

## **Declaration of Compliance by Deutsche Wohnen AG concerning the German Corporate Governance Code**

The Management and Supervisory Boards of Deutsche Wohnen AG have thoroughly dealt with the issue of compliance with the standards set by the German Corporate Governance Code. In doing so, they have taken the Code dated 5 May 2015 into account, which was published in the Federal Gazette on 12 June 2015, and adopted the following declaration of compliance according to article 161 (1) of Germany's Stock Corporation Act in December 2016.

Since the adoption of the last declaration of compliance in December 2015, Deutsche Wohnen AG has complied with the recommendations given by the Government Commission of the German Corporate Governance Code, with the following exceptions:

- The recommendation in clause 5.4.1 of the Code, which includes the definition of a regular limit of length of Supervisory Board membership and the consideration of this limit in proposals for election, was not complied with. The company believes that a fixed regular limit does not take individual factors justifying longer lengths of membership of individual Supervisory Board members into account.
- In deviation from the recommendation in clause 5.4.6 of the Code, the remuneration regulation for the Supervisory Board members in Deutsche Wohnen AG's articles of association does indeed take the membership in committees into consideration, yet they do not apply separate consideration to chairing Supervisory Board committees with the exception of the audit committee. Moreover, memberships and chairs in Supervisory Board committees are not considered in this pay. The company is of the opinion that the present pay scale for the Supervisory Board members sufficiently compensates them for assuming duties as chairperson of Supervisory Board committees, too.
- The consolidated financial statements and the interim reports are made publicly accessible within the periods defined by law, one of the interim reports not within 45 days but only 46 days after the end of the period under review (Code clause 7.1.2 sentence 4).

In the future, Deutsche Wohnen AG will comply with the recommendations of the Government Commission of the German Corporate Governance Code (in the version of 5 May 2015) with the following exceptions:

- In deviation of the recommendation in clause 5.4.1 of the Code, no regular limit of length of Supervisory Board membership has been set and is therefore in this respect not taken into account in proposals for election. The company believes that a fixed regular limit does not take individual factors justifying longer lengths of membership of individual Supervisory Board members into account.

- In deviation from the recommendation in clause 5.4.6 of the Code, the remuneration regulation for the Supervisory Board members in Deutsche Wohnen AG's articles of association does indeed take the membership in committees into consideration, yet they do not apply separate consideration to chairing Supervisory Board committees with the exception of the audit committee. Moreover, memberships and chairs in Supervisory Board committees are not considered in this pay. The company is of the opinion that the present pay scale for the Supervisory Board members sufficiently compensates them for assuming duties as chairperson of Supervisory Board committees, too.
- The consolidated financial statements and the interim reports are made publicly accessible within the periods defined by law, yet possibly not within 90 days of the end of the financial year or 45 days of the end of the period under review (Code clause 7.1.2 sentence 4). Given the time required for a diligent preparation of financial statements and business reports, it is, for the time being, impossible to enter into commitments concerning earlier dates of publication.

Frankfurt/Main and Berlin, in December 2016

The Management Board

The Supervisory Board

**Disclaimer:**

The German version of this statement is legally binding. The company cannot be held responsible for any misunderstanding or misinterpretation arising from this translation.