

**Declaration on the Corporate Governance Code in accordance with
Section 161 AktG**

The Executive Board and the Supervisory Board of SLEEPZ AG are obligated to declare at least once a year the extent to which the Company followed the recommendations of the current version of the German Corporate Governance Code (the “Code”) in the reporting period and will follow them in future (declaration of compliance).

With reference to their last declaration submitted on 06 December 2016, the Executive Board and the Supervisory Board of SLEEPZ declare, in accordance with Section 161 AktG, that the recommendations of the Government Commission of the German Corporate Governance Code (version dated 7 February 2017; published by the Federal Ministry of Justice in the official section of the Federal Gazette [Bundesanzeiger] on 24 April 2017) have been and will be complied with, with the following restrictions:

- *D&O insurance deductibles (Section 3.8)*
The Code recommends, with regard to D&O insurance for Supervisory Board members, a deductible equal to the legally prescribed deductible for members of the Executive Board in accordance with Section 93 (2), sentence 3 AktG. SLEEPZ AG does not consider this a suitable means of increasing Supervisory Board members' motivation and responsibility when performing their duties.
- *Compliance (Section 4.1.3.)*
Similar to the management of the subsidiary, the Executive Board must ensure compliance to legal provisions and potential corporate policies and takes the organisational measures necessary in this respect. The company is still in the process of developing and establishing a compliance management system focused on the risk position of the company in the sense of a (group-wide) system of standardised and institutionalised measures. This is due to the fact that SLEEPZ AG, which at the time of issuing this declaration only has two employees, is still being formed, as is the SLEEPZ Group. Disclosing the principles of the compliance management system as recommended in the context of the Code is limited in this respect to the presentation of the activities that took place in the past financial year. Similarly, the idea of establishing a whistleblowing system is currently being abandoned.
- *Diversity in the filling of management positions (Section 4.1.5)*
The Code recommends that diversity be ensured in the filling of managerial positions in the company and particularly with regard to adequate female

representation. On the day of adopting a new target figure for the proportion of women in management positions, SLEEPZ AG had a total of three employees, two of which were women. There are/were no management levels below the Executive Board. In this context, the Executive Board resolved to abstain from defining a target figure for the proportion of women, more specifically to maintain a target figure of 0% – even if (a) management level(s) below the Executive Board should be established – until 30/06/2022.

- *Composition of the Executive Board (Section 4.2.1) / Diversity in the filling of Executive Board (Section 5.1.2)*

The Code recommends that the Executive Board consist of several persons and should have a Chairman or Speaker. In the context of rules of procedure, an allocation of duties should be regulated for that purpose. Furthermore, the Supervisory Board will ensure diversity in the composition of the Executive Board and, in doing so, strive for appropriate consideration of women in particular. Since issuing the last Corporate Governance Declaration, the Executive Board for SLEEPZ AG has consisted of one person. Therefore, the nomination of a Chairman as well as the formulation of an allocation of duties shall not take place. In this context, the Supervisory Board also resolved to abstain from defining criteria for the possible search of suitable Executive Board candidates that go beyond those of "expertise" and "competence", as well as a target figure for the proportion of women, or to adhere to a target figure of 0%, namely – even if (an)other member(s) of the Executive Board should be appointed by that date – until 30/06/2022.

- *Composition of the Supervisory Board (Sections 5.4.1 – 5.4.2)*

The Code recommends that the supervisory board name specific objectives for its composition as well as acquire a competency profile for the overall board and therefore, in particular, should include adequate female participation. For the first time, in its meeting on 06/12/2016, the Supervisory Board for SLEEPZ AG named concrete objectives for its composition and, in doing so, also acquired a competency profile for the overall board. Because the Supervisory Board – in view of the size of the company – currently consists of three employees, the Supervisory Board resolved to refrain from defining concrete objectives for the composition of the supervisory board with female members at this time and to maintain a target figure of 0% until 30/06/2022.

- *Publication of financial reports (Section 7.1.2)*

The Code recommends publishing the annual financial statements within 90 days after the end of the business year and the interim reports within 45 days after the end of the respective reporting period. The Company publishes its

financial reports – in conjunction with the commitments stemming from the Exchange Rules for the Frankfurt Stock Exchange – within the legally prescribed deadlines, since the costs of faster preparation and publication are disproportionate to the level of information gained by the shareholders.

The Executive Board of SLEEPZ AG does not receive remuneration. In addition, due to its size, the Supervisory Board of SLEEPZ AG foregoes the formation of committees. The recommendations under Section 4.2.2 – 4.2.5 (Executive Board remuneration) and under Section 5.3. (Formation of committees) of the Code therefore do not apply.

Berlin, December 6, 2017

For the Supervisory Board:

./i. Sven Rittau

Executive Board

./i. Oliver Borrmann