

# MOLOGEN AG

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## **German Corporate Governance Code MOLOGEN AG Declaration of compliance in line with Section 161 of the German Stock Corporation Act**

The Board of Directors and the Supervisory Board of Mologen AG (hereinafter referred to as: MOLOGEN) declare that the company has been in compliance with the recommendations of the German Corporate Governance Code in its current version with the following exceptions:

### **Shareholders and Annual General Meeting**

The German Corporate Governance Code recommends the communication of the invitation to the Annual General Meeting to domestic and to international financial service providers, auditors, and shareholder associations by way of electronic media. Currently as well as in the future, this recommendation will not be followed due to the lack of technical requirements for a secure identification and addressing of the recipients.

### **Cooperation of Board of Directors and Supervisory Board**

In line with the policies usual in the market, the directors' and officers' insurance for the Supervisory Board of MOLOGEN does not contain a deductible. Starting on July 1, 2010, the already existing D&O insurance for the members of the Board of MOLOGEN will contain a deductible of at least 10% of the damage up to at least the 1.5-fold of the amount of the fixed annual compensation.

### **Board of Directors**

The detailed compensation report is part of the notes to the annual financial statements and is reflected in the annual report of MOLOGEN. The annual report will be accessible on the Internet pages of the company or will be mailed upon request. The referenced

information is therefore accessible for the shareholders of the corporation. As it has been in the past, a repetitive declaration in the corporate governance report will therefore be waived.

The basic principles of the compensation system for the Board of Directors as well as its amendments are explained in the Management Report and are stated again in the annual report. The Annual General Meeting has not and will not receive any information in addition to that.

### **Supervisory Board**

The German Corporate Governance Code recommends setting an age limit for the members of the Board. The current contracts of employment of the members of the Board of MOLOGEN have a fixed term and will not be extended automatically. As in the past, the Supervisory Board will consider the age of the candidate in its decision with respect to the re-issuing of an employment contract for the members of the Board and will adjust the term of the contract respectively if necessary. A particular age limit has therefore not been determined, nor will it be determined.

### **Responsibilities and authorities of the chairman of the Supervisory Board**

#### **Formation of committees through the Supervisory Board**

The Supervisory Board of MOLOGEN consists of three members. Due to the low number of members it has not formed any committees in the past. No auditing or nomination committees have therefore been established in the past. As long as the number of members of the Supervisory Board is so low, committees will not be formed in the future either.

### **Constitution of the Supervisory Board**

With respect to suggestions for the selection of Supervisory Board members, the German Corporate Governance Code recommends considering an age limit that is to be determined. This recommendation has not been and will not be followed, because the

term of office for members of the Supervisory Board stipulates a manageable time period for the appointments.

### **Compensation of the Supervisory Board**

The compensation paid to the members of the Supervisory Board as well as the compensation for granted benefits for personal performance have and will be disclosed separately for the entire Supervisory Board in a respective line item in the notes to the annual report in accordance with statutory requirements. The members of the Supervisory Board have and will receive no performance-based compensation. Since the Supervisory Board has to fulfill a supervisory function, the Board of Directors and the Supervisory Board consider a performance-based compensation component for the members of the Supervisory Board as problematic.

### **Transparency**

The German Corporate Governance Code recommends that the ownership of shares or financial instruments related to shares, derivatives in particular, held by individual members of the Board of Directors or Supervisory Board members be stated in the event that this, directly or indirectly, amounts to more than 1% of the shares issued by the company. If the total assets of all members of the Board of Directors or Supervisory Board members exceed 1% of the shares issued by the company, the total assets for the Board of Directors and the Supervisory Board shall be listed separately. This recommendation has not been followed and will also not be followed in the future. The publication of this information takes place in accordance with legal stipulations and in a legally stipulated fashion, which in the opinion of the Board of Directors and the Supervisory Board provides sufficient transparency. An additional publication of such information in the corporate governance report has not taken place in the past and shall also not take place in the future.

## **Accounting**

Detailed information regarding share option programs and similar bond-oriented incentive systems have been disclosed and will be disclosed in the notes to the financial statements pursuant to IFRS and will be reflected in the annual report and shall not be listed again in the corporate governance report.

Berlin, March 30, 2010

On Behalf of the Supervisory Board

Dr. Mathias P. Schlichting  
Chairman of the Supervisory Board

On Behalf of the Board of Directors

Dr. Matthias Schroff  
Chairman of the Board of Directors