

# Declaration of compliance 2013

Valid for the past and future Corporate Governance of Jungheinrich AG is the following declaration, which relates to the May 13, 2013 version of the German Corporate Governance Code.

## **Declaration according to Section 161 of the German Stock Corporation Act**

The Board of Management and the Supervisory Board of Jungheinrich AG hereby make the following declaration:

With the exception of the following recommendations, Jungheinrich AG has complied with the recommendations of the German Corporate Governance Code Government Commission in the May 13, 2013 version of the Code published by the German Federal Ministry of Justice in the official section of the German Federal Gazette on June 10, 2013 since its last statement of compliance in December 2012, and will continue to do so.

The deviations follow and are commented below:

1. The company's D&O insurance policy does not include a deductible for the members of the Supervisory Board (Item 3.8 of the Code).

The D&O insurance policy is a group insurance policy for the company's board members (Board of Management and Supervisory Board) as well as for a large number of the Group's employees in Germany and abroad. Differentiating between employees and board members in principle was deemed improper in the past. However, in view of the German law on the appropriateness of management board compensation, the company's insurance policy was supplemented by a deductible for the members of the Board of Management in line with the sum specified by the law and the Code. However, the legislator expressly renounced mandating the introduction of a corresponding deductible for Supervisory Board members. Only the Code includes a recommendation to this effect. Therefore, the Supervisory Board still does not see any reason to deviate from its current practice. The Supervisory Board's deliberations in this connection are based on the conviction that the prime objective is to recruit to the Supervisory Board suitable individuals whose experience is beneficial to the Supervisory Board's work in the company's interest. These goals would be counteracted if the recruited Supervisory Board members satisfying these requirements merely had limited insurance coverage for their activity.

2. Over the course of 2014, the Supervisory Board will task itself with taking into account the relation of the compensation of the Board of Management to that of the company's senior executives and non-executive employees (Item 4.2.2 of the Code).

3. The Supervisory Board pays attention to diversity with respect to the composition of the Board of Management. However, appropriate female representation does not take centre stage in the Supervisory Board's deliberations (Item 5.1.2 of the Code).

Naturally, female candidates are given consideration equal to male candidates by the Supervisory Board when staffing positions on the Board of Management. However, the individual's professional and personal suitability with respect to the position on the Board of Management in question are the focal point. The Supervisory Board does not believe that a female quota irrespective of each candidate's suitability would lead to the desired results or comply with the asset management duties which the Supervisory Board, among others, is obliged to fulfil.

4. The compensation of the members of the Board of Management and Supervisory Board is not published in itemized or individualized form (Items 4.2.4, 4.2.5 and 5.4.6 of the Code).

The company is still not implementing the Code's recommendation to present the emoluments of the members of the Board of Management or Supervisory Board in itemized or individualized form in the notes or the management report. These corporate bodies are boards, which makes disclosure by board member irrelevant in principle. Furthermore, the company believes that the benefits of such disclosure for the public and investors are not significant enough to disregard the associated disadvantages—also as regards each of the board members' right to privacy. After all, per its resolution dated June 15, 2011, the Annual General Meeting again waived the obligation of the members of the Board of Management to provide individualized disclosure over a period of five years.

5. A nomination committee for proposing suitable Supervisory Board candidates to the Annual General Meeting will not be established (Item 5.3.3 of the Code).

In light of the nature of a family-owned company, the Supervisory Board believes that such a committee is dispensable. Two Supervisory Board members are seconded by the registered shareholders. The candidates for the four remaining shareholder representatives, which are proposed to the Annual General Meeting, are chosen in close coordination with the holders of ordinary shares.

6. The Supervisory Board has not yet stated any specific goals with respect to its composition (Item 5.4.1 of the Code).

Over the course of 2012, the Supervisory Board debated whether the Code's recommendation can be followed appropriately given the company's background. This debate resulted in the resolution to consider this issue and possibly a determination of specific goals again in good time before the next Supervisory Board elections in 2016.

7. The company renounces the determination of an age limit for Supervisory Board members (Item 5.4.1 of the Code).

An age limit can lead to rigid rules, which may counteract the company's goal of recruiting extremely experienced individuals to work on the Supervisory Board. Therefore, increased flexibility when making decisions on a case-by-case basis has been given preference over a rigid limit.

8. The Supervisory Board's composition may not meet the criteria set forth in Item 5.4.2 of the Code regarding the number of independent Supervisory Board members.

The Supervisory Board of Jungheinrich AG consists of a total of twelve members, six of whom are elected by the employees. Two shareholder representatives are seconded to the Supervisory Board by the ordinary shareholders who own registered shares. The four remaining shareholder representatives are elected by the Annual General Meeting. The candidates for these four remaining shareholder representatives, which are proposed to the Annual General Meeting, are already being chosen in close coordination with the holders of ordinary shares. In turn, only the ordinary shareholders are entitled to cast votes at the Annual General Meeting. The system for staffing the shareholder representative positions reflects the fact that the nature of the company is that of a family-owned business.

Hamburg, December 2013