

## **Compliance Statement 2019**

Pursuant to § 161 AktG (*Aktiengesetz*), the management board and the supervisory board of a listed company have to declare annually that the recommendations of the "Government Commission on the German Corporate Governance Code" (hereinafter referred to as "**Code**") have been and will be observed or which recommendations have not been or will not be applied and why not ("Compliance Statement on the Corporate Governance Code "). The declaration is to be made permanently publicly available on the company's internet site.

The following declaration of capsensixx AG (hereinafter also the "**Company**") to the Corporate Governance Code refers to the version of the Code as of 7 February 2017 (published on 24 April 2017).

The management board and the supervisory board of capsensixx AG declare that capsensixx AG has since June 19th, 2018, the date of the first-time admission of the Company's shares to stock exchange trading, followed and will comply in the future with the Code with the following exceptions to the recommendations of the Code:

### **1. Deductible in the D&O Insurance for the Supervisory Board (section 3.8 of the Code)**

The Code recommends in paragraph 3.8, that the D&O insurance for the supervisory board should provide for a deductible from at least 10% of the claim to at least the fixed annual remuneration of the supervisory member multiplied by 1,5. Such a deductible has not been agreed so far and it is also not intended to be agreed in the future. capsensixx AG has a D&O insurance without a deductible for the supervisory board. In the opinion of the Company, the responsible actions of the supervisory board are not additionally supported by the agreement of a corresponding deductible.

### **2. Executive Board (section 4.1.5 of the Code)**

In accordance with section 4.1.5 of the Code, the management board has to pay attention to diversity in the occupation of management functions in the Company, and in particular to strive for adequate consideration of women. For the proportion of women in the two management levels below the top management, the management board determines target sizes and a deadline for implementation, which may not be longer than five years (§ 76 para. 4 AktG). capsensixx AG does not have a distinct hierarchy in its operational structure, such as the legislator had in mind for § 76 para. 4 AktG. There is no first and second level of leadership. The selection of the employees is based solely on the suitability for the occupation of the vacant position. This will also be the future practice. For this reason, and due to the legal obligation to name a quota as a percentage, the management board was only able to set the target for the proportion of women in the management levels below the management board until 31 May 2023 at 0 percent.

### **3. Supervisory Board Tasks and Responsibilities (Section 5.1.2 of the Code)**

According to section 5.1.2 of the Code, the supervisory board should also look at diversity in the composition of the management board. The supervisory board has to set target sizes for the proportion of women in the management board and has to define a deadline for implementation, which may not be longer than five years (§ 111 para. 5 AktG). The management board of capsensixx AG consists of one or more members. Currently the management board has two members. Both members of the board are male. If an extension of the board members is planned in the future or if a current member of the management board resigns, both female and male candidates will be addressed. The final selection decision of the supervisory board will be based solely on the suitability

for the position. For this reason, and due to the legal obligation to name a quota as a percentage, the supervisory board was only able to set the target for the proportion of women in the management board until the next appointment of members of the management board but no later than 31 May 2023 at 0 percent.

#### **4. Supervisory Board Committees (Section 5.3 of the Code)**

Section 5.3 of the Code recommends the formation of committees of the supervisory board, in particular the establishment of an examinations committee in section 5.3.2 and a nomination committee in section 5.3.3. The Company has not established any committees of the supervisory board, since the supervisory board consists of only three members and all decisions are to be prepared and taken jointly by all members of the supervisory board. The recommendation regarding the formation of committees of the supervisory board is therefore of no significance to the Company.

#### **5. Supervisory Board Composition (Section 5.4.1 of the Code)**

According to section 5.4.1 of the Code the supervisory board should identify specific objectives regarding its composition and develop a competence profile for the supervisory board. Regarding its composition the supervisory board will take into consideration the context of the Company-specific situation, the Company's international activities, potential conflicts of interest, the number of independent supervisory board members in the meaning of section 5.4.2 of the Code, an age limit to be set for members of the supervisory board, a limit for the period of membership of the members of the supervisory board and diversity.

The supervisory board must define target sizes regarding the percentage of women in the supervisory board as well as a deadline for its implementation, which may not be longer than five years (§ 111 para. 5 AktG).

The supervisory board of capsensixx AG consists of three members. The members of the supervisory board are elected by the general meeting which is not bound by the election proposals and the target for the proportion of women to be determined by the supervisory board. At present all members of the supervisory board are male. This can change, but does not have to, in the next election. For this reason, and due to the legal obligation to name a quota as a percentage, the supervisory board was only able to set the target for the proportion of women in the supervisory board until the next election of members of the supervisory board but no later than 31 May 2023 at 0 percent.

#### **6. Supervisory Board Composition (Section 5.4.2 of the Code)**

In accordance with section 5.4.2 of the Code, the supervisory board should be composed by a reasonable number of independent members, which the supervisory board deems appropriate, while taking into account the ownership structure. In the sense of this recommendation, a member of the supervisory board shall in particular not be regarded as independent if it is in a personal or business relationship with the Company, its organs, a controlling shareholder or a company affiliated with it, which may establish a significant and not only temporary conflict of interest. The chairman of the supervisory board of capsensixx AG is also the chairman of the management board of the majority shareholder of capsensixx AG, PEH Wertpapier AG. The two other members of the supervisory board of capsensixx AG are also members of the supervisory board of the majority shareholder of Capsensixx AG, PEH Wertpapier AG. The management board and the supervisory board consider that these activities do not constitute a conflict of interest nor is the independence of the supervisory board members adversely affected. In addition, the supervisory board considered the ownership structure of capsensixx AG in an appropriate manner. Any deviation from the Code is therefore explained purely by way of precaution.

## **7. Consolidated Financial Statements / Interim Reports (Section 7.1.2 of the Code)**

The German Corporate Governance Code recommends in Paragraph 7.1.2, third sentence, that the consolidated financial statements should be made publicly available within 90 days after the end of the financial year and interim reports within 45 days of the end of the reporting period. We deem the legal requirements for publication of the consolidated financial statements and the half-yearly financial report, which provide for a release period of maximum four resp. two months after the end of the financial year, to be sufficient, as they ensure an appropriate and timely information of the shareholders. The publication period for the interim reports (quarterly) has been and will continue to be observed in the future.

Frankfurt am Main, February 2019

The Supervisory Board

The Management Board