

# DECLARATION OF CONFORMITY

## **Declaration of conformity by the Management Board and Supervisory Board pursuant to Section 161 of the German Stock Corporation Act**

The Management Board and Supervisory Board of TAG Immobilien AG (the 'Company') declare that the Company conformed and will conform to the recommendations on corporate governance drafted by the Government Commission on the German Corporate Governance Code ('GCGC') as follows. As there has been a revision of the GCGC since the December 2019 Declaration of Compliance, this Declaration is divided into two sections, one relating to the GCGC dated 7 February 2017 as published on 24 April 2017 ('GCGC 2017'), and the other to the revised Code dated 16 December 2019 as published on 20 March 2020 ('GCGC 2020'):

### **A. GCGC in the version of 07 February 2017 ('GCGC 2017')**

Since the last declaration of compliance issued in December 2019, until the date of this declaration of compliance, the Company has complied with the recommendations of the GCGC 2017 with the following exception:

Given the reduction in the size of the company's Management Board at the time, the Management Board of the company has had no spokesman or Chairman since 1 November 2014. So the **recommendation in Section 4.2.1 Sentence 1 of the DCGK** was not followed in this regard. The Supervisory Board and Management Board are of the opinion that the tasks of the Management Board are allocated in a sufficiently detailed and appropriate way in the rules of procedure and plan for allocation of businesses, and that the full board can appropriately represent the company to the outside.

### **B. GCGC as amended on 16 December 2019 ('GCGC 2020')**

As of the date of this Declaration of Conformity, the Company will in future comply with the recommendations of the GCGC 2020 with the following exceptions:

According to **Recommendation C.5**, a member of the supervisory board who is also a member of the management board of a listed company shall not hold more than two supervisory board mandates nor chair the supervisory board of listed companies not in the Group, so as to be able to

devote sufficient time to the performance of his or her duties. The Chairman of the Supervisory Board of the Company, Mr Rolf Elgeti, exceeds this recommended maximum number of mandates. Mr Elgeti has been Chairman of the Supervisory Board of TAG Immobilien AG since the end of the 2014 financial year. At no time since then have time constraints occurred due to mandates at other companies, nor are they expected in the future. Competence, expertise, and many years of experience, including on other supervisory boards, are essential for TAG Immobilien AG. Mr Elgeti possesses these qualities. In this respect, the Company benefits from his holding the office of Chairman of the Supervisory Board.

Prior to his activity as Chairman of the Supervisory Board, Mr Elgeti was Chairman of the Management Board of TAG Immobilien AG. This does not comply with Recommendation C.10 sentence 1, according to which the Chairman of the Supervisory Board should be independent of the company, and this does not apply according to the definition in C.7 of the GCGC 2020 if the member of the Supervisory Board was a member of the company's Management Board in the two years prior to his appointment. However, the company does not see this as a conflict of independence. At the time, Mr Elgeti's transfer from the Executive Board to the Supervisory Board was made with the express support and at the request of the shareholders. In fact, the exercise of the mandate by Mr Elgeti is considered to be of value with a view to preserving the continuity of the company.

Hamburg, December 2020

**Management Board and Supervisory Board of TAG Immobilien AG**