

---

**Joint Declaration of Conformity by the Managing Board and Supervisory Board of PATRIZIA Immobilien AG with the Recommendations of the “Government Commission of the German Corporate Governance Code” in accordance with Article 161 of the Aktiengesetz (AktG – German Stock Corporation Act)**

**In accordance with Article 161 AktG, the Managing Board and Supervisory Board of PATRIZIA Immobilien AG declare that:**

Since issuing the last Declaration of Conformity in December 2017, PATRIZIA Immobilien AG complied with the recommendations of the German Corporate Governance Code (“Code”) as in the version of 5 May 2015 published on 12 June 2015 in the official section of the electronic German Federal Gazette as well as in the version of 7 February 2017 as published on 24 April 2017 respectively, with the exceptions set forth below. It will also in the future comply with the recommendations of the Code with the following exceptions:

**Deductible for D&O insurance policies for the Supervisory Board  
(section 3.8 paragraph 3 of the Code)**

According to section 3.8 paragraphs 2 and 3 of the Code, a suitable deductible should be agreed if the Company takes out a D&O policy for the Managing Board and the Supervisory Board. Pursuant to the stipulations of Article 93 (2) third sentence of the AktG, a deductible has been agreed for the Managing Board. There will be no deductible for the Supervisory Board now or in the future. The Managing Board and Supervisory Board of the Company do not believe that a deductible affects the sense of responsibility and loyalty with which the committee members perform the duties and functions assigned to them.

**Caps for Management Board remuneration  
(section 4.2.3 paragraph 2 sentence 6 of the Code)**

According to Section 4.2.3 paragraph 2 sentence 6 of the Code, the amount of compensation of Managing Board members should be capped both overall and for individual compensation components.

The compensation paid to Managing Board members of PATRIZIA Immobilien AG is made up of non-performance-related and performance-related components. The employment contracts of the Managing Board members of PATRIZIA Immobilien AG do not provide for maximum amounts for overall compensation, or in respect of all variable compensation components.

Part of the variable compensation is paid in the form of “Performing Share Units”, i.e. virtual shares, and is thus dependent on the Company’s share price performance (component with long-term incentive effect). The cash price equivalent of the Performing Share Units is paid out to Managing Board members after the end of a vesting period. This part of the variable compensation is not limited in terms of amount. Restricting the amount paid out for the component with long-term incentive effect after the end of the vesting period would conflict with the underlying principle of linking this compensation to the Company’s share price performance. Limiting appreciation during the vesting period would weaken the long-term incentive effect.

---

### **Formation of committees in the Supervisory Board (section 5.3 of the Code)**

In accordance with section 5.3 of the Code, the Supervisory Board should form committees. The Supervisory Board of PATRIZIA Immobilien AG comprises three members. Due to the number of members, it is neither necessary, nor does it make sense, for the Supervisory Board to form committees; this would make the work of the Supervisory Board unnecessarily difficult. Thus the recommendations on forming committees and chairing the committees of the Supervisory Board bear no relevance to the Company.

### **Differentiated compensation of the Supervisory Board (section 5.4.6 paragraph 1 sentence 2 of the Code)**

In accordance with section 5.4.6 paragraph 1 sentence 2 of the Code, the compensation of the Supervisory Board should take the chair as well as the deputy chair and membership in the committees into account. The compensation arrangement for the Supervisory Board of PATRIZIA Immobilien AG takes the chair of the Supervisory Board into account but does not distinguish between deputy chairmen of the Supervisory Board and a regular member of the Board due to only three members. No committees are formed.

### **Additional statement regarding the further suggestions of the German Corporate Governance Code**

To increase transparency and comprehensively illustrate the importance of the Code for PATRIZIA Immobilien AG, in this Declaration of Conformity we also state our position on compliance with the suggestions of the Code. With the exception of the following suggestion, all suggestions of the Code were complied with in the 2018 fiscal year or are to be complied with in the 2019 fiscal year:

### **Transmission of the Annual General Meeting on the internet (section 2.3.3 of the Code)**

The 2018 Annual General Meeting was not broadcast on the Internet. There are likewise no plans to broadcast part or all of the 2019 Annual General Meeting on the Internet due to the so far limited demand from our shareholders.

# Declaration of Conformity 2019



---

Augsburg, 19 December 2018

## Managing Board

Wolfgang Egger  
CEO

Karim Bohn  
CFO

Anne Kavanagh  
CIO

Klaus Schmitt  
COO

## For the Supervisory Board

Dr Theodor Seitz  
Chairman of the Supervisory Board