

Declaration of the Supervisory Board of Aumann AG on the German Corporate Governance Code pursuant to Section 161 of the Stock Corporation Act (AktG)

On March 22nd, 2019, the Supervisory Board issued its most recent Declaration on the Corporate Governance Code pursuant to Section 161 of the *Aktiengesetz* (AktG, Stock Corporation Act). It reads as follows:

The executive board and supervisory board of an German stock corporation listed on the stock-exchange are under obligation, pursuant to Section 161 of the Stock Corporation Act (AktG), to declare, at least once annually, whether or not the recommendations of the “Government Commission on the German Corporate Governance Code

,” as published by the *Bundesministerium der Justiz und für Verbraucherschutz* (BMJV, Federal Ministry of Justice and Consumer Protection) in the official section of the *Bundesanzeiger* (Federal Gazette), have been complied with and continue to be complied with, or to declare which recommendations have not been applied, or are not being applied, while also stating the reasons for such exceptions.

Having dealt with matters of Corporate Governance on several occasions in fiscal year 2018, the Executive Board and Supervisory Board of Aumann AG hereby declare, pursuant to Section 161 of the Stock Corporation Act (AktG), that the recommendations of the “Government Commission on the German Corporate Governance Code,” in the version dated February 7th, 2017, and published on April 24th, 2017, have been complied with and continue to be complied with, whereby the only exceptions hereto are set forth below, along with the supporting rationale:

Exceptions:

- Section 3.8: D&O insurance: The D&O insurance policy for members of the Supervisory Board does not provide for a deductible. We are confident that our Executive Board, Supervisory Board and employees exercise their duties with the greatest care and diligence. In light of the relatively low level of fixed remuneration paid to members of the Supervisory Board, we do not consider a deductible for the Supervisory Board to be appropriate. The D&O insurance for the members of the Executive Board provides for a deductible of 10%, with a maximum payment of 1.5 times the fixed annual compensation.
- Section 4.1.3: Whistle-blower system: Aumann AG has hired employees in 2018 for the first time. We do not consider the setup of a whistle-blower system to be applicable in view of the small number of employees and the flat hierarchal structure of the company. Should there be indications of contraventions of law, employees are able to speak in confidence directly to the compliance representative on the Executive Board.
- Section 4.2.5: Use of table templates: For the disclosure of the total remuneration of the members of the Executive Board the company does not make use of the Code’s table templates. The Supervisory Board is confident that there are other ways of disclosing all relevant

information in a generally understandable format, as the Code requires, while deviating from the table templates.

- Section 5.1.2: Composition of Executive Board: When appointing members of the Executive Board of Aumann AG, the Supervisory Board will follow the requirements of the German Stock Corporation Act (AktG) by ensuring that candidates have the skills, knowledge, and experience that are required for the work of the Executive Board. Nonetheless, new appointments will increasingly focus on diversity in the future.
- Section 5.3: Supervisory Board committees: As the Supervisory Board consists of three members, its efficiency would not be enhanced by forming committees. We consider the number of Supervisory Board members to be adequate in light of the size of the company.
- Section 5.4.1, 5.4.2 und 5.4.3: Limits on membership: An age limit is not specified for the members of the Supervisory Board. In light of the age of the Supervisory Board members and their remaining term of office, we do not believe that it is necessary to introduce such limit. Furthermore, there is no limit to the duration of board membership, which we currently do not deem to be necessary given the current shareholder structure.

Accordingly, a given candidate is proposed exclusively on the basis of his or her knowledge, skills, and professional experience. The plan is to adhere to this approach going forward, so as to ensure that the appropriate level of professional experience and competence can be maintained. The Supervisory Board takes the view that proposals regarding its composition should be decided upon on a case-by-case basis in keeping with the specific situation at hand, without any need to prepare and publish a competence profile.

As regards the disclosure of a given candidate's personal and economic ties to the company, to the corporate bodies of the company, or to a major shareholder in the company (i.e. one with more than 10% of the voting shares), it is deemed more important to ensure the legal reliability of elections to the Supervisory Board than to pursue and recommend the making of disclosures that are not legally required in connection with the proposal of candidates.

- Section 7.1.2: Publications: The consolidated financial statements and interim financial reports are published in accordance with the statutory periods and those imposed by Deutsche Börse for the Prime Standard. As a fast-growing company, Aumann AG is required to consolidate a number of individual companies as well as to regularly perform first-time consolidations and deconsolidations. Therefore, adhering to the periods proposed by the German Corporate Governance Code would place a disproportionate burden on the company.

Beelen, March 22nd, 2019

Gert-Maria Freimuth
For the Supervisory Board