

**Declaration of Compliance of the Management and Supervisory Boards  
of ERWE Immobilien AG, Frankfurt am Main  
in respect of the German Corporate Governance Code (§ 161 AktG)**

The Management and Supervisory Boards of ERWE Immobilien AG hereby declare pursuant to § 161 of the German Stock Corporation Act (AktG):

Since submitting its previous Declaration of Compliance on 29 January 2019, ERWE Immobilien AG has complied with all the recommendations made by the “German Corporate Governance Code Government Commission” in the version dated 7 February 2017, as published by the German Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette, and will continue to comply with such in future, with the following exceptions:

- The company does not comply with the recommendation made in Point 3.8 of the Code, namely that, in any directors’ and officers’ liability insurance policy it may take out, it should agree a deductible of at least 10% of the loss up to at least the amount of one and a half times the fixed annual remuneration. Given the amount of remuneration paid to Supervisory Board members and the resultant amount of minimum deductible, the agreement of any such deductible would not provide the company with any additional benefit in terms of enhancing the motivation of the Supervisory Board members to discharge their duties with due care.
- The company does not comply with the recommendation made in Point 4.2.1 of the Code, namely that the Management Board should have a Chair or a Spokesperson. The Management Board members represent different divisions that are equally important. Given the size of the Management Board, which is appropriate to the company’s current size, it is not necessary to have any Chair or Spokesperson.
- The company currently does not comply with the recommendation made in Point 4.2.3 of the Code, namely that variable remuneration components should be agreed with the Management Board members. The Supervisory Board is currently developing a new remuneration structure for the Management Board that also includes variable remuneration components. Given the indirect investments held by the Management Board, it can be assumed that no variable remuneration is required in the intervening period.
- Due to the current size of the company and its Supervisory Board, the company has not formed the committees called for in Point 5.3 of the Code. All duties are discharged by the full Supervisory Board.

Frankfurt am Main, December 2019

The Management Board

The Supervisory Board