

## **Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act (“AktG”)**

Executive Board and Supervisory Board of Allgeier SE declare, pursuant to Sec. 161 AktG regarding the German Corporate Governance Code that since the last Declaration of Conformity dated March 2017, Allgeier SE has complied with the recommendations of the German Corporate Governance Code as of 7 February 2017, published by the Federal Ministry of Justice and will comply with them in the future with the following deviations:

### Code Section 3.8 paragraph 3

*“A similar deductible shall be agreed upon in any D&O policy for the Supervisory Board.”*

Pursuant to the legal requirements, the D&O liability insurance includes a deductible for the Executive Board. The law does not stipulate such a deductible for the Supervisory Board, but leaves room for assessing the appropriateness of such a provision taking into account the different nature and scope of the tasks of the Executive Board and Supervisory Board. The company will constantly monitor the further development of the adequacy of the D&O insurance and deductibles and will assess any need for adjustments.

### Code Section 4.2.3 paragraph 4 Sentence 1 and 3

*“When contracts are entered into with Management Board members, it shall be ensured that payments, including fringe benefits, made to a Management Board member due to early termination of their contract do not exceed twice the annual remuneration (Severance Cap) and do not constitute remuneration for more than the remaining term of the employment contract.*

*... The severance cap shall be calculated on the basis of the total remuneration paid for the previous financial year and, if appropriate, shall take into account the expected total remuneration for the current financial year.”*

The Supervisory Board is of the opinion, that a reasonable contract design without a general severance cap is possible depending on the term and other parameters. The early termination of contracts for Executive Board Members that are concluded for a fixed period and are not ordinarily terminable, has to be evaluated and negotiated in the light of the circumstances of the respective termination. In case of an early termination the issue of a severance cap is only one aspect of many that the Supervisory Board has to duly review. The Supervisory Board reserves the right to check and design each aspect individually, as the determination of a general severance cap does not release the the Supervisory Board Members from this examination and evaluation obligation.

### Code Section 4.2.4

As a precautionary measure, the Executive Board and Supervisory Board point out that the annual general meeting resolved not to disclose the remuneration of each Executive Board Member in an individualised form and under the name of each individual Member. Disclosure is made annually in accordance with the applicable legal provisions in the annual report for the Executive Board Members according to fixed and variable remuneration components.

Code Section 4.2.5 paragraph 3 Sentence 1 and 2

*“In addition, the remuneration report shall present the following information for every Management Board member:*

- the benefits granted for the reporting period, including fringe benefits, supplemented in the case of variable remuneration components by the maximum and minimum remuneration achievable;*
- the benefits received for the reporting period, consisting of fixed remuneration, short-term variable remuneration and long-term variable remuneration, broken down by the relevant reference years,*
- the service cost incurred in/for the reporting period for pension benefits and other commitments.*

*The model tables provided as appendices to this document shall be used to disclose this information.”*

The annual general meeting resolved not to disclose the remuneration of each Executive Board Member in an individualised form and under the name of each individual Member. Disclosure is made in accordance with the applicable legal provisions and the recommendations of the Corporate Governance Code for the entire Executive Board.

Code Section 5.1.2 paragraph 2 Sentence 3 and Section 5.4.1 paragraph 2 Sentence 2

*“The Supervisory Board shall specify an age limit for the members of the Management Board.”*

*“Within the company-specific situation the composition of the Supervisory Board shall reflect appropriately the international activities of the company, potential conflicts of interest, the number of independent Supervisory Board members within the meaning of number 5.4.2, an age limit and a regular limit to Supervisory Board members’ term of office, both to be specified as well as diversity.”*

When deciding on the composition of Executive Board positions and proposals for the election of Supervisory Board members, it is crucial to assess the personal and professional suitability of a candidate for the company. This assessment shall be made on a case-by-case basis after comprehensive consideration of the appropriateness and including all persons concerned. There is no reason to set a general age limit, which is only one criterion selected. Rather, a rigid age limit could be an unwanted exclusion criterion for qualified members of the Executive Board and Supervisory Board. Likewise, there is no requirement for a limit on the length of membership of the Supervisory Board. Each member of the Supervisory Board is appointed for a term until the

end of the annual general meeting that resolves on the discharge for the fourth financial year after the beginning of the term of office according to Article 46 SE-VO and Section 10.2 of the articles of association of Allgeier SE. The financial year, in which the term of office begins, is not included. However, the term is limited to a maximum period of six years. After this period, the annual general meeting may resolve on a reappointment.

Code Section 5.4.6 paragraph 3

*“The remuneration of Supervisory Board members shall be disclosed individually in the notes to the financial statements or the management report, classified by remuneration components. Payments made or benefits granted by the company to Supervisory Board members for personal services, particularly advisory or agency services, shall also be disclosed separately on an individual basis.”*

In line with the disclosure of the Executive Board’s remuneration, the company is of the opinion that the disclosure of the individualised remuneration for each Supervisory Board member is not appropriate and necessary due to the size of the company and Supervisory Board. The regulation of the Supervisory Board’s remuneration in the articles of association and the disclosure of the total remuneration and its structure as well as the remuneration for other services in the annual financial statement provide sufficient transparency.

Code Section 7.1.2 Sentence 3

*“The consolidated financial statements and the group management report shall be made publicly accessible within 90 days from the end of the financial year, while mandatory interim reports financial information shall be made publicly accessible within 45 days from the end of the reporting period.”*

The correctness and completeness of the respective financial statements and reports has highest priority for the company. It is the company’s intention to publish the relevant financial statements and reports to the shareholders as early as possible. However, the company reserves the right to use the statutory deadlines, if required for the proper completion and assessment of the financial statements and reports.

Munich, March 2018

For the Supervisory Board



Detlef Dinsel

For the Executive Board



Carl Georg Dürschmidt