Executive Boards of SIGNAL IDUNA Group, Dortmund, Hamburg (born 1953, on the Supervisory Board since 2001, elected until 2023)

Dr. Thomas A. Lange,

Deputy Chairman

Chairman of the Board of Directors of NATIONAL-BANK AG, Essen

(born 1963, on the Supervisory Board since 2013, elected until 2023)

Maximilian Beck

Member of the Executive Board of Basler Lebensversicherungs-AG (Hamburg), Basler Sachversicherungs-AG (Bad Homburg), Basler Sach Holding AG (Hamburg) and Managing Director of Basler Saturn Management B.V. in its capacity as general partner of Basler Versicherung Beteiligungen B.V. & Co. KG (Hamburg)

(born 1973, on the Supervisory Board since 2018, elected until 2023)

Markus Jost

Independent Certified Expert for Accounting and Management Accounting

Previously a member of the Executive Boards of Basler Versicherungen, Bad Homburg/Hamburg

(born 1961, on the Supervisory Board since 2013, elected until 2023)

Wilfried Kempchen

Businessman

Retired; former CEO of OVB Holding AG

(born 1944, on the Supervisory Board since 2012, elected until 2023)

Harald Steirer

Management consultant, works exclusively for the branch of Generali CEE Holding B.V., Prague, Czech Republic

(born 1961, on the Supervisory Board since 2020, elected until 2023)

The members of the Supervisory Board are listed in the 2020 annual report, to be published on 23 March 2021

and on the website www.ovb.eu/english/company-ovb/management. There you will also find the curricula vitae of the Supervisory Board members. The vitae list which additional Supervisory Board offices they hold.

Supervision and advice to the Company's management - the Supervisory Board

The Supervisory Board supervises and advises the Executive Board, appoints its members and is directly involved in all decisions of essential relevance to the Company.

The Supervisory Board also coordinates the Company's strategic orientation and routinely discusses the implementation of the business strategy with the Executive Board. The Chairman of the Supervisory Board coordinates this corporate body's work and chairs its meetings. Maintaining constant exchange with the Executive Board, the Supervisory Board is always informed about the business policy, corporate planning and strategy. It is also the Supervisory Board's responsibility to adopt or rather approve the separate and consolidated financial statements as well as the management report of OVB Holding AG integrated into the combined management report based on its own examination and in consideration of the reports provided by the auditor. As part of its report to the Annual General Meeting, the Supervisory Board informs the shareholders about its work.

According to Section 10 (1) of the Articles of Association, the Supervisory Board consists of six members, all of whom are elected by the Annual General Meeting of shareholders.

The terms of the Supervisory Board members elected by the Annual General Meeting of shareholders expire as of the conclusion of the Annual General Meeting in the year 2023 that will decide on the formal approval of the actions of the Executive Board and Supervisory Board members for financial year 2022.

Committees and their procedures

The Supervisory Board has established two standing committees to support the Board's efficient performance of its tasks as well as a focused discussion of topics by providing assistance to the Board's work in full session: the Audit Committee and the Nomination and Remuneration Committee. Within their respective scope of responsibility, the committees prepare the resolutions of the Supervisory Board as well as the topics to be addressed in full session. At each following Supervisory Board meeting a report is given on the committees' work. Supplementing the bylaws of the Supervisory

Board, there are separate bylaws for the Audit Committee and the Nomination and Remuneration Committee.

Audit Committee

By preparing topics and resolutions for the Supervisory Board, the four Committee members particularly address the diligent examination of the separate and consolidated financial statements as well as of the management report of OVB Holding AG integrated into the combined management report.

The Audit Committee also concerns itself with issues of financial accounting, risk management and compliance. It manages the auditor's selection process and furnishes a suggestion to the Supervisory Board in consideration of the required auditor independence. The Audit Committee discusses and aligns the key audit matters with the auditor and decides on the fee agreement with the auditor. The Committee also discusses the quarterly and 6-month financial reports with the Executive Board prior to their publication.

The current members of the Audit Committee are:

Dr Thomas A. Lange (Chairman)
Michael Johnigk
Maximilian Beck
Markus Jost

Nomination and Remuneration Committee

This Committee, consisting of the Chairman of the Supervisory Board and one other Board member, prepares the body of work for the Supervisory Board's consideration in full session and suggests suitable candidates to the Supervisory Board for its election proposals to the Annual General Meeting. It also concerns itself with the composition of the Executive Board and its succession planning as well as with issues relating to the remuneration of Executive Board members.

The current members of the Nomination and Compensation Committee are:

Markus Jost (Chairman)
Michael Johnigk

Objectives for the composition of the Supervisory Board

The Supervisory Board has expressed that it is a major concern to ensure a composition of the responsible corporate bodies, Executive Board and Supervisory Board,

that supports the welfare of the Company. Even though diversity is considered a target generally to be aimed for in this context, the Company does not pursue an explicitly defined diversity concept for the purpose of Section 289f (2) no. 6 HGB (Commercial Code). For the Company, the respective members' individual experience, skills and knowledge have top priority in considering the composition of the Executive Board and Supervisory Board. The Supervisory Board has determined specific objectives for its composition and framed a competency profile for the Board as a whole. The following set of experiences, skills and knowledge are regarded as essential:

- Experience in distribution and the management of a sales organisation
- Familiarity with the insurance industry / financial services industry in the relevant markets in which OVB operates
- Expertise of the Board as a whole in the fields of digitisation, accounting, financial accounting, management accounting, risk management, governance and compliance and the Board membership of one financial expert

The Supervisory Board holds the view that the requirements of the competency profile and the target composition are met completely with the skills, experience and expertise that the members of the Supervisory Board contribute.

The competencies, skills and experience of the individual Supervisory Board members can be found in the curricula vitae available on our website at www.ovb.eu/english/company-ovb/management.

The decisions of the Supervisory Board on election proposals to be made to the Annual General Meeting of shareholders are based on the competency profile for its composition as adopted by the Supervisory Board and shall be oriented solely towards the Company's best interest. In the interest of the Company, the Supervisory Board is particularly dependent on its members' specific knowledge and experience relating to the Company's business activity and business model, the products offered and the different markets in which the subsidiaries operate. Such knowledge and experiences enable the Supervisory Board to assume its statutory task of supervision efficiently and to be available to the Executive Board as a competent partner and advisor with respect to the Company's strategic orientation and all subject matters relating to its future development.

When making nominations at the Annual General Meeting, the Supervisory Board will focus only candidates who are younger than 75 at the time of election.

Further information on the composition of the Supervisory Board

Under C.6 GCGC 2020, the Supervisory Board should have at least four shareholders who are independent from the company and the Executive Board as well as from the controlling shareholder. The Supervisory Board has also defined four members as a suitable number of members with partial independence from the company and the Executive Board on the one hand and from the controlling shareholder on the other hand.

The Supervisory Board members Michael Johnigk, Dr Thomas A. Lange, Markus Jost, Wilfried Kempchen and Harald Steirer are independent from the company and from the Executive Board as well as the controlling shareholder.

Michael Johnigk, Dr Thomas A. Lange, Markus Jost, Wilfried Kempchen and Harald Steirer are partially independent from the company and from the Executive Board (according to C.7 GCGC 2020). Michael Johnigk has been on the Supervisory Board of OVB Holding AG for more than 12 years, so that the indicator under C.7 Para. 2, fourth bullet point GCGC 2020 is relevant.

This notwithstanding, the Supervisory Board feels that Mr Johnigk has the essential and necessary critical distance for performing the monitoring activities. The necessary critical distance is also given by Markus Jost, who had a responsible function until 1 September 2017 for Basler Versicherungen (indicator under C.7 Para. 2, second bullet point, GCGC 2020).

All Supervisory Board members, meaning Michael Johnigk, Dr Thomas A. Lange, Maximilian Beck, Markus Jost, Wilfried Kempchen and Harald Steirer are partially independent from the controlling shareholder (under C.9 GCGC 2020), i.e., from SIGNAL IDUNA Lebensversicherung a. G. and SIGNAL IDUNA Krankenversicherung a.G.

The Supervisory Board still aims to increase the number of women on the Board. The Board last passed a resolution on the target figure for the number of women on the Supervisory Board in March 2017. At the time, in the interest of flexibility the target number of women on the Supervisory Board remained at 0 for the time period from 1 July 2017 to 30 June 2022.

Working methods of the Supervisory Board in full session and in the Committees

The Supervisory Board appoints the Executive Board, advises it on managing the company, and monitors its activities. It is also in charge of appointing and removing members on the Executive Board. It also decides on the system for and amount of compensation on the Executive Board. At OVB Holding AG, the Supervisory Board is involved in all significant company decisions. The bylaws for the Executive Board define a list of transactions that the Executive Board cannot conduct without the consent of the Supervisory Board. The principles of cooperation for the Supervisory Board of OVB Holding AG are set forth in the bylaws for the Supervisory Board, available at www.ovb.eu/english/investor-relations/corporate-governance.

Even outside the framework of meetings, the Chairmen of the Supervisory Board and the Audit Committee regularly share their opinions with the Executive Board. They report on any relevant information in the following Supervisory Board or Committee meeting at the latest.

The members are personally responsible for obtaining the education and further training they need to perform their duties. This has always been the case. They will be assisted by OVB Holding AG if required. For example, new Supervisory Board members are introduced to individual areas of OVG's operating business and the Group structure.

Furthermore, the Supervisory Board regularly performs a self-assessment of how effectively the Supervisory Board and its committees fulfil their duties. This was last completed in autumn 2020.

As part of a formal, structured process, the members of the Supervisory Board first answered a comprehensive survey on an anonymous basis that was aligned to the concerns of OVB Holding AG. The results showed a self-assessment of the respondents for the aspects of strategy, structure, processes, composition, and employment culture. The results of the analysis were presented and examined on the Board.

Each Supervisory Board member discloses any conflicts of interest resulting from his involvement to the Supervisory Board without delay.

The Supervisory Board informs about any conflicts of interest and how they have been responded to in its report to the Annual General Meeting of shareholders.

For more details on the activities of the Supervisory Board and its committees, see the latest report of the Supervisory Board at www.ovb.eu/english/investor-relations/financial-publications-and-financial-calendar.

The Supervisory Board's activities in the year under review

In 2020 as well, the Supervisory Board performed all activities as required by law and the Articles of Association. It advised the Executive Board on management of the company and monitored its actions carefully; at the same time it was involved in all fundamental decisions. It was informed regularly, comprehensively and in a timely manner by the Executive Board about the primary aspects of business performance, the earnings situation, and the risks and their management. The Supervisory Board has made its decisions on the basis of comprehensive reports and proposed resolutions from the Executive Board. It has had sufficient opportunity to review the reports and proposed resolutions of the Executive Board both in the full sessions and in the committees. The Executive Board also reported to it outside meetings in full about projects and processes with special significance or urgency. The Supervisory Board has adopted all of the resolutions required by the law or the Articles of Association, including by way of circulation procedure. The Chairman of the Supervisory Board was in regular contact with the Executive Board. Events of extreme importance for the status and development of the Group were therefore handled without delay. Last year, the Supervisory Board had six ordinary meetings. More information on the meetings, such as on the attendance by the Supervisory Board members and the topics, can be found in the Supervisory Board report section of the 2020 annual report.

Compensation of the Supervisory Board members

Compensation for the Supervisory Board is set forth in Article 14 of the Articles of Association of OVB Holding AG, available at www.ovb.eu/english/investor-relations/corporate-governance.

Further details on the structure of the compensation system for the Supervisory Board and the amount of payment for its members can be found in the current compensation report, which is part of the annual report.

Accounting and annual financial statement audits

Information on annual financial statements and management reports, as well as other reports

OVB Holding AG prepares not only an annual report but also semi-annual reports and quarterly financial reports. The individual financial statement of OVB Holding AG, which is relevant for dividend payments, is prepared in accordance with the German Commercial Code (HGB). The consolidated financial statements are prepared under the International Financial Reporting Standards (IFRS). Alongside the annual and semi-annual reports and the quarterly financial reports, OVB Holding AG also publishes management reports under Section 289 HGB, which explain the business operations and the company's status. In the annual, separate, non-financial consolidated report in accordance with Sections 315b and 315c in conjunction with Section 289c to 289e of the Commercial Code (HGB), OVB Holding AG provides information about employee and social issues, among other things. This publication is available on our website. The dates for the aforementioned publications can be found in the financial calendar also available at www.ovb.eu/english/investor-relations/corporate-governance.

Financial statement audits

The Audit Committee of the Supervisory Board monitors the financial statement audits and ensures the quality. It verifies the independence of the financial statement auditor and evaluates the other services performed by this auditor. It also prepares a proposal for the financial statement auditor at the Annual General Meeting and provides a recommendation. It is also in charge of hiring the auditor, defining additional audit areas, and concluding a fee agreement with the financial statement auditor. The Chairman of the Audit Committee is in regular contact with the financial statement auditor and discusses the content of the audits with them. The financial statement auditor is elected for one financial year by the Annual General Meeting as prescribed by law. Last year, the Annual General Meeting of OVB Holding AG appointed PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC) as auditor for the 2020 financial year at the suggestion of the Supervisory Board. Before the Audit Committee gives the Supervisory Board a recommendation on hiring the financial statement auditor, it obtains a statement from the auditing company as to whether and to what extent any business, financial, personal or other relationships exist

between it, its management bodies and its chief auditors on the one hand and the audited OVB companies and their management bodies on the other hand that might undermine the independence of the auditor.

If situations arise during the audit that could compromise the independence of the auditor or its committee and cannot be resolved immediately, the auditor must notify the Chairman of the Audit Committee immediately.

They must also notify the Supervisory Board about all relevant situations for their activities that the auditor obtains knowledge of during the audit of the financial statements. They must also inform the Supervisory Board or make a note in the audit report if they identify facts that contradict the Declaration of Conformity under Section 161 AktG. The fees paid to PwC are listed in the latest annual report.

Shareholders / Annual General Meeting

Shareholder rights at the Annual General Meeting

The shareholders of OVB Holding AG exercise their rights primarily through adopting resolutions and asking questions in the Annual General Meeting.

OVB publishes the invitation to the Annual General Meeting including the required documents and reports online at www.ovb.eu/english/investor-relations/annual-general-meeting.

At the 2021 Annual General Meeting, for the first time OVB Holding AG will hold a shareholder vote on the compensation system under the Second Shareholder Rights Directive Implementation Act (ARUG II).

Handling information relevant to the share price

OVB Holding AG publishes all significant information that relates to the company's standing on the website at www.ovb.eu.

When financial results are published, the company holds calls with financial analysts and investors.

Additional information on corporate governance at OVB Holding AG

Insider list / Directors' dealings

In order to guarantee that potential insider information is handled in compliance with the law, OVB Holding AG keeps an insider list in accordance with the Market Abuse Regulation.

Under Article 19 of the EU Market Abuse Regulation, managers must notify OVB Holding AG and the responsible authorities when they buy or sell shares in OVB Holding AG.

There were no transactions of this kind in the 2020 financial year. Announcements of reportable transactions of this kind are released without delay on the internet at www.ovb.eu/english/investor-relations/corporate-governance.

Cologne, 17 March 2021

On behalf of the
Supervisory Board



Michael Johnigk

On behalf of the
Executive Board



Mario Freis
CEO



Frank Burow
CFO



Thomas Hücker
COO