

Corporate Governance

Update of the declaration of the Executive Board and Supervisory Board of STADA Arzneimittel AG dated March 2, 2017 concerning the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act

Joint declaration supplementing the declaration of the Executive Board and Supervisory Board of STADA Arzneimittel AG dated March 2, 2017 concerning the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG)

Section 4.2.3 Para. 2 Sentence 2: Fixed and variable remuneration components

Sec. 4.2.3 Para. 2 Sentence 2 of the German Corporate Governance Code (GCGC) recommends both in the version of May 5, 2015 (published in the Federal Gazette on June 12, 2015) and in the version of February 7, 2017 (published in the Federal Gazette on April 24, 2017 and in the corrected version published on May 19, 2017) that the monetary components of the Executive Board remuneration should not only comprise fixed but also variable components.

STADA Arzneimittel AG ("**STADA**") follows this recommendation in principle. However, the remuneration of Executive Board member Engelbert Coster Tjeenk Willink and of Executive Board member Dr. Bernhard Düttmann deviates from this recommendation in this exceptional case. The reason is that the agreements concluded with Mr Tjeenk Willink and Dr. Düttmann in each case only provide for fixed monetary remuneration components due to the fact that a variable remuneration is not deemed appropriate by the Supervisory Board for the short term of appointment of Mr Tjeenk Willink and Dr. Düttmann until December 31, 2017. This means that the other recommendations on variable remuneration contained in the GCGC are also deviated from. The recommendations are to be complied with again in future.

In all other respects, the declaration of compliance dated March 2, 2017 will continue to apply.

Bad Vilbel, July 13, 2017

signed
Ferdinand Oetker
Chairman of the Supervisory Board

signed
Engelbert Coster Tjeenk Willink
Chairman of the Executive Board