

## **Corporate Management Declaration pursuant to Sec. 289a of the German Commercial Code (Handelsgesetzbuch – HGB)**

The corporate management of SGL Carbon SE as a listed European Company (SE) domiciled in Germany is primarily governed by Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (SE Regulation), the German SE Implementation Act, the Agreement on the Involvement of Employees within SGL Carbon SE dated 8 December 2008 as well as the German Stock Corporation Act (Aktiengesetz – AktG), the proposals and recommendations of the German Corporate Governance Code (as amended) and the Articles of Association of SGL Carbon SE.

Pursuant to Art. 38 of the SE Regulation in connection with sec. 5 of Articles of Association of SGL Carbon SE, SGL Carbon SE has implemented the two-tier board system, which is characterised by a strict personal separation between the Board of Management (Vorstand) as managing body and the Supervisory Board (Aufsichtsrat) as supervisory body. Board of Management and Supervisory Board of SGL Carbon SE cooperate closely in the interest of the company and the pursuit of the common goal of sustained growth of the company's enterprise value.

The Board of Management of SGL Carbon SE currently comprises three members. It is responsible for managing the company. The members of the Board of Management share the responsibility for the overall management; however, each member of the Board of Management was assigned responsibility for particular business areas. For further information on the respective members of the Board of Management please refer to [www.sglgroup.com](http://www.sglgroup.com) (under Company/Board of Management).

The Board of Management develops the corporate strategy and, in coordination with the Supervisory Board, takes care of its implementation. The Board of Management regularly, promptly and comprehensively reports to the Supervisory Board on all material business developments within the company, in particular those concerning the course of business and possible deviations from the planned strategy, risk management, the profit situation and material business transactions.

The Supervisory Board of SGL Carbon SE, in accordance with section 8 para. (1) of the Articles of Association, comprises twelve members, one half representing the shareholders and one half representing the employees. All members of the Supervisory Board are appointed by the general meeting of shareholders; with respect to the appointment of the employee representatives, the general meeting is bound by the proposals made by the employees. For further information on

the respective members of the Supervisory Board, please refer to [www.sglgroup.com](http://www.sglgroup.com) (under Company/Supervisory Board).

The Supervisory Board advises and monitors the Board of Management in managing the company. The Supervisory Board appoints and dismisses the members of the Board of Management, decides on the remuneration system for the members of the Board of Management and determines the individual remuneration of each member. It participates in all decisions which are of material importance for SGL Carbon SE, which include, amongst others, on taking on new or abandoning existing business areas or the issuance of bonds. Sec. 11 of the Articles of Association of SGL Carbon SE contains a list of transactions which require the approval of the Supervisory Board (the Articles of Association of SGL Carbon SE are available under [www.sglgroup.com](http://www.sglgroup.com) (under Investor Relations/Corporate Governance/Principles of SGL Carbon SE/Articles of Association)).

The Supervisory Board of SGL Carbon SE has established five permanent committees, which operate in compliance with the requirements set forth by law as well as those provided for by the German Corporate Governance Code: The Personnel Committee, which prepares the Supervisory Board's decisions concerning the legal relations between SGL Carbon SE and the respective current or former members of the Board of Management, and, in this context, develops proposals for resolutions to be passed by the Supervisory Board plenum; the Nomination Committee, which prepares election proposals for the appointment of shareholder representatives on the Supervisory Board; the Audit Committee, which, amongst others, is responsible for issues concerning financial accounting, risk management, compliance and the internal control system as well as for preparing the Supervisory Board's proposal to the Annual General Meeting for the appointment of the auditor; the Strategy-/Technology Committee, which discusses fundamental issues regarding the strategy of the Company and advises the Board of Management on strategic alignment and technological development for SGL Group and its business area; the Governance and Ethics Committee which primarily reviews transactions between SGL Group companies and members of the Supervisory Board, related parties and material shareholders. For further information on the work of the Supervisory Board, its committees as well as the members of the committees, please refer to the Corporate Governance and Compliance Report, which is part of this Declaration and is published under [www.sglgroup.de](http://www.sglgroup.de) (under Investor Relations/Financial Reports /Annual Reports /2014) as well as the Supervisory Board Report, which is accessible under [www.sglgroup.com](http://www.sglgroup.com) (under Investor Relations/Financial Reports /Annual Reports /2014).

The work of and the cooperation between the Board of Management and the Supervisory Board are described in the bylaws of the Board of Management and the Supervisory Board, which are

part of SGL Carbon SE's Corporate Governance Principles. SGL Carbon SE's Corporate Governance Principles comprise various legal regulations, the Articles of Association of SGL Carbon SE as well as additional corporate practices that have been developed over the years. Their purpose is to guarantee responsible and transparent management and supervision of the company. The Principles are continuously amended to reflect further developments in legislation, recommendations and actual practice. The core elements of SGL Carbon SE's Corporate Governance Principles can be found under [www.sglgroup.com](http://www.sglgroup.com) (under Investor Relations/Corporate Governance/Principles of SGL Carbon SE).

SGL Group has developed a Code of Business Conduct and Ethics, which shall support the obligation of SGL Group and its employees to comply with laws and internal guidelines as well as provide standards for legal and ethical behavior. The Code reflects the common values within SGL Group, which determine the corporate culture of SGL Group and the behavior in business life. The Code is published under [www.sglgroup.com](http://www.sglgroup.com) (under Investor Relations/Corporate Governance/Code of Business Conducts and Ethics).

Following dutiful scrutiny based on the current version of the German Corporate Governance Code, the Board of Management and the Supervisory Board of SGL Carbon SE have issued the Statement of Compliance pursuant to sec. 161 of the German Stock Corporation Act (Aktienengesetz – AktG) as follows:

**Statement of the Board of Management and Supervisory Board of SGL Carbon SE pursuant to section 161 of the German Joint Stock Corporation Act on the German Corporate Governance Code**

*„The Board of Management and the Supervisory Board declare that the Company is in compliance with the recommendations of the “Government Commission on the German Corporate Governance Code” (“Regierungskommission Deutscher Corporate Governance Kodex”) in the version dated June 24, 2014 (published on September 30, 2014) as published by the Federal Ministry of Justice and Consumer Protection in the section of official notice of the German Federal Gazette with the following exception:*

*Code section 4.2.2 (2) sentence 3: When the compensation of the Board of Management members under their current service contracts was determined, the recommendation that the relationship between the compensation of the Board of Management and that of senior management and the workforce overall (particular in terms of its development over time) shall be considered, including, for the comparison, how the group of senior management and the overall workforce are to be defined, has not been considered. When the current*

*compensation system for the Board of Management was determined taking effect on January 1, 2014, the review of the compensation structure for the Company's senior management levels had not yet been completed, and no corresponding findings should be made on that basis. Rather, a review of the relationship of the Board of Management compensation to that of senior management and the workforce overall may take place after the new compensation system for the senior management levels of the Company, which comes into effect on January 1, 2015, has been in force for a certain period and offers a sound basis for a fair comparison in the opinion of the Supervisory Board.*

*The Board of Management and the Supervisory Board further declare that, since the delivery of the last Declaration of Compliance on December 19, 2013 and until June 30, 2014, and save for the exceptions stated there, the Company has been in compliance with the recommendations of the "Government Commission on the German Corporate Governance Code" (GCGC) in the version dated May 13, 2013 (published on June 10, 2013) as published by the Federal Ministry of Justice in the section of official notice of the electronic Federal Gazette and thereafter with the GCGC in the version dated May 13, 2013 or, as the case may be, the GCGC in the version dated June 24, 2014 with the exception stated above.*

*The Corporate Governance Principles of SGL Carbon SE furthermore satisfy a majority of the non-obligatory suggestions of the German Corporate Governance Code.*

*Wiesbaden, 17. December 2014*

*For the Supervisory Board of SGL Carbon SE: Susanne Klatten (Chair Supervisory Board SGL Carbon SE)*

*For the Board of Management of SGL Carbon SE: Dr. Jürgen Köhler (Chairman Board of Management SGL Carbon SE)"*

*Wiesbaden, February 2015*

*SGL Carbon SE*