



GESCO AG, Wuppertal

Securities Identification Number (SIN) A1K020
ISIN DE000A1K0201

Declaration of compliance in accordance with Section 161 AktG

The Executive Board and Supervisory Board of GESCO AG declare in accordance with Section 161 AktG that the recommendations of the Government Commission German Corporate Governance Code published by the Federal Ministry of Justice and Consumer Protection in the official section of the Bundesanzeiger (Federal Gazette) 24 April 2017 were followed pursuant to the version of the Code dated 7 February 2017 since the last declaration of compliance was issued in December 2018 with the following exceptions:

- **Section 5.3: Establishment of supervisory board committees**

The Supervisory Board of GESCO AG comprises four members. The small size of the committee allows overarching strategic issues, as well as detailed questions, to be discussed in depth and without any loss of efficiency and decided upon by the entire Supervisory Board. We therefore believe that it is not appropriate to create Supervisory Board Committees. The company rather feels that a strong point of the Supervisory Board derives from the fact that its members are equally involved in all issues.

- **Section 5.4.1, para. 2, sentence 2: Regular limit on the length of membership for Supervisory Board members**

The Supervisory Board of GESCO AG believes that a long term of service on the Supervisory Board goes hand in hand with the sustainable and long-term business model of GESCO AG. For this reason, we do not consider setting a regular limit of length of Supervisory Board membership to be appropriate or practical.

- **Section 5.4.6, para. 2, sentence 2: Performance-oriented Supervisory Board remuneration**

The remuneration of the members of the Supervisory Board of GESCO AG includes a fixed component, an attendance fee and a performance-oriented component based on Group net income for the year after minority interest. Any Group losses are carried forward to the subsequent year and offset against positive income. In our opinion, this rule is in keeping with a sustainable and entrepreneurial way of thinking and should be in compliance with the orientation towards sustainable corporate development called for in the Code. However, as it is not feasible to exclude the possibility that others may be of a different opinion, we therefore report a deviation from the recommendation of the Code as a precautionary measure.

- **Section 4.2.1 sentence 1, part 1 GCGC: Executive Board consisting of several members**

Due to the departure of CFO Robert Spartmann as at 30 November 2018, the Executive Board of GESCO AG comprised only one member from 1 December 2018 up to and including 30 April 2019.

- **Section 7.1.2 sentence 3 GCGC: Publication of financial information**

The GESCO AG Annual General Meeting on 29 August 2019 resolved a change in the financial year of GESCO AG to the calendar year, which took effect upon entry into the commercial register on 4 September 2019. The associated accounting adjustments resulted in the half-year interim report for the abbreviated financial year 2019 not being able to be published within 45 days of the end of the reporting period.

The Executive Board and Supervisory Board of GESCO AG also declare in accordance with Section 161 AktG that the recommendations of the Government Commission German Corporate Governance Code published by the Federal Ministry of Justice and Consumer Protection in the official section of the Bundesanzeiger (Federal Gazette) on 24 April 2017, with the aforementioned exceptions concerning Section 5.3, Section 5.4.1 para. 2 sentence 2, Section 5.4.6 para. 2 sentence 2 and Section 7.1.2 sentence 3 GCGC pursuant to the version of the Code dated 7 February 2017, will be followed in the future, whereby the deviation from Section 7.1.2 sentence 3 GCGC only applies to the limited extent of the abbreviated financial year 2019 with the consolidated financial statements and the Group management report not being able to be published within 90 days of the end of the financial year.

Wuppertal, December 2019

GESCO AG

On behalf of the Supervisory Board

Klaus Möllerfriedrich
(Chairman of the Supervisory Board)

On behalf of the Executive Board

Ralph Rumberg
(Spokesman for the Executive Board)