

Declaration of Compliance of MLP SE pursuant to § 161 of the German Stock Corporation Act (AktG)

(As per: November 9, 2020)

Pursuant to § 161 of the German Stock Corporation Act (AktG), the Executive Board and Supervisory Board of MLP SE hereby declare that the Company has generally complied with the recommendations of the Government Commission for the German Corporate Governance Code in the version dated February 7, 2017 (hereinafter also referred to as the "GCGC 2017") since the last Declaration of Compliance was issued and will generally continue to comply with the recommendations of the Government Commission for the German Corporate Governance Code in the version dated December 16, 2019 (hereinafter also referred to as the "GCGC 2019") in the future. With regard to the recommendations of the Government Commission for the German Corporate Governance Code in the version dated February 7, 2017 reference is made to the Declaration of Conformity of November 13, 2019. Accordingly, only the recommendations in sections 4.1.5, 4.2.3 sentence 11, 4.2.3 sentences 12 to 14, 5.1.2. sentence 2, 5.1.2 sentence 8, 5.4.1 (2) sentence 2 clause 4, clause 5 and clause 6, section 5.4.1 (5) sentence 2 clause 1 of the GCGC 2017 were not applied in the past.

With regard to the recommendations of the Government Commission for the German Corporate Governance Code in the version dated December 16, 2019, only recommendations A.1, B.1, B.5, C.1 sentence 5, C.2, C.4, C.6, C.7, C.8, C.9, C.10, C.14, D.4, G.7 and G.10 are currently not being applied and will also not be applied in future.

The reasons for these deviations from the recommendations are as follows:

Recommendation A.1 of the GCGC 2019 (considering diversity when making appointments to executive positions)

As per the recommendations of the GCGC 2019, the Executive Board should consider diversity when making appointments to executive positions.

In the current financial year, the Executive Board has intensified its efforts with respect to diversity making appointments to executive positions and, in particular, strives to achieve appropriate consideration of women at managerial levels in the Company. In the past, the Executive Board of MLP SE already took measures directed at reconciling working life and family life. In the financial years 2019 and 2020, the Executive Board again reviewed the effectiveness of these measures and appropriately complemented these where necessary. The Executive Board already adopted an overall concept in November 2013 to ensure that appropriate consideration is given to women in the Company's management ranks, taking into account the Company's specific situation. This concept is currently being tested. Among other things, it should make a contribution, on the basis of objectives, to further improving reconciliation of working and family life, which is set out in a target agreement of the Company that is moderated by the Hertie Foundation in the context of a *berufundfamilie*[®] audit. However, no concrete gender-specific guidelines with regard to filling positions have yet been established. Nevertheless, in 2020 the Executive Board at MLP SE approved a target of at least 33 percent for female managers at the first management level below the Executive Board at MLP SE, whereby this percentage is to be achieved by the end of the financial year 2025. Beyond this, MLP SE does not have a second level of management below the Executive Board.

At present these measures are not sufficient enough to meet the requirements laid down in recommendation A.1 of the Code. MLP therefore declares that it will deviate from this recommendation in the financial year 2020 as in the financial year 2021.

Recommendation B.1 of the GCGC 2019 (diversity in the composition of the Executive Board)

As per the recommendations of the GCGC 2019, the Supervisory Board should pay attention to diversity in terms of the composition of the Executive Board.

The Supervisory Board of MLP SE strives to further intensify its future efforts with respect to diversity and, in particular, an appropriate consideration of women when appointing members of the Executive Board. The Supervisory Board gives specific consideration to applications from suitable female candidates in its selection procedures. For the first time in the financial year 2014 the Supervisory reviewed this aspect and will undertake further measures in order to build on the Group-wide overall concept already passed by the Executive Board for the implementation of the respective GCGC 2017 recommendation (considering diversity when making appointments to executive positions) and also achieve an appropriate consideration of women within the Executive Board of the Company, taking into account the Company's specific situation. In 2020, the Supervisory Board confirmed the target of at least 25 percent for the proportion of women on the Executive Board – which currently only comprises three persons – and set itself the end of the financial year 2025 as the implementation deadline.

The Supervisory Board is of the opinion that the state of implementation achieved to date is not yet sufficient to meet the requirements set out in recommendation B.1 of the GCGC 2019. MLP therefore declares it will deviate from this recommendation at present, in the financial year 2020 and in the financial year 2021.

Recommendation B.5 of the GCGC 2019 (age limit for members of the Executive Board and disclosure in the declaration on corporate governance)

As per the recommendations of the GCGC 2019, an age limit is to be specified for members of the Executive Board and disclosed in the declaration on corporate governance.

There is no set age limit for members of the Executive Board at MLP. The appointment of members of the Executive Board should be based solely on their knowledge, skills and specialist experience. MLP does not comply with this recommendation at present, and will not comply in the financial year 2020 nor in the financial year 2021.

Recommendation C.2 of the GCGC 2019 (age limit for members of the Supervisory Board and disclosure in the declaration on corporate governance)

As per the recommendations of the GCGC 2019, an age limit is to be specified for members of the Supervisory Board and disclosed in the declaration on corporate governance.

No age limit is set for members of the Supervisory Board at MLP. The election of members of the Supervisory Board should be based solely on their knowledge, skills and specialist experience. MLP does not comply with this recommendation at present, and will not comply in the financial year 2020 nor in the financial year 2021.

Recommendation C.4 of the GCGC 2019 (number of non-group mandates)

As per the recommendations of the GCGC 2019, a member of the Supervisory Board that does not hold a position on any Executive Board at a listed company should not assume more than a total of five Supervisory Board mandates at listed companies outside the Group or comparable functions, whereby the position of Chair of the Supervisory Board counts as two mandates.

As per Principle 12 of the GCGC 2019, the Supervisory Board should ensure that all candidates can commit the time likely to be required when making proposals for election of new members to the Supervisory Board. This recommendation was based on the fact that the workload resulting from the individual mandates and other offices, as well as the personal situation of the candidates, can vary quite markedly. § 100 (2) no. 1 of the German Stock Corporation Act (AktG) limits the maximum number of Supervisory Board mandates to ten mandates per person. § 25d of the German Banking Act, which also applies to MLP SE, in turn limits the number of mandates such that anyone who is a member of the Executive or Supervisory Board at more than five companies which are under the supervision of the Federal Financial Supervisory Authority (BaFin) cannot be a member of the Supervisory Board, unless these companies are covered by the same institutional protection scheme. However, a higher number of mandates is also legally permitted based on this regulation. Set against this background, MLP considers that it is adopting the correct approach by having its Supervisory Board ensure that the respective candidate can commit the required amount of time and also reviewing this regularly.

MLP therefore declares it will deviate from this recommendation at present, in the financial year 2020 and also in the financial year 2021.

Recommendation C.1 sentence 5, C.6, C.7, C.8, C.9, C.10 and D.4 of the GCGC 2019 (independence of Supervisory Board members and committee members)

As per recommendation C.1 sentence 5 of the GCGC 2019, the declaration on corporate governance should also report on the number of independent shareholder representatives deemed appropriate on the basis of the assessment performed by the Supervisory Board, as well as stating their names. As per recommendation C.6 of the GCGC 2019, the Supervisory Board should include a number of independent members on the shareholder side that the Supervisory Board itself deems appropriate. The ownership structure should be taken into account here. In the sense of this recommendation, a member of the Supervisory Board can be classed as independent if said person is independent from the Company and its Executive Board, as well as independent from a controlling shareholder.

As per recommendation C.7 of the GCGC 2019, more than half of the shareholder representatives should be independent from the Company and from the Executive Board. As stipulated by the GCGC 2019, a member of the Supervisory Board is independent from the Company and its Executive Board when said person is not engaged in any kind of personal or business relationship with the Company or its Executive Board that could be constitute a significant and not only temporary conflict of interests. When assessing the independence of its members from the Company and from the Executive Board, the shareholder side should in particular take into account whether the actual member of the Supervisory Board or one of their close family members

- has already been a member of the Executive Board at the Company in the two years prior to being appointed,

- maintains or has maintained, either currently or in the year up to their appointment, a key business relationship with the Company or one of its subsidiaries/dependent companies (for example as a client, supplier, creditor or consultant) either directly or as a shareholder or in a responsible role at a non-group company,
- is a close family member of a member of the Executive Board or
- has held a position on the Supervisory Board for more than 12 years.

Insofar as one or more of the indicators stated in recommendation C.7 of the GCGC 2019 is met, but the respective member of the Supervisory Board is still considered independent despite this, recommendation C.8 of the GCGC 2019 stipulates that this should be justified in the declaration on corporate governance. In the case of a Supervisory Board with six or fewer members, recommendation C.9 of the GCGC 2019 states that at least one representative of the shareholders should be independent from the controlling shareholder, whereby a member of the Supervisory Board is independent from the controlling shareholder if neither said member nor one of their close family members is a controlling shareholder, sits on a management committee of the controlling shareholder or is in a personal/business relationship with the controlling shareholder that could justify a significant and not only temporary conflict of interests.

As per recommendation C.10 of the GCGC 2019, the Chairman of the Supervisory Board, the Chairman of the Audit Committee and of the committee that addresses Executive Board compensation should all be independent. The independence of the Chairman of the Audit Committee is then once again postulated by recommendation D.4 of the GCGC 2019.

MLP has chosen not to adopt these recommendations for the following reasons: When the Audit Oversight Reform Act (APAReG) came into force on June 17, 2016, the former legal regulations on independence of members of the Supervisory Board were dropped completely. The justification submitted by the government during the legislative procedure stated that "*a generally high degree of independence is already ensured*" through institutional separation of the Supervisory Board and Executive Board. However, recommendation C.6 (2) of the GCGC 2019 now states that members of the Supervisory Board are to be classed as independent if they are independent from the Company and its Executive Board, as well as independent from a controlling shareholder. The fact that recommendation C.7 (2) of the GCGC 2019 contains a (non-exhaustive) list of criteria that the shareholder side should take into account when assessing independence is also new. From MLP's perspective, both this indicator solution and the assessment of individual members of the Supervisory Board involve a certain degree of legal uncertainty for associated declarations of compliance.

Firstly, it uses terminology that is both vague and not defined precisely in terms of legislation or legal practice, such as "close family member" or "independence from the Executive Board".

Secondly, according to the GCGC 2019, it must be taken into account whether the person in question has been a member of the Supervisory Board for more than twelve years. In this respect it already appears questionable whether a long period spent on a Supervisory Board is actually an indicator of a lack of independence. While it might well be the case that spending many years as a member of a Supervisory Board can make a person professionally blinkered to a certain extent, an initial assertion of fraternisation and thereby a lack of independence from the Executive Board cannot be justified by this alone. From MLP's perspective, even Supervisory Board mandates that are performed for more than 12 years still allow such members to act independently and remain impartial with regard to the Executive Board. Added to this is the fact that,

from our perspective, such a presumption must surely also require correspondingly long continuity in terms of the composition of the Executive Board. Of course, it is considered good practice for members of the Supervisory Board at companies to maintain at least certain personal and professional distance from the members of the Executive Board, so that they can remain impartial in a critical situation or when reaching decisions on topics that might be considered controversial. However, this cannot be reliably addressed with all its nuances by legal norms or code recommendations. From MLP's perspective, it must instead remain in the purview of good practice at each company. Set against this background, MLP considers the provisions of the GCGC 2019 regarding independence to be flawed and will therefore continue to assess the independence of its Supervisory Board members using the same criteria on which this assessment has been based to date.

Applying these criteria, which MLP will continue to use, to the current Supervisory Board members on the shareholder side, it becomes clear that three of these Supervisory Board members should be considered independent in this sense. From the Company's perspective, this appears perfectly adequate. Set against this background, it is superfluous to disclose which of the new independence criteria stipulated by the GCGC 2019 individual members of the Supervisory Board at MLP SE fail to meet. The same applies to the further disclosure recommended in C.9 of the GCGC 2019.

Irrespective of this, MLP declares that it currently deviates from the above recommendations C.1 sentence 5, C.6, C.7, C.8, C.9, C.10 and D.4 of the GCGC 2019 and will continue to do so both in the financial year 2020 and in the financial year 2021, since the Supervisory Board has not approved any fixed targets for the number of independent Supervisory Board members, does not agree with the definition of independence in the GCGC 2019, has not stipulated any appropriate number of independent Supervisory Board members in the sense of the GCGC 2019 and also has not provided their names, instead considering appointments on the basis of the respective qualifications.

Recommendation C.14 of the GCGC 2019 (inclusion of a curriculum vitae for candidate proposals)

As per the recommendations of the GCGC 2019, all candidate proposals are to be submitted to the Annual General Meeting together with a CV that provides information on the relevant knowledge, expertise and experience of the respective candidate.

MLP will deviate from this. MLP discloses all legally required information with its candidate proposals to the Annual General Meeting. Indeed, MLP has already published the CVs of members of the Supervisory Board. However, sufficient clarification has yet to be provided in the legal discussion as to whether the ruling to include a CV with all candidate proposals submitted to the Annual General Meeting applies only to the resolution on election of shareholders' representatives or also employees' representatives and which information specifically needs to be included in the CVs in order to provide information on the respective candidate's knowledge, expertise and experience. In addition to this, including CVs with the candidate proposals on the agenda increases the risk of disputes regarding the election of members to the Supervisory Board. From MLP's perspective, posting the corresponding CVs on the homepage should therefore be seen as sufficient.

MLP therefore declares it will deviate from this recommendation at present, in the financial year 2020 and also in the financial year 2021.

Recommendation G.7 of the GCGC 2019 (establishing performance criteria)

As per G.7 of the GCGC 2019, the Supervisory Board should establish performance criteria for the coming financial year for each member of the Executive Board that govern all variable compensation components, which should themselves – alongside operating targets – primarily be based on strategic objectives. The Supervisory Board should set out the scope in which individual targets apply to individual Executive Board members or to all members of the Executive Board together.

The Company's Executive Board compensation system is based uniformly on Group EBIT as a performance criterion in terms of the profit-sharing payments for members of the Executive Board. This is a performance criterion for the Executive Board as a collegial body. In the performance assessment undertaken every year for each individual member of the Executive Board, the personal contributions of individual Executive Board members are considered against the collective performance criterion and, where appropriate, used as justification for rights of adjustment to which the Supervisory Board are contractually entitled.

This recommendation clearly involves both operating and strategic targets. However, there is only one performance criterion at the Company. In addition, no information as to which criterion should be used to differentiate between operating and strategic targets is defined in the GCGC 2019. In fact, this is left completely open.

As a precautionary step MLP therefore declares that it will deviate from this recommendation in the financial year 2020 as in the financial year 2021.

Recommendation G.10 of the GCGC 2019 (share-based compensation; availability of long-term variable payments granted)

Based on recommendation G.10 sentence 1 of the GCGC 2019, the long-term variable compensation elements granted to a member of the Executive Board should predominantly be invested in shares in the Company by said member or granted accordingly on the basis of shares. In addition to this, a member of the Executive Board should only qualify for the long-term variable compensation elements after four years.

MLP does not compensate the members of its Executive Board on the basis of shares. Stipulations applying to the members of the Executive Board regarding what specific form variable compensation is to take after being granted are not deemed necessary. As a general rule, each individual member of the Executive Board can determine this independently. However, any member of the Executive Board is obviously free to invest any compensation received in MLP shares.

Payment of the long-term variable compensation components granted takes place three years and four months after the end of the financial year for which said compensation components were granted. The members of the Executive Board can therefore receive these before four full years have passed. MLP considers this qualifying period of three years and four months to be adequate.

From MLP's perspective, the payment modalities for Executive Board compensation have proven effective, so there is no reason to change the current approach.

MLP therefore declares that it is currently deviating from these recommendations and will continue to do so in the financial year 2020 and also in the financial year 2021. As such, it will not introduce any share-based variable compensation or make any stipulations regarding use of the variable compensation granted to members of the Executive Board. The same applies to an extension of the qualifying period for payment of the long-term variable compensation components granted.

Wiesloch, November 2020

MLP SE

The Executive Board

The Supervisory Board