

**Declaration by the Executive Board and Supervisory Board
of RENK AG
regarding the recommendations of the
Government Commission on the German Corporate Governance Code
in accordance with section 161 AktG**

“The Executive Board and the Supervisory Board of RENK AG declare that the recommendations of the Government Commission on the German Corporate Governance Code as amended on February 7, 2017 promulgated by the Federal Ministry of Justice on April 24, 2017 in the official section of the *Bundesanzeiger* (the Federal Gazette) are complied with effective immediately, with the exception of items 4.2.3(2) sentence 3 (forward-looking variable remuneration), 5.4.1(6) to (8) (disclosure of proposals of candidates for election) and 7.1.1 sentence 2 (intra-year financial information).

- 1.) The recommendation of item 4.2.3(2) sentence 3 is not complied with in that the assessment base for variable remuneration components is not essentially forward-looking. The current remuneration system is based on the recommendation found in the version of the Code dated May 5, 2015. As the Supervisory Board considers a long-term assessment basis that is essentially forward-looking to be appropriate, an adjustment of the remuneration system in line with the recommendations of the current version of the Code is being prepared but has not yet been completed or implemented.
- 2.) Regarding the recommendation in items 5.4.1(6) to (8) of the Code on the disclosure of certain circumstances of nominations by the Supervisory Board to the Annual General Meeting, the requirements of the Code are unspecific and unclear in their application. A departure from the Code as regards this matter has thus been declared as a precaution. Regardless of this, the Supervisory Board will endeavor to comply with the requirements of items 5.4.1(6) to (8) of the Code.
- 3.) The recommendation of item 7.1.1 sentence 2 (intra-year financial information) is not complied with as the Executive Board and Supervisory Board of RENK AG consider an obligation to release quarterly publications in addition to the statutory requirement of the *Wertpapierhandelsgesetz* (WpHG – German Securities Trading Act) to be unnecessary.

The Executive Board and the Supervisory Board of RENK AG further declare that the recommendations of the Government Commission on the German Corporate Governance Code as amended on May 5, 2015 promulgated by the Federal Ministry of Justice on June 12, 2015 in the official section of the *Bundesanzeiger* were complied with in the period December 2016 to April 24, 2017, with the exception of items 5.4.1(5) to (7) (disclosure of proposals of candidates for election; items 5.4.1(6) to (8) in the February 7, 2017 version of the Code). The reasons for the exception are explained above.



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From April 24, 2017 until the time that this declaration of conformity was issued, the recommendations of the Government Commission on the German Corporate Governance Code as amended on February 7, 2017 promulgated by the Federal Ministry of Justice on April 24, 2017 in the official section of the *Bundesanzeiger* (the Federal Gazette) were complied with, with the exception of items 4.2.3(2) sentence 3 (forward-looking variable remuneration), 5.4.1(2) sentence 1 and (4) sentence 1 (preparation of a skills profile and efforts to adhere to it), 5.4.1(5) (résumés for all Supervisory Board members), 5.4.1(6) to (8) (disclosure of proposals of candidates for election) and 7.1.1 sentence 2 (intra-year financial information). The reasons for the departures from items 4.2.3(2) sentence 3, 5.4.1(6) to (8) and 7.1.1 sentence 2 are explained above.

The new recommendations of item 5.4.1(2), (4) and (5) added effective from April 24, 2017 – which relate to the composition of the Supervisory Board and the preparation of a skills profile for the body as a whole, striving to adhere to the skills profile for the body as a whole and publishing résumés for all Supervisory Board members supplemented by overviews of their main activities in addition to their Supervisory Board appointment on the company's website – have been complied with since December 5, 2017 when this was discussed accordingly and resolved by the Supervisory Board.”

Augsburg, December 5, 2017

For the Supervisory Board:

For the Executive Board:

Dr. Ingrun-Ulla Bartölke

Florian Hofbauer