

CORPORATE GOVERNANCE STATEMENT (FY 2020/2021)

Corporate Governance stands for responsible, transparent corporate management and control geared towards long-term value creation. The Executive Board and Supervisory Board report annually on the Corporate Governance of the Company. We have consolidated the Corporate Governance Statement pursuant to Section 289f of the German Commercial Code (HGB) as per 30. September 2021 with the Corporate Governance Report. It includes the Declaration of Conformity with the German Corporate Governance Code (GCGC) in accordance with Section 161 of the German Stock Corporation Act (AktG), relevant information on corporate governance practices and the description of the working methods of the Executive Board and Supervisory Board and their composition, the definition of target figures pursuant to Section 76 (4) and Section 111 (5) of the German Stock Corporation Act (AktG) and information on the achievement of target figures. The principles of corporate governance and the Corporate Governance Statement are also made available on the Internet at www.mevis.de/investor-relations/corporate-governance/.

DECLARATION OF CONFORMITY PRUSUANT TO SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

Since issuing the last declaration of conformity on September 9, 2020, MeVis Medical Solutions AG has complied with the recommendations of the German Corporate Governance Code in the version dated December 16, 2019 (GCGC) with the exceptions stated and explained in the declaration dated September 9, 2020.

For the period from September 9, 2021, the Executive Board and the Supervisory Board declare in accordance with Section 161 of the German Stock Corporation Act (AktG) that MeVis Medical Solutions AG complies with the recommendations of the German Corporate Governance Code in the version dated December 16, 2019 (GCGC) with the following exceptions and will continue to do so in the future:

C.1 sentence 5, C.6, C.9, C.10 sentence 2 Independence of Supervisory Board members

The Supervisory Board of the Company consists of three members. All Supervisory Board seats have been filled by persons employed by Group Companies of Varex Imaging Corporation. Varex Imaging Corporation holds the majority of shares in the Company through Varex Imaging Deutschland AG. In addition, a domination and profit and loss transfer agreement exists between Varex Imaging Deutschland AG and the Company. Accordingly, in deviation from C.1 sentence 5, C.6, C.9, C.10 sentence 2 GCGC, the Supervisory Board does not include any members who are independent of a controlling shareholder. From the Company's point of view, the complete composition of the Supervisory Board with members attributable to the majority shareholder is appropriate in view of the Company's integration into the Varex Group.

D.2 to D.5, D.11, C.10 sentence 1 Supervisory Board Committees and cooperation with the auditor

In deviation from D.2 sentence 1, the Supervisory Board of the Company waives the formation of committees with sufficient expertise. In particular, in deviation from D.3 and D.5, neither an audit committee nor a nomination committee has been formed to date. The Supervisory Board is of the opinion that the establishment of such committees is neither necessary nor expedient due to the specific circumstances of the Company, in particular the size of the Supervisory Board (three members), which allows for efficient work. Accordingly, in deviation from D.2 sentence 2, the members of the committees are not named in the Corporate Governance Statement. Furthermore, in deviation from D.4, there is no chairperson of the Audit Committee, so that recommendation C.10 sentence 1 cannot apply in this respect. Contrary to D.11, the quality of the audit of the financial statements is not regularly assessed by an audit committee but by the Supervisory Board itself.

F.2 Transparency and external reporting

MeVis Medical Solutions AG deviates from the recommendations concerning the publication deadlines for the annual financial report and the half-yearly financial report. The company considers the corresponding statutory requirements to be sufficient.

G.1, G.3, G.6 to G.11, G.13 sentence 1 Compensation of the Executive Board

G.1 and G.6 to G.11 contain recommendations on variable compensation, which are deviated from as the Company does not grant variable compensation to the Executive Board. The remuneration structure takes into account the integration of the Company into the Varex Group and the dual mandate of the current sole member of the Executive Board of the Company at Varex Imaging Deutschland AG. As a member of the Executive Board of Varex Imaging Deutschland AG, Mr. Kirchhoff receives (exclusively) a performance-related variable remuneration from the latter, which is based on the success of the Varex Group. As MeVis Medical Solutions AG is part of the Varex Group, this performance-related remuneration also promotes the Company's business strategy and its sustainable and long-term development. However, in order to ensure an optimal incentive structure for the promotion of the business strategy as well as for the sustainable and long-term development of the Company, the Supervisory Board considers it necessary to create a balanced remuneration structure with a sufficient share of fixed remuneration components within the scope of an overall consideration of the intra-Group remuneration of the sole member of the Company's Executive Board. With this in mind, the Supervisory Board of the Company has refrained from providing for any further performance-related compensation to be granted by the Company. The remuneration system for the members of the Executive Board of Medical Solutions AG is accordingly limited to non-performance-related remuneration.

In deviation from G.3, the Supervisory Board refrains from using a suitable peer group of other companies in order to assess whether the concrete total compensation of the members of the Executive Board is customary in comparison to other companies, since the Company's integration into the Varex Group makes it difficult to define a suitable peer group.

In deviation from C.13 sentence 1, no severance payment cap is currently provided for in Executive Board contracts. In view of the Supervisory Board, the existing provisions in the Executive Board contracts comply with the requirement of appropriateness. The agreement of a severance payment cap contradicts our basic understanding of an Executive Board contract that is concluded for the duration of the appointment period and cannot be terminated ordinarily.

G.17 Remuneration of the Supervisory Board

In accordance with the resolution of the Annual General Meeting on June 7, 2016, and the corresponding amendment to the Articles of Association, the members of the Supervisory Board will not receive any remuneration from the Company for fiscal years beginning after January 1, 2016. As a precautionary measure, it is pointed out that, contrary to section G.17 GCGC, the chairperson and deputy chairperson of the Supervisory Board cannot be recognized in the compensation.

BODIES OF THE COMPANY

The Executive Board, Supervisory Board and shareholders' meeting are the bodies of the Company according to law and statutes. As a public company, the MeVis Medical Solutions AG has a dual management system, which is characterized by a clear separation between the Executive Board, as the management body and the Supervisory Board as the supervisory body.

THE EXECUTIVE BOARD AND ITS PROCEDURES

The Executive Board manages the Company on its own responsibility with the aim of creating sustainable value. It runs the Company in accordance with the statutory provisions, the Company's articles of association and the rules of procedure for the Executive Board, and works in good faith with the other executive bodies. The Executive Board sets out the corporate objectives and strategies and, based on them, determines the corporate policy.

Currently, the Executive Board of MeVis Medical Solutions AG consists of one person, Mr. Marcus Kirchhoff. His contract was extended until March 2026. An extension of the Executive Board is currently neither planned nor foreseen. For this reason, the Supervisory Board has set the target for the share of women on the Executive Board at 0 % until December 31, 2025. Already when considering potential candidates for all future appointments of members of the Executive Board, the Supervisory Board will of course take qualified women into account.

Only those who have not yet reached the age of 65 should be members of the Executive Board. The age of the members of the Board of Managing Directors must therefore be taken into account accordingly in their term of appointment.

The Executive Board is responsible for the management of the Company. Important decisions of the Executive Board are generally recorded in minutes. At least once a month, internal consultations take place between the Executive Board and middle management. The Supervisory Board has issued rules of procedure for the Board of Management that summarize all procedural rules and transactions requiring approval in a catalog.

Long-term succession planning is based on regular discussions between the Executive Board and the Supervisory Board and discussion of the issue within the Supervisory Board. This involves discussing contract terms and renewal options for current members of the Executive Board and advising on possible successors should the need arise.

THE SUPERVISORY BOARD AND ITS PROCEDURES

According to the Articles of Association, the Supervisory Board consists of three members elected by the shareholders and meets at least twice every six months. As a rule, the Executive Board attends the meetings of the Supervisory Board and reports in writing and orally on the individual items on the agenda and answers questions of the Supervisory Board members. The Executive Board and the Supervisory Board work closely together in the interests of the Company. On certain topics, the members of the Supervisory Board also exchange information outside the official Supervisory Board meetings or pass resolutions by circular resolution. The Supervisory Board has issued rules of procedure for itself and regularly reviews the efficiency of its activities as part of a self-assessment. A company-specific questionnaire is used as a basis for discussion, which covers the aspects essential for a self-assessment, such as the course and organization of meetings, the scope of submissions and information flows. The results from the questionnaire and suggestions for improvement are openly discussed.

The members of the Supervisory Board undertake the training and further training measures required for their tasks on their own responsibility. They regularly inform themselves through internal and external sources about the current requirements for their activities and about significant developments, e.g. relevant changes in legislation and jurisdiction as well as changes in accounting and auditing. In doing so, they are given appropriate support by MeVis Medical Solutions AG.

The Supervisory Board's annual report summarizes its activities in the past financial year.

COMPETENCE PROFILE OF THE SUPERVISORY BOARDS AND SPECIFIC OBJECTIVES FOR THE COMPOSITION

The Supervisory Board of MeVis Medical Solutions AG has drawn up a competence profile for the entire Supervisory Board and sets out specific objectives for its composition:

The Supervisory Board of MeVis Medical Solutions AG is to be composed in such a way that its members as a whole have the knowledge, skills or specialist experience required to properly perform their duties. In this connection, it should be noted that not every single member of the Supervisory Board must possess all the necessary skills, but that the individual knowledge and skills of the individual members may complement each other. The Supervisory Board of MeVis Medical Solutions AG should be composed of personalities, so that it provides a range of competencies in its entirety in order to ensure comprehensive and effective advice and supervision of the Executive Board with regard to the business activities of MeVis Medical Solutions AG. In doing so, each member of the Supervisory Board shall be able to devote the time required to properly fulfill his or her Supervisory Board mandate.

In the opinion of the Supervisory Board, key areas of expertise are:

Corporate Governance/Management

The Supervisory Board of MeVis Medical Solutions AG should have a reasonable number of members with experience in the management and/or supervision of a medium-sized or large company. This includes knowledge of the basic principles of accounting, risk management, internal control mechanisms, compliance and regulatory and legal issues.

Industry-specific experience

MeVis Medical Solutions AG is active in the field of software development in medical technology. The Supervisory Board should include an appropriate number of members who have sufficient knowledge or professional experience to understand this area.

Internationality

MeVis Medical Solutions AG operates internationally. For this reason, the Supervisory Board should include an appropriate number of members who have a particular connection to international markets or experience in the management of international companies/organizations on account of their education and/or professional experience.

Financial knowledge

The Supervisory Board as a whole must have financial expertise, especially in the areas of accounting, financial reporting and auditing. The Supervisory Board shall include at least one member with expertise in the field of accounting and at least one other member with expertise in the field of auditing in accordance with Section 100 (5) AktG.

Corporate Governance/Law/Compliance

Compliance with the law, internal guidelines and fair dealings with colleagues, business partners and competitors is a top priority for MeVis Medical Solutions AG. The Supervisory Board of MeVis Medical Solutions AG should comprise an appropriate number of members with in-depth knowledge of corporate governance, compliance and compliance management systems and an understanding of relevant legal issues.

Capital market

As a listed company, the Supervisory Board of MeVis Medical Solutions AG should have an appropriate number of members with knowledge of the capital market and capital market communications. In this way, the Supervisory Board should also be able to respond to the capital market's heightened need for communication.

OBJECTIVES REGARDING THE COMPOSITION OF THE SUPERVISORY BOARD

The Supervisory Board has set the following objectives:

- Supervisory Board members should not hold office for longer than the end of the Annual General Meeting following their 75th birthday.
- The Supervisory Board shall be composed of at least 30 % women and 30 % men.
- A Supervisory Board member who is not a member of the Executive Board of a listed company shall not hold more than five Supervisory Board mandates in total in listed companies which are not part of the Company's group.
- A Supervisory Board member who is also a member of the Executive Board of a listed company shall not hold more than two Supervisory Board mandates in total in listed companies which do not belong to the Company's group.
- No more than two former members of the Company's Executive Board may be members of the Supervisory Board.

In its current composition, the Supervisory Board considers the aforementioned objectives to be largely met. The diversity in the Supervisory Board is reflected in particular by the different professional backgrounds and areas of activity as well as the different horizons of experience of the individual members, which complement each other very well in their entirety. The Supervisory Board currently consists of three members, one of whom is a woman.

No personnel changes are currently planned or foreseen. The current composition therefore corresponds to the agreed competence profile and the objectives for the composition of the Supervisory Board.

At this point it is pointed out that the Supervisory Board currently consists of three members who are employed by Varex Imaging Corporation. Varex Imaging Corporation holds the majority of shares in the Company through Varex Imaging Deutschland AG. A control and profit and loss transfer agreement exists between the Company, as the controlled company, and Varex Imaging Deutschland AG, as the controlling company. Accordingly, there are no longer any independent members of the Supervisory Board. From the Company's point of view, the complete composition of the Supervisory Board with members attributable to the majority shareholder is appropriate in view of the Company's integration into the Varex Group.

CORPORATE GOVERNANCE PRACTICES

Corporate governance of MeVis Medical Solutions AG, as a listed German stock corporation, is dictated first and foremost by the German Stock Corporation Act and the recommendations of the current Corporate Governance Code.

Being a manufacturer of medical software products, the statutory provisions of the German Medical Devices Act (MPG), the European directive on medical products (93/42/EEC), the Canadian Medical Devices Regulation (SOR/98-282), the Australian Therapeutic Goods Act (TGA), the Korean Good Manufacturing Practice (KGMP) and the US Code of Federal Regulations (21 CFR Part 820 - Quality System Regulation) as well as the requirements of the ISO 13485 standard (Medical devices - Quality management systems - Requirements for regulatory purposes) apply to the Company. Quality and quality management are cornerstones of our corporate governance. The quality management system is geared toward meeting our quality objectives as well as the quality requirements and expectations of our customers in relation to safety and performance, handling, availability, efficiency and punctuality.

The Company's quality management system has been certified by the certification and auditing company MEDCERT, an EU notified body for medical devices (id no. 0482), in accordance with EN ISO 13485:2016 for the areas of development, production, final inspection and distribution of software for reporting medical image data and intervention support as well as for services for the evaluation of medical image data. In addition, the Company's quality management system is certified according to EN ISO 13485:2016 MDSAP Audit Model Edition 2 (for Australia, Canada, USA). Certification according to Regulation (EU) 2017/745 of the European Parliament and of the Council on medical devices ("MDR") by the certification and audit company MEDCERT is expected by the end of 2021.

The management of MeVis Medical Solutions AG is also characterized by flat hierarchies with only one management level below the Executive Board, quick decision-making and team-oriented cooperation.

When filling management positions the qualification of candidates is the decisive criterion for the Executive Board of MeVis Medical Solutions AG. However, MeVis Medical Solutions AG pays attention to diversity and in particular the appropriate consideration of women when filling management positions. MeVis Medical Solutions AG welcomes efforts to increase the proportion of women in management positions and will continue to promote female employees in accordance with their qualifications and skills at all levels and in all areas of responsibility. Women currently account for 35 % of the total workforce of MeVis Medical Solutions AG. Today, 33 % of the management positions at the management level below the Executive Board are occupied by women. According to this, we have reached our initial goal of filling at least 30 % of management positions with women by the end of 2020. We aim to fill 50 % of management positions with women in the future or by the end of 2025.

REMUNERATION OF EXECUTIVE BODIES

MeVis Medical Solutions AG complies with the recommendations of the German Corporate Governance Code to disclose the remuneration paid to the Executive Board. The remuneration report is part of the management report and also forms part of the corporate governance report.

The members of the Supervisory Board will not receive any remuneration from the Company for fiscal years commencing after January 1, 2016. Accordingly, no Supervisory Board compensation is disclosed individually in the notes or in the management report.

Further explanations and details of the remuneration of the Executive Board and Supervisory Board are provided in the remuneration report in the notes or in the management report.

TRANSPARENCY

To ensure maximum possible transparency, MeVis Medical Solutions AG regularly and promptly informs the capital market, the shareholders and the general public of the Company's financial situation as well as new circumstances and events of importance.

The financial statements and half-year interim reports are published within the deadlines stipulated for companies listed in the General Standard of the regulated market: within a period of four months for the annual financial statements and within a period of three months in the case of the half-year financial reports.

Insider information concerning the Company is published immediately in accordance with Article 17 (1) of the Market Abuse Regulation (EU) No. 596/2014 (MAR). Shareholders and potential investors can obtain timely information about current events and new developments on the Internet. All press releases and ad-hoc announcements of MeVis Medical Solutions AG are published on the Company's website. Up to and including 20210, MeVis Medical Solutions AG participated in at least one analyst conference per year. Material and in part recurring events are published in the financial calendar on the Company's website.

COMPLIANCE

Compliance describes the adherence to legal, internal and contractual regulations in companies. The entirety of the principles and measures for observing certain rules and thus avoiding violations of rules is referred to as a compliance management system.

For MeVis Medical Solutions AG, compliance with laws, internal guidelines and fair dealings with colleagues, business partners and competitors is an indispensable basis for successful business. It currently has a compliance management system in place which is commensurate with the size of the Company and its risk situation. This is the responsibility of the compliance officer, who reports directly to the Executive Board.

The internally introduced Compliance Policy is binding for all employees, gives them an orientation for responsible conduct in everyday business and is intended to protect them from making the wrong decisions. The policy is published on the Company's intranet, employees and managers are continuously informed and sensitized about compliance and can also seek advice from the Compliance Officer at any time.

In addition, MeVis Medical Solutions AG has also been linked to the external whistleblower system already in place within the Varex Group. This gives employees the opportunity to provide protected information on legal violations within the Company.

ANNUAL GENERAL MEETING AND SHAREHOLDERS

The Annual General Meeting of MeVis Medical Solutions AG is convened at least once a year. Each share entitles the holder to one vote in the voting at the Annual General Meeting. Every shareholder who registers in due time is entitled to participate in the Annual General Meeting or has the possibility to have his voting rights exercised by a bank, a shareholders' association, the proxies appointed by MeVis Medical Solutions AG and bound by instructions or any other authorized representative.

The invitation to the Annual General Meeting as well as the reports and information required for the adoption of resolutions are published in accordance with the provisions of the German Stock Corporation Act and made available on the Company's website.

RISK MANAGEMENT

For MeVis Medical Solutions AG, dealing with risks in a responsible manner is a key element of good corporate governance. The Executive Board has installed an appropriate risk management and risk control system in the Company in order to identify, evaluate, monitor and control the risks arising from operating activities at an early stage. The Executive Board informs the Supervisory Board regularly about the current status of significant risks. The risk management system is continuously reviewed in accordance with the latest developments and adjusted where necessary. Further details and information on risk management can be found in the risk report of the annual financial report.

ACCOUNTING AND AUDITING

MeVis Medical Solutions AG prepares its statutory annual financial statements and management report as well as its half-year financial report in accordance with the accounting provisions of the German Commercial Code. Quarterly reports or quarterly announcements are no longer prepared and published.

The financial statements are prepared by the Executive Board and reviewed by the Supervisory Board. The Supervisory Board has engaged the auditor appointed by the Annual General Meeting for financial year 2020/2021, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Bremen, to audit the annual financial statements for financial year 2020/2021. In doing so, it is ensured that no conflicts of interest impair the work of the auditor.

The audit of the annual financial statements for the 2019/2020 financial year was also carried out by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Bremen, in accordance with the generally accepted German auditing standards established by the Institut für Wirtschaftsprüfer (IDW).

DIRECTORS' DEALINGS

In accordance with Article 19 of the Market Abuse Regulation (EU) No. 596/2014 (MAR), the members of the Executive Board and the Supervisory Board of the Company as well as persons closely related to them are required to disclose own dealings (directors' dealings) in shares and debt instruments of MeVis Medical Solutions AG or related financial instruments (e.g. derivatives) traded on the financial markets if the value of the transactions reaches or exceeds € 5,000 in a calendar year. The Company publishes any such notifications on its website without delay. In the period under review, the Company received no notifications of directors' dealings. As of the balance sheet date, neither the member of the Executive Board nor the members of the Supervisory Board held shares in MeVis Medical Solutions AG.