

# Corporate Governance report 2013/14

(Convenience translation only)

## **Declaration of conformity by the Management Board and the Supervisory Board in accordance with Section 161 of the German Stock Corporation Act**

In 2013, the Management Board and the Supervisory Board of Nordex SE conformed to the recommendations set out in the German Corporate Governance Code published in the official part of the electronic Bundesanzeiger by the Government Commission on the German Corporate Governance Code as amended on 13 May 2013 save for the exceptions described below. This will also continue to be the case in the future unless planned changes in the individual segments are announced.

### **3.8 D&O insurance**

Nordex again waived a deductible on the D&O insurance (directors and officers third party liability insurance) for members of the Supervisory Board in 2013. This is because it is convinced that the members of the Supervisory Board are doing everything to avert potential harm to the Company. Responsibility towards the Company and a sense of motivation are not encouraged by imposing a deductible on D&O cover. In any case, the inclusion of a reasonable deductible would not have any effect on the insurance premium.

The “Act on Appropriate Management Board Compensation” (VorstAG), which came into effect on 5 August 2009, adds to Section 93 (2) of the German Stock Corporation Act a new provision (Sentence 3), stipulating a mandatory minimum deductible for members of the Management Board. Nordex complied with this statutory obligation when it renewed the existing D&O cover, which took effect on 1 July 2010. A deductible will continue to be waived for the members of the Supervisory Board for the reasons set out above.

### **4.1.5 Appointments to management positions – diversity**

The Management Board does not comply with the recommendation in Article 4.1.5 in that the appointments to management positions within the Company are exclusively guided by the qualifications of the persons available and the gender of the candidates is not a matter of priority in the decision-making process.

### **5.1.2 and 5.4.1 Fixed aged limits for the Management Board and Supervisory Board**

Contrary to the recommendations in both Article 5.1.2 (2) Sentence 3 and Article 5.4.1 (2) Sentence 1 of the German Corporate Governance Code, Nordex SE has no fixed age limit for membership of the Management Board and Supervisory Board. Age alone is no indication of the capabilities of a current or potential member of the Management Board or Supervisory Board. Therefore, Nordex SE does not consider rigid age limits, which also limit the company’s flexibility in making personnel decisions and the number of possible candidates, to be a sensible measure.

### **5.1.2 and 5.4.1 Aim of achieving an appropriate consideration of women; designating concrete goals for the composition of the Supervisory Board**

The Supervisory Board does not comply with the recommendation in Article 5.1.2 in that the filling of positions on the Management Board is exclusively guided by the qualifications of the persons available and the gender of the candidates is not given a position of priority in the decision-making process. The Company also deviates from Article 5.4.1 of the German Corporate Governance Code. The Supervisory Board takes the view that the current method for filling positions on the Supervisory Board is sensible and appropriate in the light of the Company's current situation. Any further designation of concrete goals for the composition of the Supervisory Board is not considered sensible and this therefore represents a clear deviation from the German Corporate Governance Code. The Supervisory Board has been exclusively guided in the selection of its proposed candidates, in accordance with the relevant legal regulations, by the interests and requirements of Nordex SE and the individual qualifications of the candidates. A report on objectives in terms of diversity in the corporate governance report is therefore superfluous.

### **5.4.6 Performance-tied remuneration of the Supervisory Board**

Contrary to Article 5.4.6 (2) Sentence 2 of the GCGC, the members of the Supervisory Board receive fixed remuneration which is not tied to performance. The Company considers a reasonable fixed remuneration to constitute more appropriate recompense for the Supervisory Board's duty to monitor the Company independently of its business performance.

Nordex SE  
Rostock March 20, 2014