



Corporate Governance

Declaration of Compliance 2013

Joint Declaration of the Executive Board and the Supervisory Board of STADA Arzneimittel AG concerning the German Corporate Governance Code pursuant to § 161 of the German Stock Corporation Act (*AktG*)

STADA Arzneimittel AG complies with the recommendations of the German Corporate Governance Code in the version of May 13, 2013 (published on June 10, 2013 in the Federal Gazette) with the following deviations:

Section 5.3.3: Nomination Committee for Supervisory Board elections

In view of the size of STADA's Supervisory Board with six shareholder representatives the Supervisory Board believes that such an additional committee is structurally superfluous, but assigned the task of a nomination panel to the Chairmen of the Human Resources Committee and the Audit Committee; the additional remuneration, which pursuant to the articles of incorporation would be payable to Supervisory Board members involved in such a committee, is thus avoided.

Section 5.4.6, para. 2, sentence 2: Performance-related compensation of the Supervisory Board

In addition to an annual fixed sum the members of the Supervisory Board receive a variable remuneration depending on the Group earnings before tax until the end of the financial year 2013. The annual remuneration depending on the earning is oriented toward the performance of the Company and is a performance-related compensation of the members of the Supervisory Board in accordance with legal requirements.

On June 5, 2013 the Annual General Meeting resolved upon an adjustment of the remuneration policies that shall take effect at the beginning of the financial year 2014. Pursuant to Section 18 of the Company's articles of incorporation the members of the Supervisory Board will then receive a remuneration based on the long-term success of the Company in addition to the annual fixed remuneration. According to the resolution of the Annual General Meeting, the variable remuneration will thus comply with the recommendation in Section 5.4.6, para. 2 sentence 2 of the German Corporate Governance Code from January 1, 2014 onwards.

Section 6.3: Shares held by members of the Executive Board and the Supervisory Board

The purchase and sale of STADA shares and options by members of the Executive Board and the Supervisory Board and by closely related persons mentioned in the law are reported to the Company itself and to the German Federal Financial Supervisory Authority (*BaFin*) in accordance with legal requirements and are published in accordance with legal requirements. However, the respective holdings of shares and options to purchase and sell such shares by individual members of the Executive Board and Supervisory Board are not published in the Corporate Governance Report. The Supervisory Board and the Executive Board are of the opinion that compliance with the legal requirements provides sufficient transparency.



For STADA, the recommendations of the German Corporate Governance Code serve as a general basis for the Company's activity. In daily practice, however, individual situations may occur in which the application of the Code would lead to limitations in the flexibility of the Company or in the proven corporate practice. In the interest of good corporate governance deviations from the recommendations of the Code may take place in those individual cases. STADA will, however, regularly review and, if necessary correct compliance with the Code and the above mentioned exceptions.

Bad Vilbel, November 12, 2013

signed
Dr. Martin Abend
Chairman of the Supervisory Board

signed
Hartmut Retzlaff
Chairman of the Executive Board