

**Government Commission
German Corporate Governance Code**

Administrative Office

Press Release

Frankfurt/Main, 17 January 2012

Commission debates changes to Code

- Recommendation on independence of supervisory board members is confirmed
- First opportunity to state opinion on proposed changes
- New Commission members welcomed

At its meeting held in Frankfurt on 17 January 2012 and in the course of its debate on further professionalization of the supervisory board work of publicly-listed German companies, the Government Commission for the German Corporate Governance Code announced a proposal to confirm the Code recommendation in respect of the independence of supervisory board members (Point 5.4.2). The Commission intends to recommend in future that in order to promote independent consulting and supervision of the board of management, the supervisory board should include an appropriate number of independent members. A supervisory board member should be considered independent where the person in question has no business or personal relationship with the company or its board of management or third parties which creates a significant conflict of interests.

Furthermore, in terms of its composition the supervisory board should in future state specific targets for the number of independent supervisory board members (Point 5.4.1).

Besides this amendment the Government Commission for the German Corporate Governance Code is planning among other things to redesignate as a recommendation the existing proposal that the chairman of the supervisory board should not also be chairman of the audit committee (Point 5.2).

Furthermore, the Government Commission intends to change the recommendation for the remuneration structure of the supervisory board members (Point 5.4.6). Thus where performance-based remuneration is also awarded in addition to a basic salary, the former will primarily be related to long-term company performance.

"With its adjustment proposals the Code Commission is applying sound judgement to proceeding in its endeavours to set out yet more clearly the framework for supervisory board work at an even more professional level, which need not be afraid of international comparison," says Klaus-Peter Müller, Chairman of the Government Commission for the German Corporate Governance Code.

All of the specific proposed changes, which also include a certain number of linguistic amendments, will be announced on 1 February 2012 on the website of the Government Commission for the German Corporate Governance Code in the framework of the written consultation process announced a year ago. Anyone interested may comment at any time up to and including 2 March 2012. The Government Commission will include the comments in its consultations at its meeting in May, at which potential amending resolutions are traditionally formulated. The Government Commission is convinced that this measure designed to bring about additional transparency and participation will stimulate future debate and contribute to even greater acceptance of the Code in all industry sectors.

Personnel changes

The Government Commission regrets to announce that Peer Michael Schatz has decided to step down from his position. With his extensive knowledge and deep voluntary commitment, founder member Peer Michael Schatz has made a great

contribution to the successful work of the Corporate Governance Commission, for which Chairman Klaus-Peter Müller expressed heartfelt thanks on behalf of all the members. At the same time two new Commission members were welcomed, Prof. Dr. Dr. Ann-Kristin Achleitner and Dr. Stefan Schulte, who with their domestic and international expertise will continue to drive the work of the Government Commission forward.

Information for editors
Government Commission for the German Corporate Governance Code

On 26 February 2002 the Government Commission for the German Corporate Governance Code, set up by the Federal Minister of Justice in September 2001, approved the German Corporate Governance Code, which acquired legal status by means of the Declaration of Compliance pursuant to Section 161 of the German Stock Corporation Act (AktG). <http://www.corporate-governance-code.de/ger/news/transparenzgesetz20020801.html>

The aim of the German Corporate Governance Code is to make Germany's corporate management and governance rules transparent for both national and international investors, thus strengthening confidence in the management of German corporations.

Commission members: Klaus-Peter Müller (Chairman), Prof. Dr. Dr. Ann-Kristin Achleitner, Prof. Dr. Dres. h.c. Theodor Baums, Dr. Hans-Friedrich Gelhausen, Dr. Dr. h.c. Manfred Gentz, Dietmar Hexel, Ulrich Hocker, Prof. Dr. Henning Kagermann, Max Dietrich Kley, Dr. Stefan Schulte, Christian Strenger, Daniela Weber-Rey, Prof. Dr. Beatrice Weder di Mauro, Prof. Dr. Axel v. Werder.

Contact: Peter Dietlmaier, C4 Consulting GmbH, Königsallee 6,
D-40212 Düsseldorf, Tel: +49 21151 60 22 11, Fax: +49 211 51 60 22 22,
Mob: +49 151 25 21 22 34, E-mail: peter.dietlmaier@c4consulting.de