

# EUROKAI GmbH & Co. KGaA

## Personally Liable General Partner's Duties of Information and Reporting

The Personally Liable General Partner of EUROKAI GmbH & Co. KGaA, managing the business of the KGaA (a partnership limited by shares), is Kurt F.W.A. Eckelmann GmbH, of Hamburg. The personally liable managing partner of a KGaA is comparable to the management board of a public limited joint-stock company, for which reason Section 283 of the German Joint Stock Companies Act (AktG) determines that numerous regulations applying to the management board of a public joint-stock company apply analogously to the personally liable general partner of a KGaA. Kurt Eckelmann GmbH is represented by its managing directors, Mr. Thomas H. Eckelmann (Chairman) and Mrs. Cecilia Eckelmann-Battistello.

Pursuant to Section 90 of the German Joint Stock Companies Act (AktG) and No. 34 of the German Corporate Governance Code, the Supervisory Board has set the following duties of information and reporting for the Personally Liable General Partner:

### 1. Provision of information to the Supervisory Board

(1) The sufficient and comprehensible provision of information to the Supervisory Board and its committees shall be the task of the Personally Liable General Partner.

(2) The Personally Liable General Partner shall inform the Supervisory Board and its competent committees regularly, without delay and comprehensively of all questions relevant to the Company and the Group involving strategy, planning, business development, risk, compliance and risk management.

(3) The Personally Liable General Partner's reporting must satisfy the principle of conscientious and accurate accountability. In this process the Personally Liable General Partner must also fulfil the requirement of clarity and continuity of information. Otherwise the Personally Liable General Partner itself shall determine the form and preparation of the reports.

(4) The Personally Liable General Partner's reports to the Supervisory Board shall normally be supplied in textual form.

(5) Each member of the Supervisory Board shall have the right to acquaint himself with the reports and verbal information supplied by the Personally Liable General Partner to the Chairman of the Supervisory Board. Insofar as the reports are supplied in textual form, they must also be provided to each member of the Supervisory Board, unless the Supervisory Board has determined otherwise.

### 2. Regular reporting

(1) At least once a year the Personally Liable General Partner shall report on the Group's intended business policy and on other basic questions of its corporate planning, unless changes to position or new developments necessitate the provision of an immediate report. This shall include in particular an explanation of the Group's intended development and strategic orientation, the principles on which its strategic orientation is to be put into operational practice, an account of its financial, investment and personnel planning, the accounting policy for the Group and for individual Group divisions, and finally an explanation of any variance between actual development and the objectives reported earlier, stating the reasons (follow-up reporting). The corporate planning which the Personally Liable General Partner submits for a business year shall include in particular a short-term plan for the current business year and following business year and a medium-term plan.

(2) In connection with the Supervisory Board's resolution on the Annual Financial Statement and Group Annual Financial Statement (accounts meeting), the Personally Liable General Partner shall report on the profitability of the Company and the Group, particularly on the profitability of the equity. A report must also be made on the profit per share.

(3) The Personally Liable General Partner shall report, always in comparison with the previous year and with the planning, on the earning power of the Group as a whole and of individual Group divisions, based on such significant key profitability statistics as are used also for internal management control.

(4) The Personally Liable General Partner shall report regularly, at least quarterly, on the course of business, particularly on the revenues and position of the Company and Group. In this process a report must be provided on the current trend in earnings, financial position and assets, on the course of staff numbers, on significant risks to the Group and to individual Group divisions, and on compliance. An explanation must be given of any variance from the previous year and from planning.

(5) The Personally Liable General Partner shall report on all transactions which may be of major significance for the profitability or liquidity of the Company and/or the Group. These reports must normally be produced in such good time that the Supervisory Board may respond to them before the said transactions are carried out.

### **3. Special reporting**

(1) The Personally Liable General Partner shall report to the Chairman of the Supervisory Board immediately should there be any other significant occasion to do so. In case of major events which are of major significance for the assessment of the position, the development and the management of the Company or the Group, the Personally Liable General Partner must report to the Chairman of the Supervisory Board immediately.

(2) The Chairman of the Supervisory Board must inform the members of the Supervisory Board of the said special reports at the next meeting of the Supervisory Board at latest.

### **4. Required reports**

(1) The Supervisory Board may require the Personally Liable General Partner at any time to provide a report on the Company's affairs, on its legal and commercial relations with affiliated companies, and on commercial transactions at these companies which may be of significant impact upon the Company's position.

(2) This requirement may be issued when the Supervisory Board has passed a resolution to that effect.

Hamburg, April 2016

The Supervisory Board