

## Declaration of conformity

Section 161 AktG (German Stock Corporation Act) requires the Executive Board and the Supervisory Board of listed stock corporations to state annually to what extent the recommendations of the "Government Commission on the German Corporate Governance Code" as released by the Federal Ministry of Justice in the official section of the electronic Federal Gazette were and are complied with, and which recommendations are or were deviated from and for what reason. The declaration must be made permanently available to the shareholders. Beyond the mandatory disclosures, the declaration of conformity prepared by the Executive Board and the Supervisory Board of OVB Holding AG also indicates which Code suggestions are or were not complied with.

Executive Board and Supervisory Board of OVB Holding AG declare that the recommendations of the German Corporate Governance Code in the currently effective version of 26 May 2010, released by the Federal Ministry of Justice in the electronic Federal Gazette on 2 July 2010, have been complied with since the issue of the last declaration of conformity in March 2010 and will be complied with in the future, subject to the following deviations:

### Recommendations:

#### *Directors & Officers (D&O) insurance (No. 3.8 GCGC)*

OVB Holding AG has so far not provided for a deductible in the D&O insurance policy taken out for the members of the Supervisory Board. In the opinion shared by Executive Board and Supervisory Board, a deductible would not have any noteworthy advantages in terms of encouraging the members of the Supervisory Board to fulfil their duties.

#### *Tasks and responsibilities of the Executive Board*

##### *(No. 4.1.5 GCGC)*

The Executive Board of OVB Holding AG is interested in promoting women and has acted accordingly in the past. Women are represented in the executive hierarchies of the group companies both in Germany and abroad. However, OVB Holding AG holds the opinion that the aspect of diversity, which includes the consideration of women, is no deciding criterion for filling executive positions. For the benefit of the company, the right choices much rather

depend on management and leadership qualities as well as expert knowledge in response to the respective executive areas and responsibilities. Against this backdrop, OVB Holding AG declares a deviation from No. 4.1.5 GCGC.

#### *Composition of the Executive Board*

##### *(No. 5.1.2 sentence 2 GCGC)*

The Supervisory Board does not comply with the recommendation to aim for an adequate consideration of women in the composition of the Executive Board insofar as it is feels committed to be governed in the composition of the Executive Board in the interest of the company and its shareholders – as it was in the past – exclusively by the qualification of the candidates and as it does not attach principal decision-making relevance to their sex in this context.

#### *Definition of specific goals for the composition of the Supervisory Board (No. 5.4.1 (2) and (3) GCGC)*

The Supervisory Board is asked to define specific goals for its composition, taking into account the international activity of the company, potential conflict of interest, an age limit to be determined for Supervisory Board members and diversity, all in consideration of the company-specific situation. Those specific goals shall especially provide for an adequate participation of women. Election proposals of the Supervisory Board to the respective corporate bodies shall consider said goals.

The definition of goals and the status quo of their implementation shall be published in the corporate governance report.

In the composition of the Supervisory Board, the aspect of diversity is generally taken into account. Until summer 2010 the Supervisory Board had one female member. After this member's retirement, the Supervisory Board was completed by one member with an international profile in view of the European orientation of OVB.

In the interest of the company, the Supervisory Board will be governed in its election proposals to the Annual General Meeting by the knowledge, capabilities and expert experience of the candidates to be suggested and not by their sex, leading in effect to a deviation from No. 5.4.1 (3) GCGC.

*Appropriate support of the Supervisory Board members in training and further education measures (No 5.4.1 (4) sentence 2 GCGC)*

A new recommendation provides that Supervisory Board members shall be supported adequately by the company in taking measures for training and further education required for fulfilling their tasks. As it is currently still unclear what conditions are to be met in order to consider the support of the Supervisory Board members' measures for training and further education appropriate on the part of the company, a deviation from No. 5.4.1 (4) sentence 2 GCGC is declared preventively.

*Remuneration of the Supervisory Board (No. 5.4.6 GCGC)*

Committee chairmanship or membership is not taken into account in determining the remuneration of Supervisory Board members. The duties performed are adequately remunerated by the amount already determined.

**Suggestions:**

*Proxies (No. 2.3.3 GCGC)*

The proxy nominated by the Executive Board is only available up to and including the day before the Annual General Meeting but not during the meeting.

*Annual General Meeting on the Internet (No. 2.3.4 GCGC)*

There are no plans for making it possible to follow the

Annual General Meeting by using new communication media (e.g. the Internet) as suggested by the Government Commission. However, the minutes, the presentation and the written version of the speech delivered by the Chairman of the Executive Board will be made available on the Internet after the Annual General Meeting.

*Independence of the chairman of the audit committee (No. 5.3.2 GCGC)*

The Chairman of the Audit Committee is Dr Frank Grund, who is a member of the Executive Board of one of the principal shareholders of OVB Holding AG.

*Formation of other committees (No. 5.3.4 GCGC)*

Apart from the responsibilities delegated to the Audit Committee and the Nomination and Remuneration Committee newly established in 2010, the Supervisory Board has not delegated any other subjects to be dealt with by other committees. Due to the Supervisory Board's size, the Board does not consider the formation of other committees necessary; it deals with the issues in the Supervisory Board's regular meetings in full session

*Remuneration of the Supervisory Board (No. 5.4.6 GCGC)*

Apart from a share in net income for the year, the performance-based remuneration of Supervisory Board members does currently not include any long-term components.

Cologne, 25 March 2011

For the Executive Board



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For the Supervisory Board



Michael Johnigk