

Declaration of Compliance 2016

The Board of Management and Supervisory Board of technotrans AG declare pursuant to Section 161 of the German Stock Corporation Act: Since the Declaration of Compliance last submitted on September 24, 2015 technotrans AG has complied with the recommendations of the German Corporate Governance Code (DCGK) in the version dated May 5, 2015 (announced in the Federal Gazette on June 12, 2015) with the exception of the following departures, and will moreover comply with the recommendations in the future, with the declared exceptions.

Article 4.2.5 (Disclosure of Board of Management remuneration)

The German Corporate Governance Code recommends that the benefits granted plus fringe benefits, the maximum and minimum attainable remuneration for variable remuneration components as well as the fixed remuneration, short-term and long-term variable remuneration received, together with the benefit expenses for occupational pensions and other maintenance benefits, be presented in the Remuneration Report for financial years commencing after December 31, 2013 for every Board of Management member, and that template specimen tables be used for this information. technotrans AG discloses the remuneration of each individual Board of Management member in agreement with the applicable requirements, broken down into non-performance-related and performance-related pay. The Board of Management and Supervisory Board do not believe that changing the form of presentation for Board of Management remuneration will improve quality and ease of understanding. For that reason, no further sub-classification is practised, nor are the specimen tables used.

Article 5.1.2 (Composition of the Board of Management)

The German Corporate Governance Code recommends that the Supervisory Board also heed diversity in the composition of the Board of Management, with the company taking the recommendation to mean that women are adequately represented. The Supervisory Board considers that belonging to a particular gender is not an attribute that would particularly qualify a female or male candidate for a particular position, and therefore disregards this criterion when selecting the most suitable candidate for a position. When deciding on the appointment of new members of the Board of Management, in future the emphasis will be on the qualifications of the candidates and not on their gender.

The Supervisory Board also takes this as its basis in specifying the targets for the proportion of women on the Board of Management in accordance with Section 111 (5) of the German Stock Corporation Act.

Article 5.4.1 (Objective for the composition of the Supervisory Board)

The German Corporate Governance Code contains the recommendation that the Supervisory Board should state specific objectives for its composition that, depending on the specific situation of the company, take account of the international operations of the company, potential conflicts of interest, the number of independent Supervisory Board members, a possible age limit for Supervisory Board members, and diversity. In its latest version the Code also contains the recommendation, within the context of its objective, to specify a cap on how long a person may serve on the Supervisory Board alongside the above criteria. In addition proposals by the Supervisory Board to the election bodies responsible are to reflect these objectives. technotrans AG has for many years imposed an age limit of 67 (at the time of election) to membership of its Supervisory Board. Notwithstanding this, the Board of Management and Supervisory Board are of the opinion that the intention pursued by the Code can also be achieved without the need to state specific goals, and that defining further goals would actually hinder the Supervisory Board in selecting suitable members. The Supervisory Board of technotrans AG has therefore not stated any specific goals with regard to its composition. The Supervisory Board will, however, largely observe the criteria stated in the recommendation of the Code when proposing persons to the Annual General Meeting for election. With regard to the "diversity" criterion, which the company also takes to include the appropriate representation of women, the Supervisory Board will however not primarily consider gender and will continue to focus on the knowledge and specialist qualifications of the candidates, independently of their gender. The Supervisory Board also takes this as its basis in specifying the targets for the proportion of women on the Supervisory Board in accordance with Section 111 (5) of the German Stock Corporation Act. In light of the circumstances presented above, the Supervisory Board also declines to stipulate a limit on how long a person may serve on the Supervisory Board. Here, too, the interests of the company are best served by basing membership of the Supervisory Board solely on the knowledge and specialist qualifications of its members.

Article 5.4.6 (Remuneration of the Supervisory Board members)

In the event that performance-related remuneration is promised, the German Corporate Governance Code envisages that this be tied to sustainable corporate performance. In accordance with the articles of incorporation the members of the Supervisory Board receive a variable remuneration component that does not expressly reflect sustainable corporate performance.

Sassenberg, September 2016