



GESCO AG, Wuppertal, Germany

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 of the German Corporate Governance Code published by the Federal Ministry of Justice and Consumer Protection in the official section of the Bundesanzeiger (Federal Gazette) on 20 March 2020 have been followed pursuant to the version of the Code dated 16 December 2019 since the last declaration of compliance was issued in December 2020, with the following exceptions:

- **D.2 sentence 1, D.3, D.5: 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 committees above and beyond the scope of legal requirements. Rather, the company feels that a strong point of the Supervisory Board derives from the fact that its members are equally involved in all issues.
- **F.2: Publishing financial information**

The change in the financial year of GESCO AG to match the calendar year in the abbreviated financial year 2019 and the resulting accounting adjustments resulted in the Group financial statements and the Group management report for financial year 2020 (1 January 2020 to 31 December 2020) not being able to be published within 90 days of the end of the financial year and the mandatory interim financial information for financial year 2021 (1 January 2021 to 31 December 2021) not being able to be published within 45 days of the end of the reporting period.
- **G.1 to G.11: Executive Board remuneration**

The Executive Board remuneration system in place until 30 June 2021 did not comply in all aspects with the new recommendations regarding Executive Board remuneration (G.I) that entered into force on 20 March 2020. On 30 June 2021, the Annual General Meeting resolved a revised remuneration system that complies with the new recommendations. The revised remuneration system applies to all Executive Board service contracts concluded or extended after 30 June 2021.

- **G.18: Supervisory Board remuneration**

The GESCO AG Supervisory Board remuneration system approved by the Annual General Meeting on 18 June 2020 includes a fixed component and a performance-oriented component based on Group net income for the year after minority interest. Where applicable, Group losses are carried forward into the following year and offset against profits. 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 cannot be excluded that alternate points of view may be held, we hereby take the precaution of noting this departure from the recommendations of the Code.

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 20 March 2020 will also continue to be followed in the future pursuant to the version of the Code dated 16 December 2019, with the following exceptions:

- **D.5: Formation of a nomination committee**

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 committees above and beyond the scope of the legal requirement to form an audit committee from 1 January 2022, which has been fulfilled. Rather, the company feels that a strong point of the Supervisory Board derives from the fact that its members are equally involved in all issues.

- **F.2: Publishing financial information (90-days deadline)**

Due to the change in company auditor on the basis of the resolution of the Annual General Meeting on 30 June 2021 and the anticipated additional workload and coordination required in the first audit period, the Group financial statements and the Group management report for financial year 2021 (1 January 2021 to 31 December 2021) will not be published within 90 days of the end of the financial year. The mandatory interim financial information for financial year 2022 (1 January 2022 to 31 December 2022), on the other hand, will be published within the recommended 45 days of the end of the respective reporting period.

- **G.18: Supervisory Board remuneration**

The GESCO AG Supervisory Board remuneration system approved by the Annual General Meeting on 18 June 2020 includes a fixed component and a performance-oriented component based on Group net income for the year after minority interest. Where applicable, Group losses are carried forward into the following year and offset against profits. 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 cannot be excluded that alternate points of view may be held, we hereby take the precaution of noting this departure from the recommendations of the Code.

Wuppertal, December 2021

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)