

## **VERBIO Vereinigte BioEnergie AG**

### **Joint declaration of the Management and Supervisory Boards of VERBIO Vereinigte BioEnergie AG on the recommendations of the “Governmental Commission on the German Corporate Governance Code” in accordance with § 161 AktG**

Corporate governance stands for responsible leadership and supervision of a company, designed to ensure that it is managed and organised such that it generates long-term added value. The management of VERBIO Vereinigte BioEnergie AG complies with the applicable legal obligations, and, with a few exceptions, the additional recommendations of the Governmental Commission on the German Corporate Governance Code (Deutscher Corporate Governance Kodex – DCGK).

The Management and Supervisory Boards of VERBIO Vereinigte BioEnergie AG, Zörbig issued the following declaration of conformity with the Governmental Commission on the German Corporate Governance Code in accordance with § 161 AktG on September 19, 2016:

“The Management Board and the Supervisory Board of VERBIO Vereinigte BioEnergie AG hereby declare, in accordance with Section 161 of the German Stock Corporation Act (Aktiengesetz – AktG), that VERBIO Vereinigte BioEnergie AG has met and will in future continue to meet the recommendations of the ‘Governmental Commission on the German Corporate Governance Code’ announced by the Federal Ministry of Justice in the official section of the German Federal Gazette in the version dated May 5, 2015, with the following exceptions:

**Section 4.2.4 and 4.2.5** of the DCGK recommends the disclosure of the total remuneration of each member of the Management Board, including the name of the respective member and the split of the remuneration in fixed and variable elements. In the Company’s view, the advantages of such disclosure for the general public and for shareholders are not of such significance that the associated disadvantages – including for the privacy of the individual members of the Company’s corporate boards – should be disregarded. The annual general meeting of VERBIO Vereinigte BioEnergie AG resolved on January 29, 2016 that the details of the remuneration and other agreed and paid benefits of each member of the Management Board shall not be disclosed for a period of five years, i.e. for the annual financial statements for the financial years from 2015/2016 to 2019/2020, either in the Company’s annual financial statements or in the consolidated financial statements. Accordingly, the remuneration report does not include disclosure of the remuneration attributable to individual members of the Management Board.

**Section 5.3** of the DCGK recommends that the Supervisory Board should establish committees. The Company’s Supervisory Board has not, and also will not in future, establish committees. The Company’s Supervisory Board comprises only three persons, who have the required knowledge and professional experience to be able to carry out the work of the Supervisory Board effectively without the establishment of committees. As there are no committees, there is no additional remuneration for members of Supervisory Board committees to report as recommended in **Section 5.4.6 (1) (2)** of the DCGK.

**Section 5.1.2** of the DCGK provides that the Supervisory Board gives attention to diversity in the composition of the Management Board. Furthermore, according to **Section 5.4.1** of the DCGK the Supervisory Board must specify concrete objectives regarding its composition which, while considering the specifics of the Company, take into account the Company's international activities, potential conflicts of interest, the number of independent members of the Supervisory Board, an age limit to be specified for membership of the Supervisory Board and a regular limit of length of membership to be specified for the members of the Supervisory Board, as well as diversity. The Company's opinion is that these criteria are not adequate grounds for making a difference to the appointment of Management Board members and the election of Supervisory Board members. The Company considers that when making appointments to the Management Board, the Supervisory Board should pay primary attention to the candidate's competence and qualification; increasing diversity in the Management Board should be of secondary importance. The composition of the Company's Supervisory Board should be determined based on the interests of the Company and should ensure the Management Board is provided with effective supervision and advice. Accordingly, candidates for election proposed at the annual general meeting are selected by the Supervisory Board based on their technical competence and experience; again, increasing diversity should be of secondary importance.

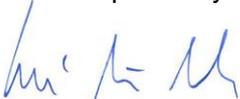
In addition, **Section 5.1.2** of the DCGK provides that the Supervisory Board sets targets for the proportion of positions on the Management Board to be held by women. It is not planned to set targets for women to hold positions on the Management Board when making appointments. In particular, the Company does not wish to promote a quota for women to be appointed based on equal opportunity grounds. Appointments to fill these positions should be made independent of the sex of the candidate so that no advantages or disadvantages accrue either to men or women.

In accordance with **Section 5.4.6 (1) (3)** of the DCGK the positions of Chairman and Vice-Chairman of the Supervisory Board and the position of Chairman of committees and membership of such committees should be reflected in the remuneration paid to Supervisory Board members. In contrast to the function-specific, significantly higher workload of the Chairman of the Supervisory Board, the workload of the Vice-Chairman does not differ significantly from the workload of the other members. Accordingly, no additional remuneration is paid to the Vice Chairman of the Supervisory Board. The annual shareholders' meeting on June 24, 2011 approved a change in the articles of association providing for amendments to the remuneration of members of the Supervisory Board."

VERBIO Vereinigte BioEnergie AG

Leipzig, September 19, 2016

For the Supervisory Board



Alexander von Witzleben  
Chairman of the Supervisory Board

For the Management Board



Claus Sauter  
Chairman of the Management Board