

## **Corporate governance declaration in accordance with section 289a of the HGB**

### **Corporate Governance**

For Sixt SE, good and responsible corporate management and supervision (corporate governance) is an essential means of ensuring and enhancing capital market confidence in the Company. Responsible management that focuses on long-term value creation is therefore of central importance for the Company. The basic hallmarks of good corporate governance are efficient and trusting collaboration between the Managing Board and the Supervisory Board, respect for shareholders' interests and open corporate communication, both externally and internally.

The recommendations of the Government Commission on the German Corporate Governance Code are an established benchmark for corporate management at German listed companies. Apart from the exceptions listed in the Declaration of Conformity of December 2014, the Managing Board and the Supervisory Board of Sixt SE affirm their commitment to the principles of the German Corporate Governance Code published by the Government Commission on 26 February 2002 and most recently amended on 24 June 2014.

### **Declaration of Conformity in accordance with section 161 of the AktG**

In accordance with section 161 of the Aktiengesetz (AktG – German Public Companies Act), the managing board and supervisory board of German listed companies are to issue an annual declaration indicating the extent to which they have complied or are complying with the German Corporate Governance Code. They must also explain which recommendations of the Code have not been or are not being applied. The Managing Board and Supervisory Board of Sixt SE have issued and published such a declaration of conformity every year since 2002. Every Declaration of Conformity is made available to the public for a period of five years on the Company's website at "<http://ir.sixt.eu>" under "Corporate Governance". Referring to the version of the Code valid since June 2014 the most recent Declaration of Conformity by the two company bodies was published in December 2014, and reads as follows:

"The recommendations of the "Government Commission on the German Corporate Governance Code" in the version of 24 June 2014 (hereinafter referred to as "Code") announced by the Federal Ministry of Justice in the official section of the Bundesanzeiger (Federal Gazette) have been and will be complied with, with the following exceptions:

| In the D&O insurance policy of Sixt SE, no deductible has been agreed for members of the Supervisory Board (section 3.8 of the Code). Sixt SE believes that a deductible would not improve the motivation or sense of responsibility of the members of the Supervisory Board, especially given that the Supervisory Board members could insure any deductibles themselves.

- | In accordance with the resolution adopted by the Annual General Meeting on 3 June 2014, the total remuneration is currently not disclosed and broken down by individual Managing Board members. In view of this resolution, an individual disclosure of benefits, compensations and other benefits for each member of the Managing Board using the model tables provided in the Code is not to be published (section 4.2.5, paragraph 3 of the Code).
  
- | The Supervisory Board decides on a case-by-case basis whether to specify an age limit when appointing Managing Board members (section 5.1.2 of the Code), because the Supervisory Board believes that to specify a general age limit would impose a blanket restriction on selection and would thus not be in the interests of Sixt SE.
  
- | Since, in accordance with the Articles of Association, the Supervisory Board of Sixt SE consists of three people, no committees are formed (sections 5.3.1 to 5.3.3 of the Code).
  
- | An age limit as well as concrete targets for female representation in the composition of the Supervisory Board are not provided for (section 5.4.1, sentences 2 and 3 of the Code). Given that the Supervisory Board consists of three members, of whom merely two members are elected in accordance with the Articles of Association, any limitation on age and/or sex in the selection process for suitable candidates would run counter to the interests of the Company.
  
- | Proposed candidates for the chair of Supervisory Board are not announced to shareholders (section 5.4.3 of the Code), because legal provisions stipulate that the election of the Supervisory Board chairperson is exclusively the responsibility of the Supervisory Board.
  
- | The remuneration of members of the Supervisory Board is reported as an aggregate amount in the Consolidated Financial Statements (section 5.4.6 of the Code); the remuneration paid to each member of the Supervisory Board is specified in the Articles of Association.
  
- | Sixt SE will disclose all price-sensitive information to analysts and all shareholders (section 6.1 of the Code). Sixt SE believes that disclosure to all shareholders of all non-price-sensitive information given to financial analysts and similar parties would not further their interest in information.
  
- | The Consolidated Financial Statements are published within the statutory periods. Interim reports are published within the periods stipulated by stock exchange law. Sixt SE believes that compliance with the publication deadlines specified in section 7.1.2 sentence 4 of the Code does not benefit to any greater extent the information interests of investors, creditors, employees and the public.”

Pullach, December 2014

**For the Supervisory Board of Sixt SE**

**For the Managing Board of Sixt SE**

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SIGNED PROF. DR. GUNTER THIELEN  
(Chairman)

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SIGNED ERICH SIXT  
(Chairman)

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### **Relevant disclosures on corporate governance practices**

The practices used for managing Sixt SE and the Sixt Group comply fully with the statutory provisions.

Strategic and operational management of the Group is performed on the basis of planning policies and regular comprehensive reports to the Managing Board. Reporting covers the risk management system, the internal control system as well as the internal audit system.

The risk management system, the functioning and extent of which is documented in the risk manual, specifies several types of reports to support management with the identification, assessment and control of risks. Among other things, the Managing Board and the Supervisory Board receive a comprehensive risk report each year. In addition, the Managing Board is regularly informed about relevant issues by the Company's functional units. The internal control system consists of measures and controls to ensure compliance with statutory provisions and corporate guidelines. It specifies regular reports by the Company's Business Units, audit reports and regular working meetings relating to different topics. The internal control system relates to measures such as planned audits and other audits, the results of which are documented in the respective audit and activity reports to the Managing Board.

### **Compliance within the Sixt Group**

The success of the Sixt Group is not only driven by its excellent business policy, but also by the harmonisation of business principles with the highest moral and ethical standards, and the trust that customers, suppliers, shareholders and business partners place in us. In order to win and keep this trust it is a precondition that the Managing Board and the employees of the Company in any situation and continuously comply with the high standards of legislation, ethics and social skills. The Code of Conduct of Sixt SE and its affiliated companies, which is mandatory for all employees, contains these behavioural principles for the acting individuals' dealings in relation to third parties and within the Company.

To become aware of potential compliance defaults, Sixt offers its employees different reporting channels via the superior, the compliance officer or the ombudsman. The compliance officer maintains regular contact with the Managing Board and assists as well as advises the Board with respect to preventive measures.

### **Working practices of Managing Board and Supervisory Board**

As European Stock Corporation (Societas Europaea) Sixt SE is governed by the German Aktiengesetz (AktG – German Public Companies Act), the specific European SE regulations and the German SE Implementation Act. One key principle of the Public Companies Act is the dual management system (Managing Board and Supervisory Board), which remains essentially unchanged for Sixt SE. Sixt SE takes due account of this principle of separate management and supervisory bodies and has different personnel in the Managing and Supervisory Boards of Sixt SE. The simultaneous membership in both bodies is not permitted. In accordance with article 7 (1) and (2) of the Company's Articles of Association, the Managing Board of Sixt SE consists of one

or more members appointed by the Supervisory Board for a maximum period of up to five years. Reappointments are generally possible. In fiscal year 2014 the Managing Board of Sixt SE had three members. Based on the resolution of the Supervisory Board on 2 February 2015 Mr. Alexander Sixt and Mr. Konstantin Sixt were appointed as new members of the Managing Board effective on the same day, simultaneously extending the Managing Board to five members. The members of the Managing Board are responsible for basic strategic orientation, daily operations and the monitoring of risk management at Sixt SE and in the Sixt Group. In addition, the members of the Managing Board perform functions in other Group companies, for example as Supervisory Board members or Managing Directors. Since Sixt SE is the Group's strategic and financial holding company, the daily operations are managed within the Vehicle Rental and Leasing Business Units. The members of Sixt SE's Managing Board are at the same time Managing Directors of Sixt GmbH & Co. Autovermietung KG, the primary operational company of the Vehicle Rental Business Unit. Furthermore, the board members of Sixt SE, Mr. Erich Sixt, Mr. Detlev Pätsch and Dr. Julian zu Putlitz are Supervisory Board members of Sixt Leasing AG, the primary operational company of the Leasing Business Unit. The Chairman of the Managing Board of Sixt SE, Erich Sixt, is Chairman of the Supervisory Board of Sixt Leasing AG.

The members of the Managing Board perform the duties assigned to them under clearly defined portfolio responsibilities in accordance with the executive organisation chart and the rules of procedure. The Chairman of the Managing Board is responsible for the Company's long-term strategic orientation. In addition, in 2014 he was in charge of Group development, sales, marketing, public relations, international franchising, IT and personnel. The Chief Operations Officer is responsible for the rental business at rental offices and for the fleet, in particular the purchase and sale of vehicles. Furthermore he is accountable for the areas such as yield management, pricing, quality management, and customer service. The Chief Financial Officer is in control of the overall management of all the Group's finance departments, including finance and accounting, controlling, risk management as well as the legal, auditing and claims management departments. With the appointment of Mr. Alexander Sixt and Mr. Konstantin Sixt as Managing Board members of Sixt SE and as effective on 2 February 2015, the executive organisation chart has been adopted. Since then Mr. Alexander Sixt, as board member for organisation and strategy, has been responsible for the divisions Group Strategy, M&A, Procurement, Process Management as well as the new mobility services such as the joint venture DriveNow. In addition, he is responsible for global operative human resources, as well as the management of all shared service and administrative functions. As board member for sales, Konstantin Sixt signs responsible for national and international sales as well as the global E-Commerce business of the group. The business areas of the Chairman of the Board changed accordingly. Since 2 February 2015 the Chairman of the Managing Board, Mr. Erich Sixt, has been responsible for the Company's long-term strategic orientation. In addition, he is in charge of marketing, public relations, international franchising, IT and strategic human resource management.

Managing Board meetings, at which cross-portfolio issues are discussed, are held as and when necessary.

Because of its size with only three members in fiscal year 2014, the Managing Board has not formed any committees. Even after the enlargement of the board to five members any committees have not been formed.

In accordance with article 10 (1) of the Articles of Association, the Supervisory Board of Sixt SE has three members. Two members are elected by the Annual General Meeting in accordance with legal provisions and the provisions of the Articles of Association. One further member of the body is appointed by the shareholder Erich Sixt. The Supervisory Board elects a Chairman and a Deputy Chairman from among its members (article 12 (1) of the Articles of Association). As according to the Articles of Association the Supervisory Board of Sixt SE consists only of three people, no committees are formed.

The Supervisory Board's main tasks include the appointment of Managing Board members and supervision of the Managing Board. As a general rule, the Supervisory Board adopts its resolutions at meetings. On instruction of the Supervisory Board Chairman, resolutions by the Supervisory Board may also be adopted outside of meetings (or by way of a combined resolution) by casting votes verbally or by telephone, in writing (section 126b of the BGB – German Civil Code) and/or by using other means of telecommunication or electronic media (article 14 (2) of the Articles of Association). Moreover, a resolution may also be validly adopted by aforementioned means without the instruction of the Chairman of the Supervisory Board if no member objects (article 14 (3) of the Articles of Association). Resolutions of the Supervisory Board require a majority of votes cast, unless otherwise mandatorily required by law (article 14 (7) of the Articles of Association). The Report of the Supervisory Board contains further details on the meetings and activities of the Supervisory Board during financial year 2014.

The Managing Board and Supervisory Board cooperate closely for the benefit of Sixt Group. The Managing Board informs the Supervisory Board regularly, promptly and comprehensively on all matters that are relevant to the Company and the Group regarding strategic planning, business development, the risk situation and risk management as well as the results of internal audits. To this end, the Managing Board agrees the Company's strategic orientation with the Supervisory Board and discusses the implementation of strategy in regular intervals. Documents required to make decisions, in particular the annual financial statements of Sixt SE, the consolidated financial statements, the management report on the Group's and the Company's situation, including the auditors' reports, are forwarded to the members of the Supervisory Board in good time before the respective meeting.