February 5, 2013

Formulation proposals for changes to the German Corporate Governance Code for listed German companies

Dear Sir or Madam,

At its plenary session on January 9, 2013, the Government Commission considered proposals for amendments to the German Corporate Governance Code for listed German companies. It has published these together with detailed explanations on this website today.

Some of the proposed changes are intended to trim down the Code where it makes sense to do so and to make it even easier to read in specific areas. The discussion took into account proposals, including those from the Association of German Lawyers (Deutsche Juristentag), received by the Commission over the course of the year.

The Government Commission is also proposing amendments to Section 4.2 "Management Board - Composition and Compensation". The Government Commission of the German Corporate Governance Code announced in summer 2012 that it believed there was a need to discuss the issue of the "Management Board compensation structure", not least because of the growing public debate, and that it would set up a working group for this purpose. The recommendations and suggestions that have been proposed are primarily intended to increase transparency both internally and externally and to make the information already available today easier to compare, without intervening in the methods and systems of Management Board compensation that must be established for specific companies.

The links included here will take you to a marked-up version of the Code highlighting all the planned amendments compared with the current version of the Code dated May 15, 2012 and
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setting out the precise wording of these amendments, as well as to an explanation of the proposed amendments.

The interested public is invited to send written comments on the proposed amendments and remarks to the Code Commission’s administrative office c/o Commerzbank AG, 60261 Frankfurt am Main or by e-mail to stab.corp.gov.kodex@commerzbank.com by March 15, 2013.

Comments which are submitted by this date will be considered during the final deliberation by the Government Commission in May 2013.

On behalf of all the members of the Government Commission of the German Corporate Governance Code, I would like to encourage all interested parties to make active use of this opportunity to participate in work on the Code.

Yours sincerely

Klaus-Peter Müller (Chairman), Prof. Dr. Dr. Ann-Kristin Achtelker, Prof. Dr. Theodor Baums, Dr. Hans-Friedrich Gelhausen, Dr. Dr. h. c. Manfred Gentz, Dietmar Hessel, Ulrich Hocker, Max Dietrich Key, Dr. Stefan Schulte, Christian Strenger, Daniela Weber-Rey, Prof. Dr. Beatrice Weder di Mauro, Prof. Dr. Axel v. Werder