



## **Declaration of conformity by United Internet AG with regard to the recommendations of the German Corporate Governance Code in accordance with Section 161 German Stock Corporation Act (AktG)**

In accordance with Section 161 German Stock Corporation Act (AktG), the Management Board and Supervisory Board of United Internet AG declare that:

Since submitting its last Declaration of Conformity issued on March 5, 2014, United Internet AG complied with the recommendations of the "Government Commission German Corporate Governance Code" in its applicable version dated June 24, 2014 ("**Code**"), whereby the version dated May 13, 2013 was applied until the new version was published in the Federal Gazette on September 30, 2014, and plans to continue to comply with these recommendations with the following exceptions:

### **Deductibles in the case of D&O insurance policies for Supervisory Board members (section 3.8 para. 3 of the Code)**

The D&O insurance policy for Supervisory Board members does not include any deductible. This is also not planned in the future as United Internet AG does not generally believe that the motivation and responsibility with which the members of the Supervisory Board conduct their duties can be improved by such a deductible.

### **Vertical comparison when setting Management Board compensation (section 4.2.2 para. 2 sentence 3 of the Code)**

The recommendation of a vertical comparison for compensation has applied since the pre-version of the Code was published in the Federal Gazette on June 10, 2013. When determining compensation on this basis, the Supervisory Board previously only took comparisons with the Group's most senior executives into account. In the case of future compensation decisions, the Supervisory Board plans to follow the recommendation of section 4.2.2 para. 2 sentence 3 of the Code without restrictions.

### **Capping Management Board compensation (section 4.2.3 para. 2 sentence 6 of the Code)**

The agreements regarding Management Board compensation do not include payment caps for the total amount. Although provision is made for caps on variable components, these are not expressed as a total but as a percentage of a fixed amount. As the Supervisory Board believes that the general capping of Management Board compensation intended by the Code's recommendation is already suitably reflected by the provisions of the current compensation agreements, it does not intend to comply in full with the Code's recommendation acc. to section 4.2.3 para. 2 sentence 6 in the future.

**Formation of committees  
(section 5.3 of the Code)**

In view of its current size with only three members, the Supervisory Board has not formed any committees and fulfills all its duties as a whole. Under these circumstances, the Supervisory Board cannot recognize how the formation of committees would improve the efficiency of its work.

**Targets for the composition of the Supervisory Board  
(section 5.4.1 para. 2 and 3 of the Code)**

In view of the ongoing uncertainties in the regulatory environment, the Supervisory Board has not yet specified any concrete objectives regarding its composition. On December 11, 2014, the German federal cabinet resolved on a draft *Law for the equal participation of women and men in leadership positions in the private sector and the public sector*, which is currently going through the legislative process. Among other things, the draft includes an obligation to set targets for raising the proportion of women on supervisory boards. Should such legislation come into effect, the Supervisory Board intends to set specific targets regarding its composition and to consider such aspects when making election proposals at future Annual Shareholders' Meetings.

**Consideration of the Deputy Chair when setting compensation for Supervisory Board members (section 5.4.6 para. 1 sentence 2 of the Code)**

When setting compensation for Supervisory Board members, the position of the Deputy Chair of the Supervisory Board is not considered. The Deputy Chair of the Supervisory Board does not currently undertake any additional duties which would represent a greater burden compared to those of a regular Supervisory Board member.

**Performance-based compensation of Supervisory Board members to be aligned with sustainable corporate development  
(section 5.4.6 para. 2 sentence 2 of the Code)**

The present performance-related compensation of Supervisory Board members paid in addition to a fixed remuneration component is possibly not fully oriented toward sustainable growth of the enterprise as defined by section 5.4.6 para. 2 sentence 2 of the Code. Part of the variable compensation component is connected with exceeding a threshold in terms of consolidated earnings per share in the fiscal year; moreover, an additional variable compensation component was granted for the fiscal years 2013 and 2014 which is measured in terms of the percentage change in consolidated earnings per share in the given fiscal year compared with the status three years previously. For the fiscal year 2015 and subsequent years, the Supervisory Board and Management Board intend to present a new remuneration system which complies fully with the Code at the Annual Shareholders' Meeting 2015 and to seek the adoption of a resolution on this item.

**Publications on accounting  
(section 7.1.2 sentence 4 of the Code)**

Due to organizational, internal reasons, United Internet AG only published its interim report for the first quarter of 2014 and its report for the first nine months of 2014 on May 20, 2014 and November 18, 2014, respectively. For the same

reasons, the interim report for the first quarter of 2015 will be published on May 19, 2015 and the report for the first nine months of 2015 on November 17, 2015.

Montabaur, March 5, 2015

For the Management Board  
Ralph Dommermuth

For the Supervisory Board  
Kurt Dobitsch