

## Declaration of conformity

Section 161 AktG (German Stock Corporation Act) requires that the Executive Board and the Supervisory Board of German listed stock corporations state at least once per year if and to what extent the German Corporate Governance Code was, and is, complied with and which of the Code's recommendations were, or are, deviated from, and for what reason.

Executive Board and Supervisory Board of OVB Holding AG hereby declare in accordance with Section 161 (1) sentence 1 AktG that the recommendations of the Government Commission on the German Corporate Governance Code in the version of 5 May 2015, released in the Federal Gazette on 12 June 2015, have been and are being complied with, subject to the following deviations:

### Recommendations:

#### *No. 3.8 (3) GCGC (Directors & Officers (D&O) insurance)*

OVB Holding AG has so far not provided for a deductible in the Directors & Officers insurance policy taken out for the members of the Supervisory Board. The members of the Supervisory Board attend to their duties responsibly and in the Company's best interest. It is the opinion of the Executive Board and Supervisory Board that a deductible is not conducive to promoting the responsibility and motivation of the members of the Supervisory Board in the performance of their tasks. Legislators also believe that a differentiation between the Executive Board and Supervisory Board is appropriate, in that they have not prescribed comparable regulations to those for the deductible for Executive Board members.

#### *No. 4.1.5 sentence 1 GCGC (consideration of diversity for executive positions)*

According to the recommendations of the German Corporate Governance Code, the Executive Board shall pay attention to the aspect of diversity in filling executive positions and aim for the adequate consideration of women. The Executive Board of OVB Holding AG pursues the goal of promoting women and aims at having more women assume executive positions. However, the Executive Board holds the view that the aspect of diversity which includes

the consideration of women should not be the sole deciding criterion for filling executive positions. For the benefit of the Company, the right choice much rather depends on management and leadership qualities, expert knowledge in the respective executive areas and responsibilities, and professional experience. Therefore, a deviation from no. 4.1.5 sentence 1 GCGC is declared preventatively.

#### *No. 5.1.2 (1) sentence 2 GCGC (consideration of diversity for composition of the Executive Board)*

According to the recommendations of the Code, the Supervisory Board shall pay attention to the aspect of diversity with regard to the composition of the Executive Board. The Supervisory Board of OVB Holding AG holds the view that the aspect of diversity with regard to the composition of the Executive Board is a goal to be pursued; however, in the interest of the Company and its shareholders, the Supervisory Board shall continue to consider the knowledge, capabilities and experiences required by the respective fields of business and areas of responsibility to be decisive with regard to the selection of appropriate candidates. On this basis, a deviation from no. 5.1.2 (1) sentence 2 GCGC is declared preventatively.

#### *No. 5.4.1 (2) sentence 1 GCGC (consideration of diversity and definition of limits on duration of Supervisory Board membership)*

In the composition of the Supervisory Board, the aspect of diversity is generally taken into account. In the interest of the Company, the Supervisory Board will be primarily governed by the knowledge, capabilities and expert experience of the proposed candidates in its presentation of candidates for selection by the General Meeting of Shareholders. On this basis, a deviation from no. 5.4.1 (2) sentence 1 GCGC is declared preventatively.

The recommendation in no. 5.4.1 (2) sentence 1 GCGC, as regards objectives for the composition of the Supervisory Board, was changed within the scope of the 2015 Code adjustment to the effect that the Supervisory Board should determine a limit for the duration of Supervisory Board membership as part of the objectives concerning its composition. The Supervisory Board of OVB Holding AG has resolved not to define a limit regarding duration of Supervisory Board membership, because a general limit fails

to take into consideration individual factors that justify a longer tenure of individual Supervisory Board members. Suitability for the exercise of the relevant board functions does not necessarily end with the attainment of a predetermined age or length of tenure, but rather depends solely on the relevant individual capabilities.

*No. 5.4.6 (1) sentence 2 as well as (2) sentence 2 GCGC (remuneration of the Supervisory Board)*

Contrary to the recommendation of the Code, the remuneration of the members of the Supervisory Board does not account for membership or chairmanship of the Supervisory Board's committees. In the opinion shared by the Company's Executive Board and Supervisory Board, the remuneration provided for also adequately compensates the assumption

of tasks in committees. This also applies due to the fact that, in the spirit of good corporate governance, close communication with the Nomination and Remuneration Committee already takes place; furthermore, the other Supervisory Board members generally attend Audit Committee meetings. The performance-based remuneration of the members of the Supervisory Board is not particularly oriented towards the Company's sustained development. Performance-based remuneration is governed by Section 14 of the Articles of Association of OVB Holding AG and, in the opinion shared by the Company's Executive Board and Supervisory Board, is quite transparent. The remuneration model has proven its worth and leads to an adequate remuneration of the Supervisory Board, compliant with the law and consistent with the shareholders' interests.

Cologne/Germany, 21 March 2017

On behalf of the Executive Board

On behalf of the Supervisory Board



Mario Freis



Oskar Heitz



Thomas Hücker



Michael Johnigk