

# Corporate Governance 2017/2018

[Note: This English language version is a convenience translation only]

**The Management Board and Supervisory Board of Nordex SE have updated their declaration of compliance for 2015/2016 dated 29 November 2016 and hereby declare as follows:**

Since the last declaration of compliance dated 29 November 2016, the Management Board and the Supervisory Board of Nordex SE (the "Company") have complied with the recommendations of the Government Commission on the German Corporate Governance Code (Deutscher Corporate Governance Kodex - "DCGK") published in the official part of the Federal Law Gazette (Bundesanzeiger) until 24 April 2017 in the version of the DCGK as of 5 May 2015, and from 25 April 2017 and thereafter in the version of the DCGK as of 7 February 2017, save for the deviations described hereinafter. It is intended to continue to do so going forward, save for and to extent not otherwise set out below.

## **3.8 D&O Insurance**

Since 2009, Section 93 (2) Sentence 3 of the German Stock Corporation Act stipulates a mandatory minimum deductible for members of the Management Board for contracting D&O insurance cover. Since 1 July 2010 the Management Board of Nordex SE has complied with this statutory obligation when taking out and/or renewing any existing D&O policy. However, with respect to the members of the Supervisory Board the Management Board of Nordex SE has not followed the recommendation of the DCGK to also determine deductibles for members of the Supervisory Board.

The Management Board and the Supervisory Board of the Company are 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 under the D&O cover maintained by the Company. Moreover, providing for a reasonable deductible would not have any effect on the insurance premium.

## **4.1.3 Whistleblower System**

The Company has not yet installed a digital safe channel affording employees the opportunity to report anonymously suspected breaches of the law within the Company. Also in view of the recent introduction of this new recommendation effective as of 25 April 2017, the installation of the system is, however, planned and currently being prepared.

## **4.1.5 Appointments to Management Positions - Diversity**

The Management Board does not comply with the recommendation in Article 4.1.5 because appointments to management positions in the Company are made regardless of gender and exclusively guided by the qualifications of the individuals available. For this reason, the target quota for women at management level 1 and 2 to the Management Board determined by the Management Board of Nordex SE, does

currently and until further notice only amount to percentage below the 30 %-threshold desired by the law. However, in case of equal qualification the Supervisory Board will consider the underrepresented gender in any of its appointments.

#### **5.1.2 and 5.4.1 Profile of Skill and Expertise, Maximum Term and Fixed Age Limits**

The Supervisory Board of Nordex SE has not determined fixed age limits for the membership of the Management Board and the Supervisory Board. Moreover, the Supervisory board has neither prepared a profile of skills and expertise for the entire board nor defined a maximum time limit for membership in the Supervisory Board.

Neither age nor the term of membership in the Supervisory Board are in themselves decisive for the capabilities, suitability and independence of a current or potential member of the Company's corporate bodies. Therefore, the Supervisory Board of Nordex SE does not consider rigid restrictions on age, term or skill and expertise profiles to be a sensible measure given that these would also limit the Company's flexibility in making personnel decisions and the number of possible candidates.

Hamburg, 24 November 2017

Nordex SE