

Investor Relations

Declaration of conformity 2012

## **December 2012**

On 12 November 2012, the Board of Management and the Supervisory Board of CropEnergies AG, Mannheim adopted the resolution to issue the following Declaration of Compliance regarding the German Corporate Governance Code, in accordance with Section 161 of the German Stock Corporation Act (AktG):

CropEnergies AG complied with the recommendations of the "Government Commission German Corporate Governance Code" in the Code version of 26 May 2010 and will comply in future with the recommendations in the Code version of 15 May 2012, with the following exceptions:

### **Point 2.3.3 (absentee postal voting for the General Meeting):**

The Articles of Incorporation of CropEnergies AG do not yet foresee the option of permitting absentee postal voting for the General Meeting. Therefore, the recommendation to support the shareholders with absentee postal voting cannot be implemented.

### **Point 4.2.1 (Board of Management Chairman or Speaker):**

The election of a chairman or speaker is not necessary. The Board of Management of CropEnergies AG has two members. These persons manage the enterprise with equal executive powers and with clearly defined areas of responsibilities.

### **Point 4.2.3 (severance cap in contractual agreements with Board members):**

The contracts of employment with the members of the Board of Management do not contain a severance cap. We do not see a necessity for this in future, either, especially since there are significant legal reservations against such contract clauses.

### **Point 4.2.4 (individualised remuneration of Board members):**

The General Shareholders' Meeting of CropEnergies AG most recently resolved on 19 July 2011 to waive individualised disclosure of management earnings for a period of five years.

### **Point 5.3.2 sentence 3 (autonomy of the Audit Committee Chairman):**

Mr Thomas Kölbl is Chairman of the Audit Committee. He is simultaneously a member of the Board of Management of Südzucker Aktiengesellschaft Mannheim/Ochsenfurt, which holds a majority interest in CropEnergies AG. In our view, it makes sense that a majority shareholder is appropriately represented on the supervisory board of a company and its committees. It is our conviction that it is

in the interests of the company and all its shareholders for Mr. Kölbl to exercise this office as Audit Committee Chairman.

**Point 5.4.1 (diversity goals for composition of the Supervisory Board):**

The Supervisory Board strives for sufficient diversity in the composition of the Supervisory Board and, in particular, an appropriate quota of women. However, the Supervisory Board will continue to orient the decision with regard to its own composition primarily to the qualification of the available persons and not their gender.

Since the new version of section 5.4.1 had not yet come into effect when the General Meeting 2012 was convened, nominations for election were proposed to the General Meeting in accordance with the provisions effective at that point in time; the recommendation will be complied with in future.

**Point 5.4.6 (individualised remuneration of Supervisory Board members):**

Our company's Articles of Incorporation foresee a results-related Supervisory Board remuneration oriented to dividends. Especially the concurrence with the interests of the shareholders speaks in favour of this structure. However, the Supervisory Board members also did not receive any results-related remuneration for the financial year 2011/12.

We disclose the Supervisory Board's remuneration as a total. In our view, the privacy violations associated with the disclosure of remuneration on an individual basis cannot be reasonably justified by any benefits there may be from this kind of practice. Accordingly, the Corporate Governance Report, Appendix and Management Report contain no individualised disclosures of Supervisory Board remunerations.