



**Villeroy & Boch**

1748

**Supplement to the declaration of conformity of  
Villeroy & Boch AG pursuant to  
Section 161 of the German Stock Corporation Act**

(Supplement dated 9 May 2016)

On 27 November 2015, in accordance with Section 161 of the German Stock Corporation Act (AktG), the Management Board and Supervisory Board of Villeroy & Boch AG issued a declaration of conformity with the recommendations of the Government Commission of the German Corporate Governance Code (DCGK) in the version dated 24 June 2014 and, since its entry into force, the version of the Code dated 5 May 2015, which now has to be supplemented regarding one item:

**Section 4.2.3 (4) of the Code:**

A Management Board employment contract contains the provision that in specific cases of premature ending of Management Board activity, partial severance pay for the remaining term of the contract is limited to two years' target remuneration (excluding fringe benefits) in contravention of section 4.2.3 (4) of the Code.

**Severance pay cap in Management Board contracts**

The Supervisory Board believes that this regulation allows appropriate and practical determination of the severance pay cap, as past non-recurring effects and future positive or negative developments that are hard to forecast are excluded from the calculation.

66693 Mettlach, Germany, May 2016

The Management Board

The Supervisory Board

Frank Göring  
Chairman of the Management Board

Wendelin von Boch-Galhau  
Chairman of the Supervisory Board