A. Joint declaration of compliance made by the Management Board and the Supervisory Board of PVA TePla AG in accordance with Section 161 of the German Stock Corporation Act (AktG)

The Management Board and Supervisory Board of PVA TePla AG, domiciled in Wettenberg, Germany, hereby declare that, with the following exceptions, the recommendations of the German Corporate Governance Code of the Government Commission in its currently published version dated December 16, 2019, have been and are complied with.

1. *Item A2 of the Code specifies that employees and third parties shall be granted the opportunity to make protected disclosures of legal violations within the company.*

Both the holding company and the subsidiaries of the PVA TePla Group provide the means for reporting violations of statutory provisions outside of a protected disclosure system.

Reason: The Management Board has no plans at present to establish a protected disclosure system. There are means for employees in our company to report any violations against statutory provisions to the works council. Consequently, these violations can be reported in confidence. In weighing up the various interests, one of the key considerations was the preponderance of risks of misuse and the creation of an atmosphere of mistrust with negative consequences for the corporate culture and employee motivation. Third parties can report violations of statutory provisions via established channels.

2. *Item C.5 of the Code states that no Management Board member of a listed company may accept the Chairmanship of a Supervisory Board in a non-group listed company.*

The Chairman of the Supervisory Board, Alexander von Witzleben, is a member of the Management Board of two external listed companies.

Reason: The Supervisory Board and Management Board of PVA TePla AG do not believe that the two positions pose any conflicts of interest or time. Alexander von Witzleben has consistently demonstrated his intensive, crucial support of PVA TePla ever since assuming his position.

3. *Item C.7 of the Code holds that members of the Supervisory Board, taking into account independence from the company and the Management Board, should not be a member of the Supervisory Board for more than 12 years.*

Alexander von Witzleben and Prof. Hebestreit have held seats on the Supervisory Board for over 12 years.

Reason: The Supervisory Board does not believe that a fixed limit on Supervisory Board membership is appropriate. This limit is based on the assumption that longer Supervisory Board terms alone disqualify a member of the Supervisory Board from an additional membership or call into question his/her independence. There is no objective justification for this assumption. In addition, a rigid limit of this nature does not take into account individual factors that support longer Supervisory Board membership in individual cases.

4. *Under items G.1 to G.4, G.6, G.7 and G.10 to G.13, the Code sets out, among other things, recommendations for Management Board remuneration.*

Section G of the GCGC contains predominantly new recommendations for Management Board remuneration. These are closely related to the amendments to the German Stock Corporation Act regarding Management Board remuneration as a result of the German Act Implementing the Second Shareholders' Rights Directive. The procedure previously developed by the Supervisory Board for determining the specific total remuneration of the members of the Management Board and the specific

content of the current agreements with members of the Management Board are predominantly no longer consistent with these recommendations of the Code.

The recommendations on Management Board remuneration under G.1 to G.16 – with the exception of the recommendations G.2, G.4, G.5, G.8 G.9, G.15 and G.16 – have therefore not been complied with to date.

However, the Supervisory Board has now fundamentally revised the system of Management Board remuneration in line with the requirements for Management Board remuneration contained in the German Stock Corporation Act and will submit this new system to the next Annual General Meeting of the company for its approval. The new system applies to all new agreements with members of the Management Board to be entered into or renewed. On the basis of this system, the recommendations on Management Board remuneration of section G of the GCGC will be complied with in future with the following exceptions:

a) *Item G.6 of the Code states that the share of variable remuneration achieved as a result of reaching long-term targets shall exceed the share from short-term targets.*

This recommendation will also not be complied with in the future. The same percentage ranges have been stipulated for variable short-term and long-term variable remuneration as a share of total remuneration, hence the share of variable remuneration achieved as a result of reaching long-term targets will not exceed the share from short-term targets.

Reason: The long-term variable remuneration component has been designed to account for a significant share of target total remuneration. In the opinion of the Supervisory Board, this creates sufficient long-term incentives, and the long-term remuneration component contributes significantly towards gearing the remuneration system for the Management Board towards the long-term and sustainable development of the company.

b) *Among other things, item G.7 of the Code states that, referring to the forthcoming fiscal year, the Supervisory Board shall establish performance criteria for each Management Board member covering all variable remuneration components.*

This recommendation will also not be complied with in the future in that performance criteria are not established annually for all variable remuneration components, but rather are established for a longer period by the agreement with the member of the Management Board. These relate to consolidated EBIT as the financial performance criterion in conjunction with short-term variable remuneration and the performance criteria for long-term variable remuneration. As the long-term variable remuneration has an assessment period of three to five years, the performance criteria are also established for three to five years in line with the assessment period.

Reason: This procedure is in the interests of legal certainty and predictability for the members of the Management Board. If the performance criteria have already been conclusively determined for a medium-term period, they no longer need to be established for the forthcoming fiscal year. Resolutions merely confirming the criteria would not provide any value added. Also, independently of this, the established performance criteria are geared towards the strategic and sustainable development of the company and towards increasing its enterprise value.

c) *Item G.10 of the Code states that, taking the respective tax burden into consideration, variable remuneration shall be predominantly invested in company shares or shall be granted predominantly as share-based remuneration. Granted long-term variable remuneration components shall be accessible to Management Board members only after a period of four years.*

This recommendation will also not be complied with in the future. The short-term variable remuneration is not predominantly invested in shares of the company or granted predominantly as share-based remuneration. However, the long-term variable remuneration approximates share-based remuneration as the development of the company's market capitalization is a performance criterion. The assessment period is between three and five years. As a result, in isolated cases, long-term variable remuneration may be accessible to a member of the Management Board after fewer than four years.

Reason: The Supervisory Board is of the opinion that the system described above ensures that Management Board remuneration is sufficiently consistent with shareholder interests. As the strategic and sustainable development of the company affects the company's market capitalization and thus the amount of the long-term variable remuneration, the objective of share-based remuneration is also achieved by the system of long-term variable remuneration applied by the company.

d) *Item G.11 of the Code states that the Supervisory Board shall have the possibility to account for extraordinary developments to an appropriate extent. It shall be permitted to retain or reclaim variable remuneration, if justified.*

This recommendation will also not be complied with in the future as the remuneration structure does not provide for variable remuneration to be retained or reclaimed.

Reason: The Supervisory Board is of the opinion that, even without such regulations, the remuneration structure creates sufficient incentives for long-term and sustainable corporate development, that the statutory claims for damages sufficiently encourage the Management Board to act in accordance with its duties and that they can also be enforced with reasonable assurance.

Wettenberg, April 2021

On behalf of the Management Board:	On behalf of the Supervisory Board:
Manfred Bender Chairman of the Management Board	Alexander von Witzleben Chairman of the Supervisory Board