

Management Board and Supervisory Board KROMI Logistik AG
Tarperring 11
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**Declaration by the KROMI Logistik AG Management Board and Supervisory Board
on the recommendations of the
"State Commission for the German Corporate Governance Code"
under Section 161 of the AktG (German Stock Corporation Act)**

On 30.06.2017, the executive board and the supervisory board of KROMI Logistik AG submitted a compliance statement pursuant to Section 161 of the German Stock Companies Act. According to that statement, KROMI Logistik AG complied with the recommendations of the "Government Commission on the German Corporate Governance Code" (GCGC) in the 2016/2017 financial year with the following exceptions, and complies with these recommendations with the following exceptions:

- By way of derogation from Section 3.8(2) GCGC, no excess is agreed in the D&O policy for the supervisory board. The company is of the opinion that even without the agreement of an excess, the supervisory board has a great sense of responsibility and motivation.
- In accordance with Section 4.1.5 GCGC, the executive board shall endeavour to ensure an appropriate proportion of women in managerial positions. The executive board is committed to this aim, though operates no gender-specific HR policy. In filling the management positions within the company, diversity is therefore taken into account, though the focus is on the professional qualifications of the candidates. The executive board sees it in the interests of the company to continue to select the professionally and personally most suitable candidates for any given posts to be filled. In view of this, the executive board, by way of derogation from the provisions of Section 4.1.5(2) GCGC, does not have a target for the proportion of women at the two management levels below the executive board.
- In accordance with Section 4.2.3 GCGC, the remuneration of the members of the executive board as a whole, and in terms of their variable components, must demonstrate maximum limits according to the relevant amounts. The introduction of this provision in 2012 (and its development in 2015), the company introduced a comprehensive new remuneration scheme, which inter alia limits the degree of achievement of target-related variable remuneration to 200%. This means that even in case of the achievement of targets which is more than two times the measured value, the variable remuneration of the members of the executive board is capped at two times the target value. The company deems these unchanged arrangements to be adequate.
- By way of derogation from Section 4.2.5(3) GCGC, KROMI Logistik AG does not present the remuneration received by the executive board in the remuneration report using the sample tables in accordance with the GCGC annex. The company is convinced that even without these tables, there can be sufficient transparency regarding the remuneration of the members of the executive board, specifically against the backdrop that the existing arrangements for variable remuneration exclude unreasonably high levels of total remuneration a priori, thanks to their calculation bases and caps.

- In accordance with Section 5.1.2 GCGC, the supervisory board must, in its composition of the executive board, ensure diversity and state target proportions for women on the executive board. From the previous considerations set out in Section 4.1.5, the supervisory board of KROMI Logistik AG has forgone such statement. In addition, the relatively small number of members (4) of the executive board means that there is a limit to possible diversity.
- In accordance with Section 5.4.1 GCGC, the supervisory board provides for appropriate participation by women. In relation to this recommendation, the considerations with regard to Sections 4.1.5 and 5.1.2 GCGC apply accordingly. Restrictions on the diversity of the board will inevitably also arise in relation to the supervisory board, due to its restriction to only four members.
- By way of derogation from Section 5.3 GCGC, no committees are formed from the supervisory board. Given the small number of members (4) of the supervisory board the formation of committees is not sensible.
- By way of derogation from the provisions of Section 5.4.1(2) GCGC, no age limit for supervisory board members has been set. In light of the knowledge, abilities and professional experience required under Section 5.4.1(1) GCGC, the fixing of an age limit is not deemed to be sensible. Furthermore, the supervisory board forgoes the establishment of a limit value on the duration of membership of its members. The supervisory board is aware of the importance of any change to its membership, however it deems itself to be in a position to implement this aspect in the interest of the company, even without the definition of a limit value.

This statement refers to the recommendation of the Code in the version dated 07/02/2017.

KROMI Logistik AG will in future continue to comply with the recommendations of the "Government Commission on the German Corporate Governance Code" in the version dated 07/02/2017, with the above-mentioned exceptions.

Hamburg, 30.06.2017

For the Supervisory Board

For the Executive Board

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