



Villeroy & Boch

1748

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

(Supplement dated 19.02.2019)

On November 29, 2018, 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 February 7, 2017 which now has to be supplemented regarding one item:

Section 4.2.3 (2) s. 8 of the Code:

The Management Board and the Supervisory Board may subsequently amend the performance targets of multiple-year variable components, for the years from and including 2020, if the economic environment changes significantly compared to its underlying forecasts. **Prohibition of repricing**

This enables the Supervisory Board to guarantee the incentive effect of the variable remuneration and an adequate performance measurement even in the event of changes in external factors. Thus to ensure that the interests of shareholders and members of the Management Board are aligned.

66693 Mettlach, Germany, February 2019

The Management Board

The Supervisory Board

Frank Göring
Chairman of the Management Board

Yves Elsen
Chairman of the Supervisory Board