

DECLARATION BY THE EXECUTIVE AND SUPERVISORY BOARDS OF CHORUS CLEAN ENERGY AG ON THE RECOMMENDATIONS OF THE GERMAN CORPORATE GOVERNANCE CODE PURSUANT TO SECTION 161 AKTG FOR THE FISCAL YEAR 2016

The Management Board and the Supervisory Board of CHORUS Clean Energy AG (“CHORUS”) declare that the recommendations of the German Corporate Governance Code (DCGK) published by the German Federal Ministry of Justice on May 5, 2015, in the official part of the Federal Gazette (Bundesanzeiger) were fully complied with in the fiscal year and will continue to be complied with in the future with the following exceptions:

- The D&O insurance for the members of the Supervisory Board does not contain a deductible, which corresponds with international standards (no. 3.8 (3) DCGK). Since the members of the Supervisory Board carry out their duties responsibly and act in the interest of the company, CHORUS believes that a deductible would not increase the level of commitment or burden of responsibility for the members of the Supervisory Board. It also reduces the attractiveness of the positions on the Supervisory Board and thereby limits CHORUS in its competition for qualified candidates.
- There are no provisions regarding the recommended severance payment caps nor is there a change of control clause in the current service contracts for the members of the Management Board (no. 4.2.3 (4 & 5) DCGK). The amount of any severance payment will be determined by an agreement that is signed at the termination of the respective Management Board member's service contract. CHORUS is convinced that the Supervisory Board will sufficiently consider the interests of CHORUS in its negotiations with the departing Management Board member and will not approve excessive severance payments. The same holds true for a change of control.
- There are no disclosures provided on the remuneration of individual Management Board members nor on their fixed and variable components or supplementary payments (no. 4.2.4 DCGK). These recommendations were not adopted because the Annual General Meeting from March 10, 2015, resolved that the remuneration of the individual Management Board members is not to be disclosed in the consolidated financial statements for the years 2015 through 2019. This corresponds to the provisions from Sections 286 (5), 314 (2) and 315 a (1) of the German Commercial Code (HGB). For the duration of this opt-out provision, the company will refrain from observing the disclosure recommendations (pursuant to no. 4.2.5 (3)) within the company's remuneration report.
- No age limit has been established for Management Board members (no. 5.1.2 (2) DCGK). With this decision, the Supervisory Board aims to maintain the necessary flexibility for CHORUS to benefit from the experience of the Management Board members – independent of their age.
- Two of the three members of the Supervisory Board exercise an executive function with a major competitor (Capital Stage AG) of CHORUS (no. 5.4.2 p.4 DCGK). Capital Stage AG announced on October 20, 2016 that it held 94.42 percent of the voting rights in CHORUS. In view of the takeover by Capital Stage AG and at the request of CHORUS and Capital Stage AG, the two members of the Supervisory Board were appointed to the Supervisory Board by the Munich District Court on November 16, 2016. CHORUS is convinced that it can deviate from this recommendation, since this is the only way to adequately take into account the ownership structure of the Supervisory Board.
- Interim reports are published within 60 days of the end of the calendar quarter in compliance with statutory provisions (no. 7.1.2 DCGK). The Management Board and the Supervisory Board are of the opinion that a further tightening of this deadline, with its timing differences and the corresponding efforts, is not expedient.