



1.8 Corporate governance

1.8.1 Introduction

This chapter summarizes certain information concerning the Board and the Company's corporate governance. It is based on the relevant provisions of Dutch law, including the Dutch Corporate Governance Code (the 'Code') the text of which can be accessed at www.mccg.nl, as in effect on the date of this management report, the board rules and the articles of association. The articles of association in effect as of June 29, 2021 can be found on the Company's website www.vivoryon.com.

This chapter does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to the relevant provisions of Dutch law as in force on the date of this management report, the articles of association and the board rules.

1.8.2 Code of conduct and other corporate governance practices

The Company has adopted a code of conduct, which explicitly incorporates and refers to core values of the Company, being honesty, accountability, integrity, professionalism and fairness. The text of the Company's code of conduct can be accessed at www.vivoryon.com. The Company does not voluntarily apply other formal codes of conduct or corporate governance practices.

1.8.3 Board

1.8.3.1 Board rules

The Company maintains a one-tier board (the "board"). The articles of association provide that the board shall consist of one or more Executive Directors and one or more Non-Executive Directors. The number of Non-Executive Directors must always exceed the number of Executive Directors. As of the date of this Management Report, the provisions in the DCC (Dutch Civil Code) that are commonly referred to as the 'large company regime' (*structuurregime*) do not apply to the Company. On December 31, 2021, the board consisted of three Executive Directors and four Non-Executive Directors.

Directors are appointed by the General Meeting as an Executive Director or a Non-Executive Director.

In the event two or more Executive Directors are in office, the board may grant titles to the individual Executive Directors, including (but not limited to) those of 'Chief Executive Officer' (CEO), 'Chief Financial Officer (CFO)' and 'Chief Business Officer' (CBO). In the event one Executive Director is in office, that Executive Director shall be granted the title of CEO and CFO. The board shall appoint one of the Non-Executive Directors as chair of the board (Chair) and may appoint another Non-Executive Director to be the vice-Chair of the board (Vice-Chair). The composition of the board shall be balanced considering the respective skills, experience and knowledge of each of the Directors.

If a Director is to be appointed, the board shall make a binding nomination. The General Meeting may at all times set aside such binding nomination by a resolution adopted by a majority of at least two-thirds of the votes cast, such majority representing more than one-half of the issued capital of the Company. A second meeting as referred to in Section 2:120(3) DCC cannot be convened. If the General Meeting sets aside the binding nomination, the board shall make a new binding nomination. The nomination shall be included in the notice of the General Meeting at which the appointment shall be considered. The Executive Directors shall not take part in the discussions and decision-making by the board in relation to nominations for the appointment of Directors. If no nomination has been made for the appointment of a Director, this shall be stated in the notice of the General Meeting at which the appointment shall be considered and the General Meeting shall then be free to appoint a Director at its discretion. A resolution to appoint a Director that was not nominated by the board can only be adopted by a majority of at least two-thirds of the votes cast, such majority representing more than one-half of the issued capital of the Company. A second meeting as referred to in Section 2:120(3) DCC cannot be convened.

A Director may be suspended or removed by the General Meeting at any time. A resolution to suspend or remove a Director can only be adopted by a majority of at least two-thirds of the votes cast, such majority representing more than one-half of the issued capital of the Company, unless the proposal to suspend or remove the relevant Director was made by the board, in which case the resolution can be adopted by a simple majority of the votes cast. A second meeting as referred to in Section 2:120(3) DCC cannot be convened. An Executive Director may also be suspended by the board. A suspension by the board may at any time be discontinued by the General Meeting. Any suspension may be extended one or more times, but may not last longer than three months in the aggregate. If, at the end of that period, no decision has been taken on termination of the suspension or on removal, the suspension shall end.



The Directors are collectively responsible for the Company's management and the general affairs of the Company's business. In discharging its duties, the board shall be guided by the interests of the Company and its business; it shall take into account the relevant interests of all those involved in the Company (including Shareholders). The board is responsible for the continuity of the Company and must establish a position on the relevance of long-term value creation for the Company and its business and take into account the relevant stakeholder interests. The board shall adopt values for the Company and the Company's business that contribute to a culture focused on long-term value creation. The board is responsible for the incorporation and maintenance of these values within the Company and the Company's business. The Directors may divide their tasks by mutual consultation, provided that (i) the day-to-day management of the Company shall be entrusted to the Executive Directors and (ii) the task to supervise the performance by the Directors of their duties cannot be taken away from the Non-Executive Directors. The responsibilities of the board include:

- the achievement of the Company's operational and financial objectives;
- determining the strategy and policy designed to achieve the objectives;
- corporate social responsibility issues that are relevant to the Company's business;
- the general state of affairs in and the results of the Company;
- identifying and managing the risks connected to the business activities;
- ensuring that effective internal risk management and control systems, including its disclosure controls and procedures and internal control over financial reporting, are in place and reporting on this in the Management Report;
- maintaining and preparing the financial reporting process;
- compliance with legislation and regulations;
- compliance with and maintaining the corporate governance structure of the Company;
- publishing the corporate structure of the Company and any other information required under the Code, through the Company's website, publication in the Management Report and otherwise;
- preparing the annual accounts and drawing up the annual budget and important capital investments of the Company;
- facilitating the audit committee in relation to the selection process of the external auditor and the nomination of the external auditor for appointment by the General Meeting;
- ensuring that internal procedures are established and maintained which safeguard that all relevant information is known to the board in a timely fashion;
- ensuring that the external auditor receives all necessary information to perform his work in a timely fashion; and
- ensuring that the draft audit plan is discussed with the external auditor before the external auditor presents the plan to the audit committee.

Notwithstanding the responsibilities of the board, the responsibilities of the Non-Executive Directors include:

- selecting and recommending the external auditor for appointment (upon a proposal by the board) by the General Meeting;
- selecting and recommending individuals for appointment (upon a proposal by the board) by the General Meeting as Directors;
- preparing the Remuneration Policy to be adopted (upon a proposal by the board) by the General Meeting, establishing the remuneration (in accordance with the Remuneration Policy) and contractual terms and conditions of employment of the Executive Directors;
- proposing the remuneration of the Non-Executive Directors for adoption by the General Meeting;
- reviewing the performance of the board and individual Directors and discussing the conclusions that must be drawn on the basis of this review at least on an annual basis; and
- preparing up the Company's diversity policy for the composition of the board.



These responsibilities may be carried out by the respective committees of the board consistent with the rules of the committees as drawn up by the board. The board rules and profile can be found on the Company's website www.vivoryon.com/investors-news/corporate-governance/.

1.8.3.2 Composition of the board

The following table as at December 31, 2021, lists our current Executive Directors, who are also executive officers, and our current Non-Executive Directors, as well as their ages, gender, term served, the year of expiration of their term as directors of Vivoryon Therapeutics N.V. and position:

<i>Name</i>	Age, gender	Term served	Year in which the term expires	Position
Dr. Ulrich Dauer	56, m	April 2021 – Present	2024	Executive director, CEO
Dr. Michael Schaeffer	53, m	September 2021 – Present	2024	Executive director, CBO
Florian Schmid	47, m	April 2021 – Present	2024	Executive director, CFO
Dr. Erich Platzer	71, m	2007 – Present	2022	Non-Executive director, Chair
Dr. Dinnies von der Osten	60, m	2007 – Present	2022	Non-Executive director, Vice-Chair
Charlotte Lohmann	51, f	2015 – Present	2022	Non-Executive director
Dr. Jörg Neermann	54, m	2011 – Present	2022	Non-Executive director

The term of each Non-Executive Directors will end on the date of the annual general meeting (AGM) of shareholders in the year indicated above.

Dr. Ulrich Dauer

Dr. Dauer has been our Chief Executive Officer since May 2018 and has the German nationality. He has had a career spanning more than 20 years in the biopharmaceutical industry in both public and private companies. As one of the founders, Dr. Dauer previously worked as CEO of 4SC AG for 14 years, attracting multiple private and, upon the company's IPO at the Prime Standard of the Frankfurt Stock Exchange in 2005, public investors. Under his leadership, 4SC closed multiple industry partnerships with international biopharmaceutical companies. In subsequent leadership positions in the biotech industry, he executed the EUR130 million trade sale of Activaero in 2014 and later took up CEO positions of two privately held biotech companies (Omeicos GmbH, Ventaleon GmbH). Currently, Dr. Ulrich Dauer is also a non-executive board member (Vorsitzender des Beirats) of Atriva Therapeutics GmbH. Dr. Dauer holds a PhD in Chemistry from the Julius Maximilians University of Würzburg, Germany.

Dr. Michael Schaeffer

Dr. Schaeffer has been our Chief Business Officer since October 2018 and has the German nationality. He has close to 20 years of experience across pharma and biotech in strategic business development, scientific project and alliance management. Dr. Schaeffer is a highly experienced serial entrepreneur and was founder, CEO and Managing Director of the biotech companies CRELUX GmbH and SiREEN AG prior to joining Vivoryon. CRELUX is a world leader in biophysical and structure-based drug discovery services. Dr. Schaeffer was responsible for integrating CRELUX into WuXiAppTec, a leading Shanghai based CRO with over 20,000 employees globally, following the acquisition of CRELUX by WuXiAppTec in 2016. Dr. Schaeffer received his PhD in Molecular Biology from the Ludwig Maximilians University in Munich, Germany.

Florian Schmid

Mr. Schmid has been Chief Financial Officer at Vivoryon since April 1, 2021 and has the German nationality. He has more than 20 years of finance leadership experience in public biopharmaceutical, technology and consulting businesses. Mr. Schmid joined us from InflaRx N.V., where he served as Director Finance & Controlling supporting various financing transactions including a U.S. IPO. Prior to that role, Mr. Schmid spent six years at T-Systems



International GmbH, where he most recently led the Global Deal & Business Support department. Mr. Schmid started his career as certified Tax Advisor and Public Accountant at Arthur Andersen and Ernst & Young. Mr. Schmid holds a degree in business economics from the Ludwig-Maximilians-University in Munich, Germany.

Dr. Erich Platzer

Dr. Platzer has served as a non-executive director on our board of directors since 2007 and has the Swiss nationality. He is a business angel and board member of Swiss angel organization StartAngels-Network, focusing on Life Sciences and technology investments. In addition, he serves as a board member and healthcare partner at Swiss venture capital firm MTIP in Basel, which focuses on medtech and e-health investments. Prior to this, he was an investment advisor and industry partner at HBM Partners AG, a venture capital company, which he co-founded in 2001. Dr. Platzer has been chairman or board member of various biotech companies, public or private, in the US and Europe and he currently serves on the boards of the privately held life sciences companies, AOT, LMD, Peripal and Panavance as well as the public biotech company Aptose Biosciences (NASDAQ, TSE). Until 1999, Dr. Platzer worked in various functions in product development and marketing at F. Hoffmann — La Roche, Basel, most recently as Business Director Oncology (worldwide). Prior to that, Dr. Platzer worked in academic medicine and research and had a key role in the team at MSKCC that purified natural human G-CSF, which led to the development of Neupogen® and Neulasta®. Dr. Platzer holds an MD from the Medical Faculty of the University of Erlangen, Germany, where he also earned his MD PhD (Habilitation).

Dr. Dinnies Johannes von der Osten

Dr. von der Osten has been member of the non-executive board since 2007. He has the German nationality and is CEO and Partner at GoodVent Beteiligungsmanagement GmbH & Co. KG since 2007. He is managing director of Elector GmbH. He is a former member of the board of directors at Market Logic Software AG as well as at Acttar Ltd, Israel. He has served as member of the board of directors at numerous private and public companies in the tech sector. Dr. von der Osten spent over 20 years in the venture and private capital sector in various positions. Until 2017 he served as CEO of Cedrus Private Equity. Between 1998 and 2007 he was sole managing director of IBG Beteiligungsgesellschaft Sachsen-Anhalt mbH. Before that he worked as managing director of VWM Waste und Beteiligungsgesellschaft mbH (1994 – 1997) after having been responsible for business development of TechnoCommerz GmbH, a Treuhandanstalt owned company (1993 – 1994). Dr. von der Osten holds a Ph.D. in Economics from the Freie Universität Berlin, Germany, a diploma in Economics from the Ludwig Maximilians University in Munich, Germany and a Bachelor of Business and Engineering from the TU Karlsruhe, Germany.

Charlotte Lohmann

Ms. Lohmann has been member of the non-executive board since 2015 and has the German and Swedish nationality. She is a member of the Executive Committee at MorphoSys AG in Planegg, Germany, since July 2020 and serves as General Counsel at MorphoSys since 2012, and, since 2018, in her role as Senior Vice President. Prior to this, she spent eleven years at Willex AG in Munich, most recently as Senior Vice President Legal Affairs & Human Resources. Prior to her position at Willex, she practiced law at the law firm KPMG Treuhand & Goerdeler GmbH in Munich. She started her career in the tax and law department of the auditing company KPMG Deutsche Treuhand-Gesellschaft AG. Ms. Lohmann received her degree in law from the Ludwig Maximilians University of Munich and is a licensed attorney.

Dr. Jörg Neermann

Dr. Neermann has been member of the non-executive board since 2011 and has the German nationality. He is currently the CEO of Curexsys GmbH, a privately held, German Biotech company, active in exosome and anti-aging technologies. Between 2007 and 2020 he was Partner at LSP, a leading European Venture Capital group, and from September 2009 onwards Managing Partner at LSP Services Deutschland GmbH, the German subsidiary of LSP. Prior to that he was Managing Partner at DVC Deutsche Venture Capital, a venture subsidiary of Deutsche Bank, where he joined in 1998. Dr. Neermann started his venture capital career as an associate with Atlas Venture in 1996. Since April 2019, he has served as a non-executive member of the board of directors of Immunic Inc. (NASDAQ: IMUX), New York, USA, and since April 2016, as chairman of the board of Immunic AG Munich, Germany (now a 100% subsidiary of Immunic Inc.). He also served on the boards of various private and public biotech companies, where he accompanied numerous private financings, IPOs and M&As. In the last five years he served as a non-executive member on the boards of: Imcyse S.A. (Liège, Belgium, July 2019 – January 2021); ViCentra B.V. (Utrecht, Netherlands, January 2016 to January 2021); Eyesense AG (Basel, Switzerland, July 2012 – January 2021); Ventaleon GmbH (Gemünden, Germany, July 2012 – December 2020); and Kuros AG (Zurich, Switzerland, August 2015 – May 2017). Dr. Neermann studied Biotechnology at TU Braunschweig and at the Massachusetts Institute of Technology (Cambridge, MA, USA) and holds a Master's degree and a Ph.D. in biotechnology from TU Braunschweig, Germany. He also studied economics at TU Braunschweig and Harvard Business School (Cambridge, MA, USA).



1.8.3.3 Board meetings and resolutions

The meetings of the board shall be presided over by its chair or his deputy. The chairperson of the meeting shall appoint a secretary for the meeting.

All resolutions of the board shall be adopted by a simple majority of the votes cast. However, the board may determine that certain resolutions of the board require the consenting vote of a majority of the Non-Executive Directors. Such resolutions must be clearly specified and laid down in writing. In the board, each Director may cast one vote. If there is a tie in voting, the proposal shall be deemed to have been rejected.

A Director shall not take part in the discussions and decision-making by the board if he has a direct or indirect personal interest therein that conflicts with the interests of the Company or the business connected with it. The provision of the first full sentence shall not apply if as a result no resolution can be adopted.

1.8.4 Committees

1.8.4.1 Audit committee

The audit committee consists of Dr. Dinnies Johannes von der Osten (as chair), Charlotte Lohmann and Dr. Jörg Neermann. The duty of the audit committee is to prepare the decision-making of the board regarding the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems. The responsibilities of the audit committee include monitoring the board with regard to:

- relations with, and compliance with recommendations and following up of comments by the external auditor;
- the funding of the Company;
- the application of information and communication technology by the Company, including risks relating to cybersecurity; and
- the Company's tax policy.

In addition, the audit committee shall, *inter alia*:

- inform the board of the outcome of the statutory audit and explain how the statutory audit contributed to the integrity of financial reporting and what the role of the audit committee was in that process;
- monitor the financial reporting process and submit recommendations or proposals to ensure its integrity;
- monitor the effectiveness of the Company's internal risk management and control systems in relation to the financial reporting of the Company including review and discuss flaws in the effectiveness of the internal controls;
- monitor the statutory audit of the annual accounts, in particular the performance thereof, taking into account any findings and conclusions by the Dutch Authority for the Financial Markets;
- review and monitor the independence of the external auditor, and in particular the appropriateness of the provision of non-audit services to the Company, and request from the external auditor a formal written statement at least annually delineating all relationships between the external auditor and the Company consistent with applicable requirements of the Public Company Accounting Oversight Board regarding the external auditor's communications with the audit committee concerning independence;
- be responsible for the procedure for the selection of an external auditor and recommend an external auditor to be appointed in accordance with Article 16 of Regulation (EU) No 537/2014, as well as submit a proposal to the board for the relevant external auditor's engagement to audit the annual accounts;
- assist the Company in preparing the disclosure to be included in the Company's applicable filings as required by the Securities and the Exchange Act and their related rules; and
- assist and discuss the effectiveness of the design and operation of the Company's internal controls with the board, the CEO and the CFO, as appropriate.

The board has determined that each of Dr. Dinnies Johannes von der Osten, Charlotte Lohmann and Dr. Jörg Neermann satisfies the "independence" requirements set forth in Rule 10A-3 under the Exchange Act and that Dr. Dinnies Johannes and Dr. Jörg Neermann qualify as "audit committee financial experts," as such term is defined in the rules of the SEC. The composition of our audit committee is consistent with the best practice provisions of the Code.



The audit committee rules can be found on the Company's website www.vivoryon.com/investors-news/corporate-governance/.

1.8.4.2 Compensation committee

The compensation committee consists of Jörg Neermann (as chair), Charlotte Lohmann and Erich Platzer. The task of the compensation committee is to prepare the decision-taking of the board regarding the Company's compensation policy and benefits policies generally and the compensation of the Company's executive officers and the individual directors. The compensation committee rules can be found on the Company's website www.vivoryon.com/investors-news/corporate-governance/.

The compensation committee was installed on November 2, 2021 whereby the composition of the compensation committee was completed and thereby the compensation committee became operational on December 10, 2021. Given the limited time the compensation committee was operational until the end of the year, the compensation committee has not held any meetings during 2021. As a result thereof, no items were discussed by the compensation committee. The board as a whole has reviewed and decided on the remuneration of the Executive Directors prior to the compensation committee becoming operational.

1.8.4.3 Nomination and corporate governance committee

The nomination and corporate governance committee consists of Charlotte Lohmann (as chair), Jörg Neermann and Erich Platzer. The task of the nomination and corporate governance committee is to prepare the decision-taking of the board regarding the selection and appointment procedure for the Company's executive officers and individual directors, as well as developing and monitoring the compliance of the Company's code of conduct. The composition of our nomination and corporate governance committee is consistent with the best practice provisions of the Code. The nomination and corporate governance committee rules can be found on the Company's website www.vivoryon.com/investors-news/corporate-governance/.

The nomination and corporate governance committee was installed on November 2, 2021 and became operational on December 10, 2021. Given the limited time the nomination and corporate governance committee was operational until the end of the year, the nomination and corporate governance committee has not held any meetings during 2021.

1.8.5 Meeting participation

The table below shows the meeting participation per committee or board meeting:

<i>Name</i>	Board meetings	Audit committee meetings	Compensation committee meetings	Nomination/corporate governance committee meetings
Dr. Ulrich Dauer	9/9	–	–	–
Dr. Michael Schaeffer	9/9	–	–	–
Florian Schmid	7/9	–	–	–
Dr. Erich Platzer	9/9	–	–	–
Dr. Dinnies von der Osten	9/9	4/4	–	–
Charlotte Lohmann	8/9	3/4	–	–
Dr. Jörg Neermann	9/9	4/4	–	–

1.8.6 Allocation of profits

According to the articles, the board shall determine the amount of the profits accrued in a financial year that shall be added to the reserves of the Company. The allocation of the remaining profits shall be determined by the General Meeting. The board shall make a proposal for that purpose. Distribution of profits shall be made after adoption of the annual accounts if permissible under the laws of the Netherlands given the contents of the annual accounts.