

CORPORATE GOVERNANCE CODE

Corporate Governance as a part of FUCHS PETROLUB's philosophy

FUCHS PETROLUB AG has always been committed to a responsible business policy oriented towards value creation, and approved a corporate governance code for the first time in the year 2002. The FUCHS Corporate Governance Code is based on the regulations for good and responsible management and supervision of the company and its subsidiaries as set out in applicable law and the company's articles of incorporation, and reflects the principles of the German Corporate Governance Code in the extended version of July 2003. In this way, FUCHS PETROLUB AG intends to adhere to recognized national and international standards, and thus to promote the trust and confidence of its shareholders, business associates, employees and the general public.

The Executive Board, Supervisory Board and staff of FUCHS PETROLUB AG and its subsidiaries are committed to the FUCHS Corporate Governance Code. The corporate-governance principles of FUCHS PETROLUB AG are regularly examined against the background of new statutory requirements and further developments in national and international standards in case any changes or modifications become necessary.

Equal and fair treatment of all shareholders

As a stock-exchange-listed company with its headquarters in Germany, FUCHS PETROLUB AG is subject to the provisions of German law upon which the Corporate Governance Code is based. National and international corporate-governance standards have been implemented at the Group for a long time now. Compliance with these standards serves to secure confidence in the management and supervision of the company on the part of national and international investors, financial markets, business associates, employees and the public.

Of particular importance for good corporate governance are the unqualified observance of shareholders' interests, a clear definition and limitation of the tasks of the company's boards and committees, efficient cooperation between the Executive Board and the Supervisory Board, open communication, informative and internationally harmonized accounting, as well as up-to-date and informative reporting and overall transparency.

The Executive Board and the Supervisory Board issue an annual declaration of compliance with the German Corporate Governance Code. In line with the comply-or-explain principle, this declaration also gives details of any deviations from the Code's recommendations. The declaration is published both in the Annual Report and on the Internet.

FUCHS PETROLUB AG regards an adequate system of corporate governance as a precondition for continued success in German and international capital markets, and for the company's future share price.

The Executive Board and the Supervisory Board are committed to a system of value-based management and monitoring of the company which increases shareholder value over the long term, thus emphasizing accountability to the shareholders.

Declaration of compliance

FUCHS PETROLUB AG complied with the regulations of the "German Government Commission on the Corporate Governance Code" in the version applicable until July 4, 2003 – with the deviations disclosed in the declaration of compliance of December 15, 2002. We will also comply with the currently valid Code version of July 4, 2003 with the following exceptions:

■ Section 3.8

No suitable deductible is agreed upon in connection with the D&O (directors' and officers' liability insurance) policy for the Executive Board and the Supervisory Board of FUCHS PETROLUB AG. The Executive Board and the Supervisory Board of FUCHS PETROLUB AG are fully convinced of the motivation and responsibility with which they carry out their duties, and do not believe that this needs to be made even clearer by means of a deductible.

■ Section 4.2.4

FUCHS PETROLUB AG reports the compensation of the members of the Executive Board in the notes to the consolidated financial statements, subdivided according to fixed and performance-related components. No individualized details of compensation are given, as the Executive Board and the Supervisory Board of FUCHS PETROLUB AG are convinced that the value of such information for the shareholders bears no relation to the infringement of the Executive Board members' personal rights and privacy that would be caused by stating such details.

■ Section 5.3.2

The Supervisory Board of FUCHS PETROLUB AG is relatively small; it consists of six members. For this reason, no separate audit committee is necessary. The entire Supervisory Board of FUCHS PETROLUB AG deals intensively with questions of accounting and risk management, the necessary independence of the external auditors, the appointment of external auditors to carry out the statutory audit, the determination of the main areas of the audit and the audit fee. Furthermore, the external auditors also attend the meeting of the Supervisory Board at which the financial statements are dealt with.

■ Section 5.4.5

FUCHS PETROLUB AG reports the compensation of the members of the Supervisory Board in the notes to the consolidated financial statements, subdivided according to fixed and performance-related components. No individualized details of compensation are given, as the Executive Board and the Supervisory Board of FUCHS PETROLUB AG are convinced that the value of such information for the shareholders bears no relation to the infringement of the Supervisory Board members' personal rights and privacy that would be caused by stating such details.

■ Section 7.1.2

FUCHS PETROLUB AG makes its interim reports publicly accessible within 45 days of the end of the reporting period. Compliance with the recommendation of the German Corporate Governance Code that year-end consolidated financial statements should be publicly accessible within 90 days of the balance-sheet date will probably be achieved by FUCHS PETROLUB AG starting with the consolidated financial statements for the year 2004.

■ Section 7.1.4

FUCHS PETROLUB AG publishes a list of its major subsidiaries. This list shows the names and headquarters of the companies, the amount of each company's equity and our share in its equity. No details are given of the subsidiaries' earnings for the previous financial year for reasons of competition. However, the companies' annual financial statements are filed with the Company Register and are laid out for inspection at the annual shareholders' meetings. Moreover, on request, details of individual companies' earnings may be stated at the annual shareholders' meetings.

Mannheim, December 12, 2003



Dr. Jürgen Strube
Chairman of the Supervisory Board
FUCHS PETROLUB AG



Dr. Manfred Fuchs
Chairman of the Executive Board
FUCHS PETROLUB AG¹⁾

¹⁾ At the time of signing