

CORPORATE GOVERNANCE DECLARATION IN ACCORDANCE WITH SECTIONS 289F AND 315D OF THE HGB

Pursuant to section 317 (2) sentence 6 of the HGB the disclosures made in accordance with sections 289f and 315d of the HGB are not included in the audit.

1. COMPLIANCE WITH GERMAN CORPORATE GOVERNANCE CODE AND DECLARATION OF CONFORMITY

The recommendations of the Government Commission on the German Corporate Governance Code are an established benchmark for corporate management at German listed companies. The Managing Board and Supervisory Board of Sixt Leasing SE have therefore dealt in detail with the requirements of the German Corporate Governance Code and issued the following declaration of conformity in December 2017.

Declaration of conformity in accordance with section 161 of the AktG

The recommendations of the 'Government Commission on the German Corporate Governance Code' in the version of 7 February 2017 (hereinafter referred to as 'Code') announced by the Federal Ministry of Justice in the official section of the Bundesanzeiger (Federal Gazette) have been complied with in the period since the last Declaration of Conformity was issued on 6 December 2016 and will be continued to be complied with subject to the following exceptions:

- ∥ In the D&O insurance policy of Sixt Leasing SE, no deductible has been agreed for members of the Supervisory Board (section 3.8 (3) of the Code). Sixt Leasing SE believes that a deductible would not improve the motivation or sense of responsibility of the members of the Supervisory Board, especially given that the Supervisory Board members could insure any deductibles themselves.
- ∥ In accordance with the resolution adopted by the Annual General Meeting on 8 April 2015, the total remuneration is currently not disclosed and broken down by individual Managing Board member. In view of this resolution, an individual disclosure of benefits, compensations and other benefits for each member of the Managing Board using the model tables provided in the Code is not to be published (section 4.2.5 (3) of the Code).
- ∥ The Supervisory Board decides on a case-by-case basis whether to specify an age limit when appointing Managing Board members (section 5.1.2 (2) sentence 3 of the Code), because the Supervisory Board believes that to specify a general age limit would impose a restriction on selection and would thus not be in the interests of Sixt Leasing SE.
- ∥ An age limit for members of the Supervisory Board as well as a regular limit of length of membership in the Supervisory Board are not provided for (section 5.4.1 (2) sentence 1 of the Code). Given that the Supervisory Board consists of three members, of whom merely two members are elected in accordance with the Articles of Association, any limitation on age and/or length of membership would run counter to the interests of the Company. The Company shall generally also have access to the expertise of Supervisory Board members experienced with the company. Furthermore, an extended membership does not necessarily lead to a conflict of interest or an impairment of independence.
- ∥ Proposed candidates for the chair of Supervisory Board are not announced to shareholders (section 5.4.3 sentence 3 of the Code), because legal provisions stipulate that the election of the Supervisory Board chairperson is exclusively the responsibility of the Supervisory Board.
- ∥ Sixt Leasing SE will disclose all price-sensitive information to analysts and all shareholders (section 6.1 sentence 2 of the Code). Sixt Leasing SE believes that disclosure to all shareholders of all non-price-sensitive information given to financial analysts and similar parties would not further their interest in information.
- ∥ The Consolidated Financial Statements are published within the statutory periods. Interim reports are published within the periods stipulated by stock exchange law. Sixt Leasing SE believes that compliance with the publication deadlines specified in section 7.1.2 sentence 3 of the Code does not benefit to any greater extent the information interests of investors, creditors, employees and the public.

Pullach, 22 December 2017

For the Supervisory Board of Sixt Leasing SE

ERICH SIXT
Chairman

For the Managing Board of Sixt Leasing SE

DOTT. RUDOLF RIZZOLLI
Chairman

2. RELEVANT DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES

The practices used for managing Sixt Leasing SE and the Sixt Leasing Group fully comply with the statutory provisions.

Strategic and operational management of the Group is performed on the basis of planning policies and regular comprehensive reports to the Managing Board. Reporting covers the risk management system, the internal control system as well as the internal audit system.

The risk management system, the functioning and extent of which is documented in the risk manual, specifies several types of reports to support management with the identification, assessment and control of risks. Among other things, the Managing Board and the Supervisory Board receive a comprehensive risk report each year. In addition, the Managing Board is regularly informed about relevant issues by the Company's functional units. The internal control system consists of measures and controls to ensure compliance with statutory provisions and corporate guidelines. It specifies regular reports by the Company's Business Units, audit reports and regular working meetings relating to different topics. The internal audit system relates to measures such as planned audits and other audits, the results of which are documented in the respective audit and activity reports to the Managing Board.

3. COMPLIANCE WITHIN THE SIXT LEASING GROUP

As a financial services company, in accordance with section 1 (1a) no. 10 KWG Sixt Leasing SE is subject to the provisions of MaRisk and section 25a (1) sentence 3 no. 3 KWG. This results in requirements for the implementation and design of a compliance function.

The Managing Board of Sixt Leasing SE has appointed a central compliance officer who, in cooperation with the internal audit department and the legal department of Sixt Leasing SE, is

responsible for coordinating and monitoring all compliance measures and compliance processes within the Sixt Leasing Group.

The success of the Sixt Leasing Group is not only driven by its excellent business policy, but also by the harmonisation of business principles with the highest moral and ethical standards, and the trust that customers, suppliers, shareholders and business partners place in. In order to win and keep this trust it is a precondition that the Managing Board and the employees of the Company in any situation and continuously comply with the high standards of legislation, ethics and social skills. The Code of Conduct of Sixt Leasing SE and its affiliated companies, which is mandatory for all employees, contains these behavioural principles for the acting individuals' dealings in relation to third parties and within the Company. The Code of Conduct defines compliance-relevant procedures on the part of management and provides specific instructions for action in the following areas of compliance: Corruption and bribery, money laundering, antitrust law, data protection, insider information and conflicts of interest.

In addition, all departments are required to coordinate key legal or regulatory processes and procedures with the legal department, the Compliance Officer and Internal Audit. The audit department carries out rule audits based on risk-oriented audit planning. Within the scope of these rule audits, business processes are examined not only with regard to economic risk aspects but also with regard to possible compliance risks and compliance with the applicable internal (work instructions, processes) and external regulations. At the same time, the audit department supports the compliance function in monitoring the compliance measures implemented by carrying out ad hoc checks as required.

The compliance function constantly monitors the main defined compliance areas of Sixt Leasing SE, initiates the necessary measures and accompanies their implementation. To become aware of potential compliance defaults, Sixt offers its employees different reporting channels via the superior, the compliance

officer or the ombudsman. The compliance officer maintains regular contact with the Managing Board and assists as well as advises the Board with respect to preventive measures.

4. WORKING PRACTICES OF MANAGING BOARD AND SUPERVISORY BOARD

As European Stock Corporation (Societas Europaea) Sixt Leasing SE is governed by the German Aktiengesetz (AktG – German Public Companies Act), the specific European SE regulations and the German SE Implementation Act. One key principle of the Public Companies Act is the dualistic management system (Managing Board and Supervisory Board). The Management Board is therefore strictly separated from the Supervisory Board, which monitors the activities of the Management Board and decides on its composition. Simultaneous membership in both bodies is not permitted.

4.1 MANAGING BOARD

The Managing Board of Sixt Leasing SE manages the company on its own responsibility and represents Sixt Leasing SE in transactions with third parties. It conducts business in accordance with the legal provisions, the Articles of Association and the rules of procedure for the Managing Board.

As the central task of the Managing Board, the Managing Board defines long-term goals and strategic orientation for the Company and the Group, agrees these with the Supervisory Board and coordinates their implementation. The Managing Board determines the internal corporate organization, decides on key management positions and manages and monitors the Group's business by planning and determining budgets, allocating resources and monitoring and deciding on key individual measures.

The members of the Managing Board are jointly responsible for the entire management. Without affecting the overall responsibility of all members of the Managing Board, the individual members manage the areas assigned to them within the framework of the Managing Board resolutions on their own responsibility. The distribution of tasks among the members of the Managing Board is set out in a written business allocation plan attached to the rules of procedure of the Managing Board. The Managing Board as a whole makes decisions on all matters of fundamental and material importance as well as in legally or otherwise binding cases. The rules of procedure of the Managing Board

provide for a catalogue of measures that require discussion and decision by the Managing Board as a whole.

In 2017, the Managing Board had two members. Mr. Dott. Rudolf Rizzolli, Chairman of the Executive Board of Sixt Leasing SE, was responsible for group development, strategy, sales and marketing, operations, procurement, remarketing, IT and human resources. Mr. Björn Waldow, CFO of Sixt Leasing SE, was responsible for finance, accounting, controlling, treasury, investor relations, risk management, internal audit, contract management, legal and compliance. Mr. Dott. Rudolf Rizzolli resigned from the Managing Board as of 31 December 2017.

4.2 SUPERVISORY BOARD

In accordance with article 10 (1) of the Articles of Association, the Supervisory Board of Sixt Leasing SE has three members. Two members are elected by the Annual General Meeting in accordance with legal provisions and the provisions of the Articles of Association. Another Supervisory Board member is appointed by Sixt SE for as long as it remains shareholder of the Company. The Supervisory Board elects a Chairman and a Deputy Chairman from among its members (article 12 (1) of the Articles of Association). As according to the Articles of Association, the Supervisory Board of Sixt Leasing SE consists only of three people, no committees are formed. However, the Supervisory Board has set up a credit and market risk committee, which advises the Managing Board on the conclusion of large-volume contracts. The members of the committee are Mr. Erich Sixt and Mr. Prof. Dr. Marcus Englert.

The Supervisory Board's main tasks include the appointment of Managing Board members and supervision of the Managing Board. As a general rule, the Supervisory Board adopts its resolutions at meetings. On instruction of the Supervisory Board Chairman, resolutions by the Supervisory Board may also be adopted outside of meetings (or by way of a combined resolution) by casting votes verbally or by telephone, in writing (section 126b BGB - German Civil Code) and/or by using other means of telecommunication or electronic media (article 14 (2) of the Articles of Association). Moreover, a resolution may also be validly adopted by aforementioned means without the instruction of the Chairman of the Supervisory Board if no member objects (article 14 (3) of the Articles of Association). Resolutions of the Supervisory Board require a simple majority of votes cast, unless otherwise mandatorily required by law (article 14 (7) of the Articles of Association). The Supervisory Board's report contains further

details on the meetings and activities of the Supervisory Board during fiscal year 2017.

The Managing and Supervisory Board cooperate closely for the benefit of the Sixt Leasing Group. The Managing Board informs the Supervisory Board regularly, promptly and comprehensively on matters that are relevant to the Company and the Group regarding strategic planning, business development, the risk situation and risk management as well as the results of internal revisions. The Managing Board agrees the Company's strategic orientation with the Supervisory Board and discusses the implementation of strategy at regular intervals. Documents required to make decisions, in particular the annual financial statements of Sixt Leasing SE, the consolidated financial statements, the management report on the Group's and the Company's situation, including the auditors' reports, are forwarded to the members of the Supervisory Board in good time before the respective meeting. The rules of procedure of the Managing Board provide for a catalogue of measures requiring approval, which must be submitted to the Supervisory Board for approval.

5. OBJECTIVES OF SUPERVISORY BOARD AND IMPLEMENTATION STATUS

In accordance with section 5.4.1 of the German Corporate Governance Code the Supervisory Board resolved the following concrete objectives regarding its composition and developed a competence profile for the entire Supervisory Board.

Accordingly, the Supervisory Board is to be composed in such a way as to ensure qualified supervision and advice of the Managing Board by the Supervisory Board. Its members should have the knowledge, skills and professional experience required to properly perform the tasks of a supervisory board in a capital market-oriented, internationally active company in the business areas of leasing for private and business customers and fleet management.

5.1 PROFILE OF COMPETENCE

Overall, the Supervisory Board shall have the competencies that are considered essential in view of the activities of the Sixt Leasing Group. This includes, in particular, in-depth experience and knowledge of

- ∥ in the management of a large or mid-sized international company
- ∥ in the leasing and fleet management business

- ∥ in the fields of marketing, distribution and digitalisation
- ∥ in the main markets in which the Sixt Leasing Group is active
- ∥ in bookkeeping and accounting
- ∥ in controlling/risk management and
- ∥ in the area of governance/compliance

In addition, in compliance with the requirements of section 100 (5) of the AktG, at least one member of the Supervisory Board must have expertise in the areas of accounting or auditing and the members of the Supervisory Board as a whole should have in-depth knowledge and experience in areas of work of importance to the company and meet the other professional and personal requirements arising from applicable regulatory requirements.

5.2 REQUIREMENTS FOR THE COMPOSITION OF THE ENTIRE BOARD AND THE INDIVIDUAL MEMBERS

Competence and diversity

First and foremost, the prerequisites for filling the seats on the Supervisory Board are professional qualifications and personal competence. The Supervisory Board will always give priority to these prerequisites, which are indispensable for the fulfilment of its legal obligations, when proposing the election or posting of Supervisory Board members.

Overall, the Supervisory Board pursues the goal of optimally fulfilling its supervisory and advisory functions through the diversity of its members. The diversity includes in particular internationality as well as different horizons of experience and ways of life. In preparing the election proposals or the proposals for dismissals, it should be assessed in each individual case to what extent different, complementary professional profiles, professional and life experience and an appropriate representation of both sexes benefit the work of the Supervisory Board. In addition, the Supervisory Board will support the Managing Board in strengthening diversity within the company.

In-depth knowledge of work areas relevant for Company

All members of the Supervisory Board shall have in-depth knowledge and experiences in work areas that are important for the Company and they shall meet the other professional and personal requirements from the applicable regulatory stipulations.

Management experience

The Supervisory Board shall have at least two members. These shall be experienced in the management or supervision of a mid-sized to large corporation.

Internationality

At least two members of the Supervisory Board shall have business experience in the main sales markets of Sixt Leasing SE and be able to provide competent assistance in Sixt Leasing SE's continued internationalisation.

Number of independent members/no material conflicts of interests

The Supervisory Board shall have a suitable number of independent members. In the view of the Supervisory Board this is the case against the background of the ownership structure of the company if at least one of the three Supervisory Board members is independent within the meaning of the section 5.4.2 of the German Corporate Governance Code.

Moreover, no one shall be proposed for election to the Supervisory Board, whose other activities could mean a potentially material and not just sporadic or intermittent conflict of interests.

The Supervisory Board continues to uphold that there shall be no age limit or rule limiting the length of membership in the Supervisory Board. The Supervisory Board also maintains the target figure of 0% for the proportion of women on the Management Board and Supervisory Board.

The current composition of the Supervisory Board is in accordance with aforesaid targets. In view of their different backgrounds and experiences, the members of the Supervisory Board in their entirety with regard to their different lives and horizons of experience represent the necessary diversity to do optimal justice to their supervisory duty. In particular, the Supervisory Board as a whole has the knowledge, skills and professional experience required to properly perform the tasks of a Supervisory Board in a capital market-oriented, internationally active company in the business areas of fleet management and leasing for private and business customers. In Mr. Erich Sixt and Mr. Georg Bauer the Supervisory Board has two members in 2017, whose previous professional activities demonstrate specialised industry expertise and experiences in the Company's main sales markets. Moreover, all members of the Supervisory Board have experience in the management or supervision of a mid-sized to large corporation. Prof. Dr. Marcus Englert is an

independent shareholder representative on the company's Supervisory Board.

6. DIVERSITY CONCEPT

6.1 MANAGING BOARD

Diversity aspects in the composition of the Managing Board

Overall, the Managing Board should have the competencies that are considered essential in view of the activities of the Sixt Leasing Group. In the opinion of the Supervisory Board, these include:

- \\ complementary professional profiles and different professional and educational backgrounds
- \\ highest personal integrity
- \\ in-depth practical experience in dialogue with the various stakeholders, including in-depth knowledge of capital market requirements
- \\ profound experience in IT management and understanding of the increasing digitalisation of the business model
- \\ many years of experience in value-based strategy development and change management;
- \\ many years of experience in the management of large companies
- \\ knowledge of accounting and financial management
- \\ solid knowledge of risk management
- \\ international experience and
- \\ adequate representation of both sexes and different ages

As a rule, the service contracts of the members of the Managing Board should end when the standard age limit for statutory pension insurance (currently 67 years of age) is reached.

Aims of the diversity concept

In the opinion of the Supervisory Board, complementary professional profiles and different professional and educational backgrounds already result from the duty of proper management. In addition, the different lives and experiences of the individual members of the Managing Board are decisive for analysing current challenges, problems and strategies from different perspectives and thus making a decision for the benefit of the company.

In view of the increasing digitalisation of the business model and the enormous relevance of modern IT structures for all areas of the company, profound experience in IT management and a profound understanding of digitalisation are indispensable in order to successfully lead the company into the future.

Many years of experience in the management of larger companies, strategy development and change management are decisive and indispensable elements of modern top management in the opinion of the Supervisory Board. The Managing Board also requires sound practical experience in dialogue with the various stakeholders, including in-depth knowledge of the requirements of the capital market. In particular, the Supervisory Board is of the opinion that successful corporate management requires consistent communication with the lower management levels by the Managing Board.

The Supervisory Board also strives for an appropriate representation of both genders and different ages on the Managing Board, as it believes that mixed-gender teams achieve the same or better results than teams in which only one gender is represented. However, as the Managing Board currently consists of only two members, the Supervisory Board believes that a strict quota at this point would lead to a significant reduction in the number of suitable candidates on the one hand and on the other would call into question the future cooperation with deserving members of the Managing Board who are familiar with the company.

Manner of implementation

The Supervisory Board takes into account the diversity aspects described above when appointing members to the Managing Board. In addition, the v Board and Supervisory Board regularly exchange information on suitable successor candidates and high potentials from the Group in order to ensure the continuous further development of promising talents.

Results achieved in fiscal 2017

The Supervisory Board has decided to appoint Mr. Thomas Spiegelhalter as Chairman of the Managing Board with effect from 1 January 2018. Mr. Dott. Rudolf Rizzolli resigned from the Managing Board at the end of the year under review.

In the opinion of the Supervisory Board, the Company has two members of the Managing Board Mr Spiegelhalter and Mr Waldow, who, due to their different professional backgrounds and their respective educational and professional backgrounds, possess the competencies which are to be considered essential for the success of the company in terms of the activities of the Sixt Leasing Group. More detailed information on the members of the Managing Board can be found in the profiles on the Company's website and in communication on the occasion of the Supervisory Board's decisions.

6.2 SUPERVISORY BOARD

Diversity aspects in the composition of the Supervisory Board

The Supervisory Board has drawn up a comprehensive competence profile for its composition and formulated detailed requirements for the composition of the entire Supervisory Board and its individual members.

Accordingly, the Supervisory Board should have the overall competencies that are considered essential in view of the activities of the Sixt Leasing Group. This includes, in particular, in-depth experience and knowledge in the following areas

- \\ in the management of a large or mid-sized international company
- \\ in the leasing and fleet management business
- \\ in the fields of marketing, distribution and digitalisation
- \\ in the main markets in which the Sixt Leasing Group is active
- \\ in bookkeeping and accounting
- \\ in controlling/risk management and
- \\ in the area of governance/compliance

The most important prerequisites for filling the seats on the Supervisory Board are professional qualifications and personal competence. The Supervisory Board will consider these conditions, which are indispensable for the fulfilment of its statutory obligations, when making nominations for election of members of the Supervisory Board.

The Supervisory Board also pays particular attention to different, complementary professional profiles, professional and life experience and an appropriate representation of both sexes.

The Supervisory Board maintains that it does not define an age limit or a rule limit for membership of the Supervisory Board. The Supervisory Board also maintains the target figure of 0% for the proportion of women on the Managing Board and Supervisory Board. However, as the Supervisory Board currently consists of only three members, the Supervisory Board is in the opinion that a strict quota at this point would lead to a significant restriction on suitable candidates on the one hand and on the other would call into question the future cooperation with deserving members of the Supervisory Board who are familiar with the company.

Aims of the diversity concept

Overall, the Supervisory Board pursues the goal of optimally fulfilling its supervisory and advisory functions through the diversity

of its members. The diversity includes in particular internationality as well as different horizons of experience and paths of life. In preparing nominations for election or nominations for secondments, the extent to which different, complementary professional profiles, professional and life experience and an appropriate representation of both sexes benefit the work of the Supervisory Board shall be assessed on a case-by-case basis.

In addition, the different lives and experiences of the individual members of the Supervisory Board are decisive in analysing current challenges, problems and strategies from different perspectives and making a decision for the best of the company. The Supervisory Board pursues the goal of always being in a position to competently advise and monitor the Managing Board and to adequately acknowledge and accompany new developments in the industry.

Manner of implementation

The Supervisory Board takes into account the diversity aspects described above when proposing the election or secondment of Supervisory Board members. The Supervisory Board also undergoes an annual efficiency review. The audit focuses on the effective performance of the tasks assigned to the Supervisory Board, including the practicability of the procedural rules in the rules of procedure of the Supervisory Board, as well as on the efficiency of the work of the committees. In the future, diversity aspects should also be taken into account to a greater extent.

Results achieved in fiscal 2017

There were no changes in the composition of the Supervisory Board in fiscal 2017. In accordance with the recommendation in section 5.4.1 sentence 2 German Corporate Governance Code (version of 7 February 2017), the Supervisory Board adopted a competence profile for the composition of the full Supervisory Board by resolution of 6 December 2017. In the view of the Supervisory Board, there is currently no further need for action with regard to diversity. The diversity of the professional and educational backgrounds of the individual members of the Supervisory Board can be seen in the CVs published on the company's website.