

# Declaration of compliance 2020

The following declaration is valid for the past and future Corporate Governance of Jungheinrich AG.

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

In accordance with Section 161, Paragraph 1 Sentence 1 of the German Stock Corporation Act, the Board of Management and Supervisory Board of Jungheinrich AG hereby declare compliance with the recommendations of the Government Commission's "German Corporate Governance Code" dated 7 February 2017 and published in the German Federal Gazette on 24 April 2017 since the declaration of compliance from 17 December 2019 – with the exceptions to the Code's recommendations declared in December 2019 – and declare future compliance with the recommendations of the Government Commission's "German Corporate Governance Code" dated 16 December 2019 and published in the German Federal Gazette on 20 March 2020, with the following exceptions:

1. The company renounces the determination of an age limit for Supervisory Board members (recommendation C.2).

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, the flexibility to make decisions on a case-by-case basis has been given preference over a rigid limit.

2. The company has not created a skills profile for the whole of the Supervisory Board (recommendation C.1).

Jungheinrich AG's Supervisory Board meets the diversity criteria required by law and the Code. Many of the Supervisory Board members have international business experience. The candidates that will be proposed to the Annual General Meeting for the four shareholder representative positions are determined in close coordination with the holders of ordinary shares, ensuring that only suitable candidates, who cover as many of the skills that the company requires as possible, are proposed to the Annual General Meeting. For this reason, the Supervisory Board does not deem it appropriate for Jungheinrich, as a family-owned company, to also create a skills profile for the full Supervisory Board.

3. The criteria of recommendation C.10 regarding the independence of the Chairman of the Supervisory Board from the company are not met.

The current Chairman of the Supervisory Board of Jungheinrich AG, Mr Hans-Georg Frey, acted as Chairman of the Board of Management until 31 August 2019 and transferred directly to the Supervisory Board after this as requested by the ordinary shareholders. He became Chairman of the Supervisory Board on 3 September 2019. The Chairman of the Supervisory Board is also Chairman of the Personnel Committee which is also included in management board remuneration.

4. A nomination committee for proposing suitable Supervisory Board candidates to the Annual General Meeting will not be established (recommendation D.5).

In light of the company's nature, which can be likened to that 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 proposed to the Annual General Meeting for the four remaining shareholder representative positions are chosen in close coordination with the holders of ordinary shares.

5. According to the new remuneration system, the long-term variable management board remuneration amounts will be available to members of the Board of Management after three years instead of four years (recommendation G.10).

According to the new remuneration system, members of the Board of Management will receive a Long Term Incentive ("LTI"), meaning long-term remuneration, containing a share-based component. In contrast, short-term variable remuneration (Short Term Incentive) is not share-based. LTI tranches have a three-year term, which corresponds to the term of the initial appointment of members of the Board of Management.

Hamburg, December 2020