

**Declaration by Biofrontera AG on corporate governance pursuant to Sections 289f, 315d HGB for the 2024 financial year**

Dear ,

Corporate governance refers to the legal and factual regulatory framework for the management and supervision of a company.

As a listed company, the company is obliged to issue a **corporate governance statement** in accordance with Sections 289f and 315d of the German Commercial Code (HGB), including the Group.

In accordance with Section 289f (1) HGB, the corporate governance statement must be included in the management report and forms a separate section there. It can also be made publicly available on the company's website. In this case, a reference to the website must be included in the management report. The company has made use of this option, i.e. this corporate governance statement has not been included in the management report for the 2024 financial year, but only the website where the corporate governance statement is publicly accessible has been included there.

## **Reproduction of the declaration of compliance in accordance with Sections 289 f (2) No. 1, 315d HGB**

The wording of the most recent declaration issued in April 2025 is published on the company's website at <https://www.biofrontera.com/de/investoren/corporate-governance> ("Declaration of Conformity 2025").

### **The Management Board and Supervisory Board of Biofrontera AG declare the Declaration of Conformity 2025:**

"Biofrontera AG has complied with the recommendations of the German Corporate Governance Code (the "Code") since the last declaration of conformity was issued in December 2023 (with supplement and re-publication in April 2024), with the following exceptions

Code recommendations A.5 (description of the main features of the control and risk management system and statement on the appropriateness and effectiveness of these systems in the management report)

The management report of Biofrontera AG complies with the legal requirements and describes the main features of the internal control system and the risk management system. However, it was decided not to comment on the appropriateness and effectiveness of these systems, as the Management Board and Supervisory Board have not identified any objections with regard to their appropriateness and effectiveness. An additional statement would further increase the scope of the management report without, in the opinion of the Management Board and Supervisory Board, providing any significant additional information.

Code recommendation D.12 (Self-assessment of the Supervisory Board)

Due to the size, the manageable business structure and the clear allocation of responsibilities within the company, there is currently no need for an independent internal audit department. The existing internal control and risk management systems are considered sufficient. Regular reviews are carried out as part of external audits and by the existing risk management system.

Code recommendation F.2 (Publication of financial information during the year)

Due to organizational circumstances, financial reports, half-year reports and interim reports are published within the statutory deadlines and not earlier.

Code recommendation G.10 (predominantly share-based variable remuneration components)

The Management Board member, Pilar de la Huerta Martinez, was not granted any variable remuneration components in the form of shares or share-based remuneration. There are also no plans to grant variable remuneration components in the form of shares or share-based remuneration: In the opinion of the Supervisory Board, in order to encourage the Management Board to ensure the long-term and sustainable development of the company, there is no need for remuneration on the performance of the company's share price. Due to the size of the company and the tasks with which the Management Board currently confronted, the Supervisory Board believes that there are other components,

that are better suited to promoting the sustainable and long-term development of society.

## **Further disclosures pursuant to Section 289f (2), 315d HGB**

### **General information on the management structure**

The company has a two-tier management and supervisory structure with the Management Board and Supervisory Board. The Management Board and Supervisory Board are committed to the interests of the shareholders and the good of the company. The Annual General Meeting is the third body of the company. Biofrontera AG is subject to the provisions of German stock corporation and capital market law as well as the provisions of the articles of association and the rules of procedure for the Management Board and Supervisory Board. The rules of procedure for the Management Board and Supervisory Board are on the company's website at <https://www.biofrontera.com/de/investoren/corporate-governance>.

### **Availability of Compensation Report and note of the auditor's report, remuneration system and remuneration resolution**

The remuneration report for the last financial year and the auditor's report pursuant to Section 162 AktG, the applicable remuneration system pursuant to Section 87a (1) and (2) sentence 1 AktG and the most recent remuneration resolution pursuant to Section 113 (3) AktG are publicly available on the company's website at <https://www.biofrontera.com/de/investoren/corporate-governance>.

### **Disclosures on corporate governance practices**

At the heart of our management culture for the company and its subsidiaries are values that are anchored in legal regulations as well as internal guidelines and organizational instructions. Certifications and quality requirements are of particular importance in the manufacture and distribution of pharmacological products, compliance with which requires considerable effort. In addition, there is a common understanding among company management and employees to combine sustainable growth with economic success and at the same time to added value for society through effective and well-tolerated pharmacological products. In order to achieve this goal, every employee should be aware of their contribution to the company's success and value creation and be able and allowed to take responsibility for results. Personal responsibility and initiative require knowledge of the content and strategic direction of the company. The company management therefore regularly informs employees about company goals, current business developments and the market and competitive environment. In addition, clearly defined

Corporate structures, areas of responsibility and processes. In conjunction with defined processes that are also subject to continuous optimization, such a structure enables management to be aligned with the company's objectives and the regular monitoring of target achievement.

The motivation and appreciation of the company's employees is also particularly important. After all, special commitment, high productivity and efficiency can only be achieved in a working environment that is perceived as positive and where there is a high level of identification with the company and its goals. For this reason, the company promotes a balance between the expected, highly qualified and focused work performance in a dynamic market on the one hand and the necessities and needs of private life on other. Due to its international orientation, it is essential to take appropriate account of the special features of the individual markets with their respective framework conditions, cultural characteristics and expectations, while at the same time maintaining the necessary homogeneity within the Group as a whole.

## **Compliance**

The business activities of the Biofrontera Group must comply with the legal systems of various countries. The Biofrontera Group conducts its business responsibly and in accordance with the legal provisions and official regulations of the countries in which it operates. This applies in particular to sales activities in foreign markets, especially as the sale of medicinal products is subject to special requirements regarding the integrity of the players. Violations in this environment in particular could have serious disadvantages.

The Biofrontera Group therefore expects its employees to act in a legally and ethically impeccable manner in their day-to-day business. Especially as a developer and manufacturer of pharmacological products, the highest degree of integrity is essential to justify the trust of our partners and, above all, the patients treated with our products.

Employees familiarized with the relevant codes of conduct as well as legal and regulatory provisions in training sessions involving the responsible compliance officers. The core principles of compliance at the Biofrontera Group are compliance with antitrust regulations, integrity in business dealings, a commitment to product responsibility and sustainability, adherence to the quality management system established within the company and the avoidance or proper handling of conflicts of interest. Our employees have the opportunity and are encouraged (also anonymously) to provide information on any legal violations in the companies of the Biofrontera AG Group.

Details are set out in a Code of Conduct entitled "Behavior in Business: Integrity, Innovation, Respect and Responsibility", which all employees and executive bodies are required to observe. This Code of Conduct is publicly accessible at <https://www.biofrontera.com/de/investoren/corporate-governance>

In view of the stock exchange listing of Biofrontera AG shares, safeguarding market integrity is a key component of our compliance structure. This includes processes for the Group-wide identification of insider information and the legally compliant handling of such information, as well as informing our employees about their duties and obligations in this context.

## **Sustainability**

We strive for sustainable corporate development. We therefore regularly review our positioning with regard to the environment and social issues (environment, social, governance, "ESG"). Our main product, Ameluz®, is contract-manufactured in Switzerland. The most important ingredients, in particular the active ingredient used, are produced in the EU. As a supplier of pharmaceutical products, we and our production partners are subject to a large number of strict regulations and requirements. These also include environmental regulations. We therefore manufacturers and suppliers who are committed to high ESG standards. The corresponding environmental protection and employment standards apply at all locations. The equal treatment of our employees regardless of origin, gender, religion or ideology, disability, age or sexual orientation is part of our corporate culture.

With the Act Implementing the Second Shareholders' Rights Directive, the legislator has stipulated in Section 87 AktG that the remuneration structure of Management Board members must be geared towards the sustainable and long-term development of the company. In order to take account of the concept of sustainability in this respect as well, the remuneration regulations agreed with the members of the Management Board stipulate that assessment factors for variable remuneration components include financial and non-financial performance criteria, including criteria such as integrity, employee satisfaction and diversity as well as sustainability/environmental social governance (ESG) aspects.

<b>Description of the</b>	<b>of the</b>	<b>mode of operation of</b>	<b>Management Board</b>
<b>and</b>	<b>Supervisory Board</b>	<b>and</b>	<b>the composition and working</b>
<b>methods of their committees</b>			

## **Management Board**

The Management Board represents the company externally and manages it in accordance with the law, the Articles of Association and the rules of procedure for the Management Board.

The Management Board ensures appropriate risk management within the company and risk controlling. This is intended to identify developments that could jeopardize the company's continued existence at an early stage. It develops the company's strategic direction, coordinates it with the Supervisory Board and ensures its implementation. The Management Board is responsible for ensuring compliance with legal provisions and internal company guidelines and works to ensure that these are observed by the Group companies (compliance).

The Management Board of Biofrontera AG currently consists of one member. If more than one member is appointed, the members of the Management Board are jointly responsible for the overall management of the company. Irrespective of the overall responsibility of all members of the Management Board, the individual members manage the areas assigned to them on their own responsibility within the framework of Management Board resolutions.

The Supervisory Board has issued rules of procedure for the Management Board. Accordingly, the Executive Board as a whole decides on matters of fundamental importance and in other cases specified therein or by law. Unless unanimity is required by law, the Articles of Association or the rules of procedure, the Management Board passes resolutions by a simple majority of the votes cast. In the event of a tie, the Chairman has the casting vote. Measures and transactions of the Management Board of fundamental importance require the approval of the Supervisory Board in accordance with the rules of procedure of the Management Board.

The Supervisory Board appoints the members of the Management Board for a maximum of five years. Reappointment or extension of the term of office, in each case for a maximum of five years, is permitted. This requires a new resolution by the Supervisory Board, which may be passed no earlier than one year before the expiry of the previous term of office.

The Supervisory Board has set an **age limit** such that only persons who have not yet reached the statutory retirement age (currently 67 years of age) may be proposed by the Personnel Committee to the full Supervisory Board for appointment as a member of the Management Board.

The Supervisory Board concludes the Management Board service contracts with the members of the Management Board. When determining the total remuneration of the individual members of the Management Board (salary, profit sharing, expense allowances, insurance payments, commissions, incentive-based remuneration commitments such as share subscription rights and fringe benefits of all kinds), the Supervisory Board ensures that these are commensurate with the tasks and performance of the Management Board member and the situation of the company and do not exceed the usual remuneration without special justification. In the case of listed companies, the remuneration structure should be geared towards sustainable and long-term corporate development. Variable remuneration components should therefore have a multi-year assessment basis; the Supervisory Board should agree a cap for extraordinary developments.

In accordance with the statutory provisions, the remuneration system for members of the Management Board adopted pursuant to Section 87a AktG was presented to the Annual General Meeting in 2024.

In accordance with Section 120a para. 4 AktG, the Annual General Meeting of the listed company also resolves on the approval of the remuneration report for the past financial year prepared and audited in accordance with Section 162 AktG, unless a resolution can be dispensed with in accordance with Section 120a para. 5 AktG. A corresponding resolution was passed by the company's Annual General Meeting in 2024. The remuneration report and the report on the audit of the remuneration report must be publicly available free of charge on the company's website for ten years from the date specified in Section 162 para. 4 AktG.

The remuneration report for the past financial year, the auditor's report pursuant to Section 162 AktG and the applicable remuneration system pursuant to Section 87a AktG are on the website of the <https://www.biofrontera.com/de/investoren/corporate-governance> on the company's website. The other aforementioned documents to be published relating to remuneration are also available there.

Further details on the working methods of the Management Board can be found in the rules of procedure for the Board, which which are publicly available at <https://www.biofrontera.com/de/investoren/corporate-governance>.

## **Supervisory Board**

The Supervisory Board appoints the members of the Executive Board, advises the Executive Board on the management of the company and monitors its management of the company. In accordance with Sections 95, 96 (1) and 101 (1) AktG in conjunction with the Articles of Association, the company's Supervisory Board is made of six members, all of whom are elected by the Annual General Meeting. The members of the Supervisory Board are elected for the period until the end of the Annual General Meeting that resolves on their discharge for the fourth financial year after the start of their term of office, unless the Annual General Meeting stipulates a shorter term of office at the time of election. The financial year in which their term of office begins is not included in this calculation. The Supervisory Board currently consists of six members, none of previously belonged to the company's Management Board.

The Supervisory Board elects a Chairman and at least one Deputy Chairman. The Chairman of the Supervisory Board organizes the work of the Board, convenes the meetings and chairs them. He is also the contact person for the Management Board, in particular for reports on important events. The Supervisory Board has adopted rules of procedure. The principles of cooperation within the Supervisory Board are out in the Supervisory Board's rules of procedure. The rules of procedure of the

Supervisory Board is the public accessible at  
<https://www.biofrontera.com/de/investoren/corporate-governance>

The Supervisory Board is involved in all decisions that are of fundamental importance to the company. The Supervisory Board can make certain transactions dependent on its approval. The main tasks of the Supervisory Board also include proposing candidates to the Annual General Meeting for election to the Supervisory Board and for the appointment of the auditor. The Management Board has no right of nomination in this respect. According to the rules of procedure of the Supervisory Board, only persons who have not yet reached the statutory retirement age (currently 67 years of age) (**age limit**) may be proposed for election to the Supervisory Board.

In accordance with Section 87a AktG, the Supervisory Board adopts a clear and comprehensible remuneration system for the members of the Management Board. In accordance with Section 120a AktG, the Annual General Meeting of the listed company resolves to approve the remuneration system for the members of the Management Board presented by the Supervisory Board each time there is a significant change to the remuneration system, but at least every four years. The resolution and the remuneration system must be published immediately on the company's website and kept publicly accessible free of charge for the duration of the validity of the remuneration system, but for at least ten years.

The members of the Supervisory Board may be granted remuneration for their activities. The remuneration may be specified in the Articles of Association or resolved by the Annual General Meeting. It should commensurate with the duties of the Supervisory Board members and the situation of the company. The remuneration of Supervisory Board members is currently regulated in the Articles of Association. In the case of listed companies, a resolution on the remuneration of Supervisory Board members must be passed at least every four years in accordance with Section 113 (3) AktG. The 2022 Annual General Meeting adopted the current remuneration system for Supervisory Board members.

The applicable remuneration system for the Supervisory Board in accordance with Section 113 AktG is made available on the company's website at  
<https://www.biofrontera.com/de/investoren/corporate-governance>.

### **Committees of the Supervisory Board**

In accordance with the provisions of its rules of procedure, the Supervisory Board currently has an Audit Committee and a Nomination and Remuneration Committee.

#### Audit Committee

The Audit Committee	deals with	deals in particular
with	the monitoring	of the accounting process, the
effectiveness	of the internal	control system, the



risk management system and the internal audit system as well as the audit of the financial statements, in particular the selection and independence of the auditor and the additional services provided by the auditor. The Audit Committee may make recommendations or proposals to ensure the integrity of the accounting process. In the case of companies that are public interest entities within the meaning of Section 316a sentence 2 of the German Commercial Code, at least one member of the Supervisory Board must have expertise in the field of accounting and at least one other member of the Supervisory Board must have expertise in the field of auditing; the members must be familiar with the sector in which the company operates.

The members of the Audit Committee in the reporting year were Mr. Karlheinz Schmelig (Chairman), Dr. Helge Lubenow, Prof. Dr. Karin Lergenmüller (1 January 2024 to 28 August 2024), Dr. Jörgen Tielmann (1 January 2024 to 28 August 2024) and Mr. Hansjörg Plaggemars (from 28 August 2024).

The Supervisory Board and its Audit Committee each have at least one member with expertise in the field of accounting, Karlheinz Schmelig, and at least two other members with expertise in the field of auditing, Ms. Helge Lubenow and Mr. Plaggemars. According to the Code, the Chairman of the Audit Committee should be appropriately expert and independent in at least one of the two areas. The Chairman of the Audit Committee, Karlheinz Schmelig, fulfills these requirements.

Further information on the members of the Supervisory Board and their memberships to be disclosed in accordance with Section 285 no. 10 HGB can be found in the CVs of the Supervisory Board members on the company's website *at <https://www.biofrontera.com/de/about-us/management-und-aufsichtsrat>*.

#### Nomination and Remuneration Committee

The Nomination and Remuneration Committee suitable candidates to the Supervisory Board for its election proposals to the Annual General Meeting. In doing so, the Nomination Committee pays attention to the balance and diversity of knowledge, skills and experience of all Supervisory Board members and prepares candidate profiles. In addition, the Nomination Committee shall make proposals to the Supervisory Board and communicate the results of a regular assessment of the knowledge, skills and experience of both the individual members and the Supervisory Board as a whole. In performing its duties, the Nomination and Remuneration Committee may draw on the company's resources as it deems appropriate and also engage external consultants as required.

As at December 31, 2024, the Nomination and Remuneration Committee consisted of the following members Dr. Helge Lubenow (Chairwoman), Mr. Wilhelm K.T. Zours

(from January 1 to May 5, 2024), Dr. Heikki Lanckriet and Mr. Alexander Link (from August 28, 2024).

Further information on the members of the Supervisory Board and their memberships to be disclosed in accordance with Section 285 No. 10 HGB can be found in the CVs of the Supervisory Board members on the company website <https://www.biofrontera.com/de/about-us/management-und-aufsichtsrat>.

#### Litigation committee in the matter of Deutsche Balaton AG./. Biofrontera AG

On December 13, 2021, Deutsche Balaton AG, Heidelberg, a declaratory action against Biofrontera AG with the Regional Court of Cologne, which was decided in the first instance by the Regional Court of Cologne on December 9, 2022. The essence of the action is that Deutsche Balaton AG - like the Regional Court of Cologne - is of the opinion that the IPO of Biofrontera Inc. and the raising of capital would have required the approval of the Annual General Meeting of Biofrontera AG. The lawsuit is directed against Biofrontera AG, represented by the Management Board and the Supervisory Board.

Mr. Wilhelm K.T. Zours indirectly holds the majority shares in Deutsche Balaton AG via VV Beteiligungen AG and is Chairman of the Supervisory Board of Deutsche Balaton AG. There is a de-domination agreement between VV Beteiligungen AG and Deutsche Balaton AG. From December 14, 2021 until May 5, 2024, Mr. Zours was also a member of the company's Supervisory Board and its Chairman. Mr. Link is a member of the Management Board of Deutsche Balaton AG

After taking note of the lawsuit, the Supervisory Board decided that a committee would be formed to make further decisions in connection with the lawsuit. Mr. Zours did not take part in the deliberations and resolutions in connection with the legal dispute. This also applied and applies to Mr. Link, Mr. Reich and Mr. Plaggemars. The committee will remain in place for the duration of the ongoing proceedings.

As at December 31, 2024, the Litigation Committee consisted of the following members Dr. Helge Lubenow, Mr. Karlheinz Schmelig and Dr. Jörgen Tielmann (Chairman until 28 August 2024).

The Supervisory Board may form further committees as required and assign tasks to them, insofar as this is permissible. Further details on the committees can be found in the report of the Supervisory Board for the 2024 financial year (available at: <https://www.biofrontera.com/de/investors>) and in the rules of procedure of the Supervisory Board (available at: <https://www.biofrontera.com/de/investors/corporate-governance>).

#### **Implementation of the targets for the composition of the Supervisory Board and the Management Board (diversity)**

##### Objectives for the composition of the Supervisory Board / skills profile

The Supervisory Board should set specific targets for its composition and develop a skills profile for the entire Board. In doing so, the Supervisory Board should pay attention to diversity. Proposals by the Supervisory Board to the Annual General Meeting should take these objectives into account and at the same time strive to fulfill the competence profile for the entire Board. The status of implementation should be published in the corporate governance statement. This should also provide information on how many independent shareholder representatives are represented on the Supervisory Board, insofar as the shareholder representatives consider this appropriate, and state the names of these members. Diversity covers a range of aspects, including age, gender, origin, educational or professional background.

The Supervisory Board agrees with the contents of the Code that, in addition to balanced professional qualifications, an appropriate level of internationality and an appropriate representation of women on the Supervisory Board should always be achieved while taking diversity into account. In this context, "diversity" is understood to mean international origin (not nationality), education or professional activity as well as gender and age diversity. In principle, however, no one is excluded as a candidate for the Supervisory Board or proposed for the Supervisory Board solely because he or she has or does not have a certain characteristic.

For companies within the meaning of Sections 316a sentence 2, 264d HGB, i.e. also for Biofrontera AG, at least one member of the Supervisory Board must have expertise in the field of accounting and at least one other member of the Supervisory Board must have expertise in the field of auditing (financial expert), in accordance with the requirements of Section 100 (5) AktG. In April 2022, the Supervisory Board set the following targets for its composition ("diversity targets")

- Experience and knowledge as a supervisory board at the appointment members of the Management Board, advising and monitoring them
- Experience and skills with company structure and strategic orientation of successful companies
- Participation in the implementation of the model of the honorable businessman society and its committees
- Knowledge and experience in financing, research and/or sales of companies in the pharmaceutical industry
- Independence of at least half of the Supervisory Board members as defined by the German Corporate Governance Code
- Presence of at least one member of the Supervisory Board with expertise in the field of accounting
- Presence of at least one other member of the Supervisory Board with expertise in the field of auditing
- Availability and operational readiness

- Consideration of the age limit specified in the rules of procedure of the Supervisory Board
- Two women members of the Supervisory Board until December 31, 2026

The skills profile therefore includes knowledge of the industry and markets, an understanding of the business model and basic knowledge of the (legal) framework, basic knowledge of compliance, finance and accounting and, of course, the ability to understand and critically scrutinize reports and submissions from the Management Board and to draw their own conclusions, including the ability to assess the correctness, economic efficiency, appropriateness and legality of the business decisions to be evaluated and to check their plausibility. Each member of the Supervisory Board must also meet certain minimum personal requirements that are essential for the efficient work of the Supervisory Board, such as availability, integrity, discretion, the ability to discuss, interact and work in a team.

#### Evaluation of current target achievement and completion of the competence profile

		Alexander Link	Hansjörg Plaggemars	Dr. Heikki Lanckriet	Tobias Reich	Dr. Helge Lubenow	Karlheinz Schmelig
Duration of membership	Member since	August 28, 2024	August 28, 2024	14. December 2021	August 28, 2024	14. December 2021	14. December 2021
Personal suitability	Independence	✓	✓	✓	✓	✓	✓
	None						
Diversity	Overboarding	✓	✓	✓	✓	✓	✓
	Year of birth	1971	1970	1977	1975	1968	1965
	Gender	Male	Male	Male	Male	female	Male
International experience	Nationality	German	USA	Belgium	German	German	German
	Europe	✓	✓	✓	✓	✓	✓
	North America	-	✓	-	✓	✓	✓
	China	✓	✓	✓	-	✓	-
	Asia/Pacific	✓	✓	✓	✓	✓	✓
Professional Suitability	Experience as Manager	✓	✓	✓	✓	✓	✓
	Technology	✓	✓	✓	✓	✓	✓
	Sustainability	✓	✓	✓	✓	✓	✓
	Conversion	✓	✓	✓	✓	✓	✓
	Procurement/ Production/Sales/F						
	CE	✓	✓	✓	-	✓	✓
	Finances	✓	✓	✓	✓	✓	✓
	Risk management	✓	✓	✓	✓	✓	✓
	de						
	Law/Compliance	✓	✓	✓	-	✓	✓
	Business segment/B						
	knowledge of the area	✓	✓	✓	✓	✓	✓

		Wilhelm K.T. Zours	Dr. Jörgen Tielmann	Prof. Dr. Karin Lergenmüller
Duration of membership aft	Member since	14. December 2021	14. December 2021	August 23 2022
	Member until	May 5, 2024	August 28 2024	August 28, 2024
Personal suitability	Independence	✓	✓	✓
	None			
Diversity	Overboarding	✓	✓	✓
	Year of birth	1961	1969	1959
	Gender	Male	Male	female
International le experience	Nationality	German	German	German
	Europe	✓	✓	✓
	North America	-	-	-
	China	✓	-	-
	Asia/Pacific	✓	-	-
Professional Suitability	Experience as Manager	✓	✓	-
	Technology	-	-	-
	Sustainability	✓	✓	✓
	Conversion	✓	✓	✓
	Procurement/ Production/ Sales on/FCE	-	-	-
	Finances	✓	-	✓
	Risk management de	✓	✓	✓
	Law/Complia nce	✓	✓	✓
	Business segment/industry knowledge	—	✓	-
	S			

*Criterion fulfilled, based on self-assessment by the Supervisory Board. One point means at least "good knowledge" and thus the ability, based on existing qualifications, the knowledge and experience acquired in the course of their respective activities as a Supervisory Board member (e.g. many years of service on the Audit Committee) or the further training regularly attended by all Supervisory Board members.*

From the Supervisory Board's perspective, the status of implementation with regard to these objectives is positive overall in relation to the current members of the Supervisory Board.

- Mr. Wilhelm K. T. Zours, Chairman of the Supervisory Board until May 2024, has many years of experience in the financing of companies, including in the pharmaceutical industry. He combines this with a high level of expertise in capital market law. Mr.

Zours was a member of the Supervisory Board between December 2021 and May 2024 (inclusive).

- Dr. Jörgen Tielmann is a lawyer and partner at Luther Rechtsanwaltsgesellschaft mbH, Cologne. He was Deputy Chairman of the Supervisory Board until August 2024. His professional activities focus on corporate law. He was a member of the Supervisory Board between December 2021 and August 2024 (inclusive).
- Dr. Heikki Lanckriet is CEO of 4basebio PLC, Cambridge, UK. He holds a Bachelor's and Master's degree in Biochemical Engineering from the University of Ghent (Belgium) and a PhD in Biochemical Engineering from the University of Cambridge (UK). He has been a member of the Supervisory Board since December 2021.
- Prof. Dr. Karin Lergenmüller is Professor of Business Administration and Marketing at RheinMain University of Applied Sciences, Wiesbaden. Prof. Dr. Karin Lergenmüller has been a global equity investor since 2000, specializing in the digital world, technology companies, NFTs and crypto. Prof. Lergenmüller was a member of the Supervisory Board between August 2022 and August 2024 (inclusive).
- Dr. Helge Lubenow, Deputy Chairwoman of the Supervisory Board since August 2024, is CEO of Heidelberg Epignostix GmbH, Heidelberg, and owner of her consulting firm AGOS Consulting. From 2020 to 2023, she was Managing Director of Proteomedix AG, Zurich, Switzerland. She studied biology at Justus Liebig University in Giessen and genetics at the University of Cologne. She has been a member of the Supervisory Board since December 2021.
- Mr. Karlheinz Schmelig is Managing Director of Creathor Venture Management GmbH, Bad Homburg. He studied business administration at the Mannheim Cooperative State University and completed an MBA at the Kelley School of Business, Indiana University, USA. He has been a member of the Supervisory Board since December 2021.
- Alexander Link, Chairman of the Supervisory Board, has many years of experience in the banking sector and in management consulting. He has successfully established, managed and restructured units in Germany, Europe and Asia. Mr. Link has particular expertise in the areas of finance/controlling, risk management, restructuring, portfolio/investment management and transformation projects as well as in M&A. He is Chairman of the Supervisory Board and has been a member of the Supervisory Board since August 2024.
- Hansjörg Plaggemars has more than 20 years of management experience in finance in various European companies. He started his career at KPMG Corporate Finance and has worked as CFO for over 14 years in various industries, including software, retail, prefabricated housing and e-commerce. Hansjörg Plaggemars holds a degree in business administration from the University of Bamberg. He has been a member of the Supervisory Board since August 2024.
- After completing his studies and working in investment banking, Tobias Reich held various positions in the private equity sector within One Equity Partners and Cornerstone Capital. Mr. Reich has many years of experience in private equity with a broad industry spectrum such as medical technology, technology and the chemical industry. In addition, he has

He has extensive experience in the areas of corporate management, strategy and M&A through various advisory and supervisory board activities. He has been a member of the Supervisory Board since August 2024.

For further information on the qualifications of the aforementioned members, please refer to the details at [www.biofrontera.com/de/about-us/management-und-aufsichtsrat](http://www.biofrontera.com/de/about-us/management-und-aufsichtsrat) , including the CVs available there.

As already outlined in the explanations of the Supervisory Board committees, all the key relevant specialist skills required are represented on the Supervisory Board, particularly with regard to industry-related requirements and other specialist areas (financial expert). All Supervisory Board members have sufficient time to perform their duties.

### Independence

According to the Code (recommendation C.6 ff.), the Supervisory Board should include an appropriate number of independent members on the shareholder side, taking into account the ownership structure.

The Code formulates two aspects of independence: Accordingly, a Supervisory Board member is to be considered independent if he or she

- independent of the company and its Management Board and
- is independent of a controlling shareholder.

At present, the Supervisory Board considers all members be independent of the company and the Management Board. Three Supervisory Board members have an (indirect) business relationship with a shareholder controlling the company. The Supervisory Board therefore what it considers to be an appropriate number of independent members.

### Self-assessment of the Supervisory Board and its committees

Due to the size, the manageable business structure and the clear allocation of responsibilities within the company, there is currently no need for an independent internal audit department. The existing internal control and risk management systems are considered sufficient. Regular reviews are carried out as part of external audits and by the existing risk management system.

### Succession planning

Against the background of the professional and personal requirements for members of the company's Management Board, the Supervisory Board regularly discusses - also with the current Management Board - which individuals (including current members of the Management Board) could be considered for appointment for future terms of office. The personal and professional development of managers within the Group is also taken into account.

As part of the long-term succession planning for the Management Board, the Supervisory Board regularly discusses the need to expand or restructure the Management Board with the Management Board; particular attention is also to the second management level of the company to be created below the existing first management level below the Management Board. If necessary, the Supervisory Board also consults external consultants in the search for suitable candidates.

The aim of the composition of the Management Board is to entrust the management of the company to individuals who meet the necessary professional and personal requirements, within the framework of collegial cooperation while maintaining the efficiency of human resources. In the present case, it must also be taken into account that Biofrontera AG, as a holding company, has the task of managing its subsidiaries, but does not itself conduct any operational business. Economic expertise and business and industry-specific knowledge, including knowledge of the regulatory framework for the development, approval and distribution of medicinal products, are also required at Management Board level. In addition, a high level of international experience is desirable due to the business orientation of the Biofrontera Group.

## **Report on equal participation of women and men; gender quota**

### Proportion of women in the two management levels below the Management Board

According to Section 76 (4) AktG, the Management Board of a listed company must set targets for the proportion of women in the two management levels below the Management Board. At Biofrontera AG, there are currently no two management levels below the Management Board within the meaning of Section 76 (4) AktG, but only one. Due to the lack of two management levels below the Management Board, the targets for the proportion of women in accordance with Section 76 (4) AktG were only set for the one existing management level below the Management Board in April 2022. The proportion of women in this first and only management level below the Management Board was around 73% as at December 31, 2023. The target for the proportion of women in the existing management level below the Management Board was set at 30% in April 2022. A higher target was not set, as otherwise even the slight expansion of the existing first management level below the Management Board could lead to the target not being met. The deadline for achieving the target was set at December 31, 2026. At the time this report was prepared, the target had been reached.



### Management Board

The target for the proportion of women on the Management Board, which applied for the 2024 financial year, was set at 0% in April 2022 if there is one member. If the Management Board consists of only one person, no higher quota was set, as otherwise a woman would have to be appointed as the sole member of the Management Board. However, such an approach would not be in the interests of the company, as it is simply not possible for different genders to participate if there is only one member of the Management Board. The deadline achieving the target figure was at December 31, 2026.

The target figure was achieved throughout the past financial year. Ms. Pilar de la Huerta has been the only member of the Management Board since September 2024.

### Supervisory Board

In April 2022, the Supervisory Board set the target for the proportion of women on the Supervisory Board at 1/3, i.e. two of the current total of six seats. The deadline for achieving the target was set at December 31, 2026. This quota was only met in the reporting period until the departure of Prof. Dr. Karin Lergenmüller in August 2024.