

Corporate governance

Corporate governance stands for the responsible management and control of companies aimed at creating sustainable value over the long term. It strengthens the confidence of investors, financial markets, business partners, financial agents, employees and the general public in the Company's management and supervision and represents an essential cornerstone of sustainable business success. The OVB Group's corporate governance and corporate culture comply with the statutory provisions and – with a few exceptions – the additional recommendations of the German Corporate Governance Code. Executive Board and Supervisory Board feel committed to corporate governance; all business divisions are guided by its principles. For us the emphasis is on values such as competence, transparency and sustainability.

In the following chapter, the Executive Board reports – also on behalf of the Supervisory Board – on corporate governance at OVB Holding AG in accordance with No. 3.10 of the German Corporate Governance Code. The chapter includes the statement on corporate governance pursuant to Section 289a HGB (German Commercial Code) as well as the remuneration report pursuant to Section 314 (1) no. 6 HGB.

Statement on corporate governance

General management structure with three corporate bodies

In accordance with the statutory provisions for a German stock corporation, OVB Holding AG has a dual board system consisting of Executive Board and Supervisory Board. The third corporate body is the General Meeting of shareholders where the Company's shareholders participate in essential decisions regarding the Company. Executive Board and Supervisory Board cooperate closely for the benefit of the Company and maintain an intensive and open dialogue on a regular basis.

Direction and management – the Executive Board

The Executive Board of OVB Holding AG directs the Company and the Group managed by the Company on its own authority. The Executive Board assumes its management tasks, particularly including corporate planning, the

Group's strategic orientation and its control and monitoring as well as the Group's financing as a corporate body composed of Executive Board members who share the responsibility for the Company's management. They work together as colleagues and inform each other constantly about the measures and transactions of relevance in their respective areas of responsibility. Overall responsibility of all Executive Board members notwithstanding, the individual Board members manage the responsibilities assigned to them on their own authority.

The Executive Board's work is defined in detail by the rules of procedure adopted by the Supervisory Board which also determines the topics that are subject to the Executive Board's decision to be made in full session and other formalities for the Executive Board's resolutions. The specific scope and content of the areas of responsibility assigned to the members of the Executive Board derives from a distribution-of-business plan which is part of the rules of procedure.

The Executive Board consults the Supervisory Board on the Company's strategic orientation in detail and discusses the strategy and its implementation with the Supervisory Board in regular intervals. The Executive Board reports to the Supervisory Board on all aspects of relevance to the Company relating to business performance, assets and liabilities, financial position and profit/loss, planning and target achievement, risk position and risk management regularly, timely and comprehensively. Deviations of the course of business from the scheduled plans and targets are discussed and explained within this framework. The Executive Board's regular and indepth reports in the meetings of the Supervisory Board and the Audit Committee also include the subject of compliance, i.e. measures for the observance of statutory provisions and corporate guidance.

Certain Executive Board decisions of special importance require the approval of the Supervisory Board. Those cases are defined in the Executive Board's rules of procedure and relate to e.g. the acquisition of non-current assets or borrowing of financial loans that exceed a certain amount. The formation, acquisition, liquidation and disposal of investment companies require approval as well.

Executive Board resolutions are adopted in meetings held regularly – at least once a month – and chaired generally by the Chairman of the Executive Board. Furthermore, any Board member may call for the convening of a meeting. Insofar as not required otherwise by law, the Executive

Board decides by a simple majority of the votes cast. In case of a tie of votes, the Chairman has the casting vote.

Appointed members of the Executive Board of OVB Holding AG are at present:

Michael Rentmeister

(born 1965, on the Board since 2012, appointed until 31 December 2016)
CEO

Oskar Heitz

(born 1953, on the Board since 2001, appointed until 31 December 2018)
CFO

Mario Freis

(born 1975, on the Board since 2010, appointed until 31 December 2017)
CSO

Thomas Hücker

(born 1965, on the Board since 2014, appointed until 31 December 2017)
COO

Supervision and advice to the Company's management – the Supervisory Board

The Supervisory Board supervises and advises the Executive Board, appoints its members and is directly involved in all decisions of essential relevance to the Company. The Supervisory Board also coordinates the Company's strategic orientation and routinely discusses the implementation of the business strategy with the Executive Board. The Chairman of the Supervisory Board aligns the corporate body's work and chairs its meetings. Maintaining constant exchange with the Executive Board, the Supervisory Board is always informed about the business policy, corporate planning and the strategy. The Supervisory Board also adopts or rather approves the separate and consolidated financial statements as well as the management report and the consolidated management report of OVB Holding AG based on its own examination and in consideration of the audit reports provided by the auditor. Within the framework of its report to the General Meeting, the Supervisory Board informs the shareholders about its work.

According to Section 10 (1) of the Articles of Association, the Supervisory Board consists of six members all of whom are elected by the General Meeting of shareholders.

The terms of the Supervisory Board members elected by the General Meeting expire as of the end of the Annual General Meeting in the year 2018 that will decide on the formal approval of the actions of the Executive Board and the Supervisory Board for financial year 2017.

The Supervisory Board has established two permanent committees to support a focused discussion of topics and the Board's efficient performance of its tasks, providing assistance to the Board's work in full session: the Audit Committee and the Nomination and Remuneration Committee. Within their respective scope of responsibility, the committees prepare the resolutions of the Supervisory Board as well as the topics to be addressed in full session. In each following Supervisory Board meeting a report is given on the committees' work. Completing the rules of procedure of the Supervisory Board, there are separate rules of procedure for the Audit Committee and the Nomination and Remuneration Committee.

Audit Committee

In preparing resolutions for the Supervisory Board, the four committee members particularly address the diligent examination of the separate and consolidated financial statements as well as the management report and the consolidated management report. The Audit Committee also concerns itself with issues of financial accounting, risk management and compliance and it examines the required independence of the auditor before the audit assignment is commissioned. The committee determines the focal points of the audit together with the auditor and decides on the fee agreement with the auditor. The Audit Committee also discusses the quarterly and halfyear financial reports with the Executive Board prior to their publication.

Nomination and Remuneration Committee

This committee, consisting of the Chairman of the Supervisory Board and one other member, prepares the body of work for the Supervisory Board's consideration in full session and suggests suitable candidates to the Supervisory Board for its election proposals to the General Meeting. It also concerns itself with the composition of the Executive Board and its succession planning as well as with issues relating to the remuneration of Executive Board members.

Working methods of the Supervisory Board in full session and of the Board's committees

The Supervisory Board of OVB Holding AG fulfils its supervisory and advisory functions with special diligence. Even outside the framework of meetings, the Chairmen of Supervisory Board and Audit Committee maintain a regular exchange of information with the Executive Board. They report on relevant information in the following Supervisory Board or committee meeting at the latest.

The Supervisory Board regularly reviews its own efficiency. This is generally done by way of selfinspection by analysing the answers given by Supervisory Board members on a questionnaire. The analysis and the following discussion in the Supervisory Board meeting result in suggestions for the further improvement of its work, to be implemented in full session by the Supervisory Board and by the committees if applicable.

Each Supervisory Board member discloses any conflicts of interest resulting from his involvement to the Supervisory Board without delay. The Supervisory Board informs about any conflicts of interest and how they have been dealt with in its report to the General Meeting of shareholders.

The Supervisory Board of OVB Holding AG consists of the following members at present:

Michael Johnigk

(born 1953, on the Board since 2001, elected until 2018)
Chairman of the Supervisory Board
Member of the Executive Boards of Deutscher Ring Krankenversicherungsverein a.G., Hamburg; SIGNAL Krankenversicherung a.G., Dortmund; IDUNA Vereinigte Lebensversicherung aG für Handwerk, Handel und Gewerbe, Hamburg; SIGNAL Unfallversicherung a.G., Dortmund; SIGNAL IDUNA Allgemeine Versicherung AG, Dortmund; SIGNAL IDUNA Holding AG, Dortmund

Dr. Thomas A. Lange

(born 1963, on the Board since 2013, elected until 2018)
Deputy Chairman of the Supervisory Board
Chairman of the Executive Board of NATIONAL-BANK Essen

Jan De Meulder

(born 1955, on the Board since 2010, elected until 2018)
Chairman of the Executive Boards of Basler Lebensversicherungs-AG, Hamburg; Basler Sachversicherungs-AG,

Bad Homburg; General Representative of Basler Leben AG Direktion für Deutschland, Bad Homburg; General Representative of Basler Versicherung AG Direktion für Deutschland, Bad Homburg; Managing Director of Basler Saturn Management B.V. in its capacity as general partner of Basler Versicherung Beteiligungen B.V. & Co. KG, Hamburg; Member of the Corporate Executive Committee of Baloise Group, Basel, Switzerland

Markus Jost

(born 1961, on the Board since 2013, elected until 2018)
Member of the Executive Boards of Basler Lebensversicherungs-AG, Hamburg; Basler Sachversicherungs-AG, Bad Homburg; Basler Sach Holding AG, Hamburg; Managing Director of Basler Saturn Management B.V. in its capacity as general partner of Basler Versicherung Beteiligungen B.V. & Co. KG, Hamburg

Wilfried Kempchen

(born 1944, on the Board since 2012, elected until 2018)
Businessman (ret.), former CEO of OVB Holding AG

Winfried Spies

(born 1953, on the Board since 2010, elected until 2018)
Chairman of the Executive Boards of Generali Versicherung AG, Munich; Generali Lebensversicherung AG, Munich; Generali Beteiligungs- und Verwaltungs-AG, Munich

An overview of the members of the Executive Board, the Supervisory Board and the Supervisory Board committees of OVB Holding AG in financial year 2014 as well as their memberships in comparable corporate bodies can be found in this Report's chapter "Corporate Governance" beginning on page 109.

Objectives for the composition of the Supervisory Board

The decision of the Supervisory Board on election proposals to be made to the General Meeting of shareholders shall be oriented solely towards the Company's best interest. The deciding criteria are the respective candidates' individual expert knowledge and professional experience. This also applies for the independent financial expert within the meaning of Section 100 (5) AktG (German Stock Corporation Act). For the benefit of the Company, the Supervisory Board is particularly dependent on its members' specific knowledge and experience relating to the Company's business activity, the distributed products and the markets

in which the group companies operate. The Supervisory Board members' in-depth knowledge of the peculiarities of the insurance industry as well as of the market and the competition enable them to assume the statutory task of supervision efficiently and to be available to the Executive Board as competent contacts and advisors for the Company's strategic orientation and for issues of its future development.

Compliance with German Corporate Governance Code

Declaration of conformity 2014

Section 161 AktG (German Stock Corporation Act) requires the executive board and the supervisory board of listed

German stock corporations to declare at least once a 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 not applied, and for what reason.

As of 20 March 2014, Executive Board and Supervisory Board of OVB Holding AG have released the following declaration of conformity pursuant to Section 161 (1) sentence 1 AktG with respect to the recommendations of the Government Commission on the German Corporate Governance Code in its version of 13 May 2013, released in the Federal Gazette of 10 June 2013:

Recommendations:

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

OVB Holding AG has so far not provided for a deductible in the D&O liability 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. In the opinion shared by Executive Board and Supervisory Board, a deductible is not an appropriate means of further improving the Board members' sense of responsibility.

No. 4.1.5 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. Women are represented in the executive hierarchies of the group companies both in Germany and abroad. However, the Executive Board holds the view that the aspect of diversity which includes the consideration of women is not a 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 response to the respective executive areas and responsibilities and professional experience.

No. 4.2.2 (2) sentence 3 (consideration of the relation of Executive Board remuneration to the remuneration of other senior executives and the staff)

Since the amendment to the German Corporate Governance Code as of 13 May 2013, the Code includes the recommendation that the Supervisory Board consider the relation of Executive Board remuneration to the remuneration of other senior executives and the staff as a whole, as well as its development over time; the Supervisory Board is supposed to determine for the purpose of comparison how the group of other senior executives and the relevant staff be defined. This new Code recommendation has led to controversial debate in the legal literature about the sufficient clarity of the individual requirements. The Supervisory Board especially missed specific leads for determining which time horizon and which perspective to consider for determining the "development over time". Therefore a deviation from this recommendation is declared preventively.

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

The Supervisory Board of OVB Holding AG does not comply with the recommendation to aim for an adequate consideration of women in the composition of the Executive Board insofar as the Board feels committed to be guided in the composition of the Executive Board in the interest of the Company and its shareholders – as it was in the past – decisively by the specialist knowhow, capabilities and experiences of the candidates in their respective fields of business and areas of responsibility.

No. 5.4.1 (2) GCGC (consideration of women)

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 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 gender. Fixed targets to be reached at a specific point in time have not been determined, leading in effect to a deviation from No. 5.4.1 (2) GCGC.

No. 5.4.5 (2) GCGC (appropriate support of the Supervisory Board members in training and further education measures)

Supervisory Board members shall be supported adequately by the Company in taking measures for training and further education required for fulfilling their tasks. The Company generally supports the members of the Supervisory Board in taking necessary measures for training and further education yet has not adopted any formal procedures or guidance. Therefore a deviation from No. 5.4.5 (2) GCGC is declared preventively.

No. 5.4.6 (1) sentence 2, (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 duties performed are adequately compensated by the remuneration provided for. The performance-based remuneration of the members of the Supervisory Board is not particularly oriented toward the Company's sustained development. Supervisory Board remuneration was decided by the General Meeting of shareholders; the performance-based remuneration is governed by Section 14 of the Articles of Association of OVB Holding AG and is particularly transparent in the opinion shared by the Company's Executive Board and Supervisory Board. The remuneration model has proved its worth in the past and leads to adequate remuneration of the Supervisory Board that complies with the law and is in line with the interests of the shareholders.

Cologne, 20 March 2014

On behalf of the Executive Board



Michael Rentmeister



Oskar Heitz



Mario Freis



Michael Johnigk

On behalf of the Supervisory Board

Detailed information on this subject is also available on our website. All previously released declarations of conformity are permanently available on the website.

Material corporate governance practices

Compliance as an essential management task of the Executive Board

Compliance as a body of measures for the adherence to the law and to corporate guidelines as well as their observance by the group companies is considered an essential task of management and supervision at OVB. Compliance principles were implemented already in financial year 2008. Moreover, a compliance management system (CMS) was introduced, based on the three pillars “Prevent – recognize – respond”, subject to a continuous internal update process and constant review in consideration of changing legal requirements. With the regular advancement of OVB’s CMS, an important contribution is made to the systematic expansion of prevention and control measures toward the fulfilment of the value proposition OVB has made.

The paramount goal of OVB’s compliance strategy is to prevent or minimize risks from non-adherence to applicable law, internal standards and processes by taking preventive measures.

The foundation of the Group-wide applicable compliance provisions is created by a code of conduct which explains the basic principles our actions are based on. Corresponding Group guidance contains comprehensive instructions for safeguarding compliance with legal obligations and the corporate guidelines in order to establish consistent standards for all group companies if possible. With the help of the compliance management system, the continuous development of OVB’s internal standards of conduct and the implementation of internal and external requirements are managed and controlled. The entire OVB management team has made it their job to bring compliance to life and to be role models in terms of compliance.

The Group’s Chief Compliance Manager (CCM) directly reports to the CEO. The compliance officers of the operating subsidiaries are assigned to the CCM for support and concern themselves with all compliance relevant transactions at the decentralised level of business operations. The compliance team works closely together with the Executive Board, management teams and other executives, addresses questions of doubt and assists all employees in adhering to internal provisions.

Apart from the implementation and observation of all Group-internal guidelines, the subsidiaries are responsible for reporting, the processing of compliance relevant inci-

dents, the continuous analysis of workflows with respect to potential compliance risks and the regular training and counselling of the employees.

Based on regular reports given by the Chief Compliance Manager, the Executive Board, the Supervisory Board’s Audit Committee and the Supervisory Board in full session are informed about recent developments in this field. The compliance reports also find entry into OVB’s risk management reporting. Furthermore, the CCM is available to all employees and third parties in all issues of compliance for communication and advice. This also holds true for any information relating to criminal acts or breaches of compliance regulations.

Additional information on corporate governance at OVB Holding AG

Implementation of the German Corporate Governance Code

Executive Board and Supervisory Board of OVB Holding AG concerned themselves thoroughly with conformity with the provisions of the German Corporate Governance Code (GCGC) once again in the year under review. Following intense discussion, as of 20 March 2014 Executive Board and Supervisory Board released an updated joint declaration of conformity pursuant to Section 161 (1) AktG (German Stock Corporation Act), reproduced in its entirety on the Company’s website at www.ovb.eu/english/investor-relations/corporate-governance, presenting and explaining the respective deviations from the recommendations and suggestions of the Code.

Directors’ dealings

In order to guarantee that potential insider information is handled in compliance with the law, OVB Holding AG keeps an insider directory, including all persons whose access to information that might have the quality of insider information is indispensable. In addition to that, directors’ dealings are recorded and announcements of reportable transactions of this kind are released without delay on the Internet at www.ovb.eu/english/investor-relations/corporate-governance.

Share ownership

As of the reporting date 31 December 2014, no member of the Executive Board or the Supervisory Board directly or

indirectly held more than 1 per cent of the shares issued by the Company. Even combined, the members of the Executive Board and the Supervisory Board hold an interest of less than 1 per cent in the Company's share capital. A disclosure of share ownership as required by No. 6.3 GCGC is therefore not necessary.

Corporate governance of OVB Holding AG on the Internet
www.ovb.eu/english/investor-relations/corporate-governance

- Information on the committees
- Statements on corporate governance and corporate governance reports
- Declarations of conformity
- The Articles of Association of OVB Holding AG
- Directors' dealings

Remuneration report

The remuneration report is part of the management report.

The remuneration report presents the basic principles that are decisive for the determination of the remuneration of the members of Executive Board and Supervisory Board and explains the structure and amounts of the Executive Board remuneration. The report also describes the basic principles and the amounts of Supervisory Board remuneration.

The remuneration report is also available on the Internet at www.ovb.eu/english/investor-relations/corporate-governance.

The report complies with the recommendations of the German Corporate Governance Code (GCGC) and the requirements of the German Commercial Code (HGB), the German Accounting Standards (DRS) as well as the International Financial Reporting Standards (IFRS).

Executive Board remuneration Remuneration system

The system of Executive Board remuneration implemented at OVB aims at giving incentive to the successful management of the Company based on sustainability. The determination of the individual remuneration of the Executive Board members is the sole responsibility of the Supervisory Board, following preparatory work performed by its Nomination and Remuneration Committee.

The appropriateness of the amount of remuneration is regularly reviewed by the Supervisory Board. The following criteria are considered for this review: the Company's economic situation, its success and prospects, the individual Board member's responsibilities and functions as well as personal performance, and a horizontal and vertical comparison with respect to customary compensation, taking also into account the relation of Executive Board remuneration compared to the remuneration of nextlevel executives and the staff as a whole.

The remuneration of the Executive Board members is composed of non-performance-based and performance-based components.

Fixed remuneration and fringe benefits

The non-performance-based components consist of a fixed annual basic remuneration, paid monthly in fixed rates. The members of the Executive Board are also granted fringe benefits as remuneration in kind; these are essentially the usage of company cars and insurance premiums. As part of the remuneration, these fringe benefits are generally granted to all members of the Executive Board equally; the amounts paid depend on individual agreements.

Performance-based components

The performance-based component consists of an aggregate bonus of which half is based on annual targets (annual bonus) and the other half is based on long-term bonus criteria (variable performance component for sustained success).

The amount of the annual bonus depends on the extent to which certain quantitative targets (such as the performance of sales and earnings) and qualitative targets (such as the successful realisation of significant projects in terms of corporate strategy) have been achieved. The target figures are determined and evaluated each year in advance on the basis of the budget prepared by the Executive Board and adopted by the Supervisory Board. Quantitative targets (70 per cent Company specific targets and 10 per cent individual targets) are rated at 80 per cent and qualitative targets at 20 per cent. The bandwidth of the target definition (target corridor) for the annual bonus ranges from 75 per cent to 125 per cent relating to quantitative targets and to 150 per cent relating to qualitative targets. The annual bonus is paid in the following year after the Supervisory Board has determined the target

achievement levels on the basis of the adopted separate financial statements. If the targets are partly met, the bonus is determined on a pro-rata basis. The volume of the variable remuneration component is entered in a bonus account with a penalty rule and carried forward to the next year. Criteria of the variable performance component with sustained incentive effect are the Group's performances of EBIT and sales. The assessment basis of the variable remuneration component derives from the moving average of the actuals achieved over the past two years and the achievement of the target in the current year. If the target level of 60 per cent is not reached, the accumulated bonus account balance is reduced (penalty rule). The variable remuneration component is respectively paid at one third of the balance in the following year.

Payment commitments to Executive Board members upon premature termination of Executive Board contracts in case of a change of control, so-called change-of-control clauses, are not included in the contracts of employment. The contracts provide for a severance pay cap in case of premature termination of the Executive Board contract without good cause, compliant with the recommendation under No. 4.2.3 of the German Corporate Governance Code.

For the determination of the amount of severance pay, the total remuneration for the past financial year and, if applicable, the probable total remuneration for the current financial year would be taken into account.

There are no pension or benefit commitments or payments of retirement annuities in favour of or to Executive Board members acting in the reporting period by OVB Holding AG. In the event of death, the remuneration continues to be paid to the surviving dependents for a period of six months. The pension obligations to a former member of management amount to EUR 746 thousand as of the reporting date 31 December 2014 (EUR 651 thousand in the year 2013).

Remuneration of the Executive Board for financial year 2014

The Executive Board's total remuneration for the 2014 financial year was Euro 1.9 million (previous year: Euro 1.8 million). The total remuneration paid to Executive Board members covers all remuneration received for services to the parent and to subsidiary companies. The following table shows the remuneration paid to the individual members of the Executive Board, broken down into the respective components:

in EUR'000	Variable remuneration components									
	Fixed remuneration components		short-term		long-term		Fringe benefits		Total remuneration	
	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
Executive Board										
Michael Rentmeister	350	350	176	199	201	106	197	192	924	847
Oskar Heitz	260	260	63	68	83	38	93	93	499	459
Mario Freis	225	225	63	68	60	36	47	57	395	386
Thomas Hücker	0	103	0	33	0	11	0	22	0	169
Total	835	938	302	368	344	191	337	364	1,818	1,861

The following tables showing allocations and benefits granted for financial year 2014 take into account the recommendations of the German Corporate Governance Code in addition to the accounting principles to be ap-

plied. For disclosing this information the model tables recommended by the Code are used. Under benefits granted, achievable minimum and maximum amounts are also disclosed.

To the members of the Executive Board the following remuneration was granted for financial year 2014 (individualised disclosures):

Benefits granted for 2014

in EUR'000	Michael Rentmeister, CEO				Oskar Heitz, CFO			
	2013*	2014*	2014 min	2014 max	2013*	2014*	2014 min	2014 max
Fixed compensation	350	350	350	350	260	260	260	260
Fringe benefits	192	192	192	192	93	93	93	93
Total	542	542	542	542	353	353	353	353
One-year variable compensation* ¹⁾	175	175	0	228	63	63	0	81
Multi-year variable compensation* ²⁾	175	175	-105	350	63	63	-38	125
Total	350	350	-105	578	126	126	-38	206
Service cost	0	0	0	0	0	0	0	0
Total	892	892	437	1.120	479	479	315	559

in EUR'000	Mario Freis, CSO				Thomas Hücker, COO (since 06/2014)			
	2013*	2014*	2014 min	2014 max	2013*	2014*	2014 min	2014 Max
Fixed compensation	225	225	225	225	0	103	103	103
Fringe benefits	56	57	57	57	0	22	22	22
Total	281	282	282	282	0	125	125	125
One-year variable compensation* ¹⁾	60	60	0	78	0	30	0	39
Multi-year variable compensation* ²⁾	60	60	-36	120	0	30	-18	60
Total	120	120	-36	198	0	60	-18	99
Service cost	0	0	0	0	0	0	0	0
Total	401	402	246	480	0	185	107	224

* Actuals represent the value upon 100 per cent target achievement.

*¹⁾ The disclosures of individual maximum amounts for one-year variable compensation state the possible maximum amount with respect to the maximum amounts agreed for financial year 2014, i.e. 130 per cent of the respective target amount.

*²⁾ Multi-year variable compensation involves the bonus account with penalty rule as described above. There are no defined plan terms. One third of the balance in the bonus account is paid out in the respective next year as of 31 December. The disclosures of individual maximum amounts for multi-year variable compensation state the possible maximum amount with respect to the maximum amounts agreed for financial year 2014, i.e. 200 per cent of the respective target amount. The respective minimum amount shows the maximum charge on the bonus account balance at 0 per cent target achievement.

Allocations for the year under review

The following table shows the allocations for the year under review 2014 consisting of fixed compensation, fringe benefits, one-year variable compensation and multi-year variable compensation. Deviating from the table of benefits granted for financial year 2014 above, the following ta-

ble presents allocations for the year under review 2014 with respect to the variable compensation components (annual bonus and bonus account) in relation to the respective target achievement rate for the year under review already determined as of the time of preparation of the financial statements.

in EUR'000	Michael Rentmeister CEO		Oskar Heitz CFO		Mario Freis CSO		Thomas Hücker COO (since 06/2014)	
	2013	2014	2013	2014	2013	2014	2013	2014
Fixed compensation	350	350	260	260	225	225	0	103
Fringe benefits	192	192	93	93	56	57	0	22
Total	542	542	353	353	281	282	0	125
One-year variable compensation	174	199	63	68	62	68	0	33
Multi-year variable compensation	60	106	22	38	21	36	0	11
Total	234	305	85	106	83	104	0	44
Service cost	0	0	0	0	0	0	0	0
Total	776	847	438	459	364	386	0	169

The D&O liability insurance policy taken out for the members of the Executive Board includes the statutory deductible for Executive Board members.

Remuneration of the Supervisory Board

The Supervisory Board's remuneration is governed by Section 14 of the Articles of Association of OVB Holding AG and is composed as follows:

- fixed annual remuneration
The fixed annual remuneration is Euro 5,000 per Supervisory Board member. The Chairman of the Supervisory Board receives 2 times and the Deputy Chairman receives 1.5 times that amount.
- a variable component
The variable component consists of a payment of 0.8 per mil of the consolidated net income for the year as reported in the approved consolidated financial state-

ments of OVB Holding AG, issued with an unqualified audit opinion.

Supervisory Board members are also reimbursed for out-of-pocket expenses incurred in connection with their work. No additional remuneration is paid for committee memberships. Based on the consolidated net income for the year of Euro 8.7 million, total remuneration (including reimbursements) paid to Supervisory Board members in the past financial year was roughly EUR 79.5 thousand. Based on a consolidated net income of OVB Holding AG in the amount of Euro 8.0 million, the previous year's Supervisory Board remuneration (including reimbursements) had come to roughly EUR 76.0 thousand. In accordance with the guidelines, the following fixed and variable remuneration components were paid to the members of the Supervisory Board on a pro-rata-temporis basis:

in EUR'000	Fixed remuneration		Variable remuneration		Total	
	2013	2014	2013	2014	2013	2014
Supervisory Board						
Michael Johnigk, Chairman	10.0	10.0	6.4	7.0	16.4	17.0
Dr. Thomas A. Lange (Deputy Chairman since 21 June 2013)	4.0	7.5	3.4	7.0	7.4	14.5
Jan De Meulder	5.0	5.0	6.4	7.0	11.4	12.0
Markus Jost (member since 21 June 2013)	2.7	5.0	3.4	7.0	6.1	12.0
Wilfried Kempchen	5.0	5.0	6.4	7.0	11.4	12.0
Winfried Spies	5.0	5.0	6.4	7.0	11.4	12.0
Total	31.7	37.5	32.4	42.0	64.1	79.5

In addition to the remuneration listed above, two former members of the Supervisory Board received compensation in 2013 in the amount of EUR 11.9 thousand (EUR 5.9 thousand as fixed remuneration, EUR 6.0 thousand as variable remuneration).

No loans have been extended to members of the Executive Board or the Supervisory Board.