

Declaration of compliance with the German Corporate Governance Code pursuant to section 161 of the German Stock Corporation Act

The Management and Supervisory Boards at Bertrandt AG declare herewith that, in compliance with § 161 of the German Stock Corporation Act (AktG) the recommendations from the governing commission of the German Corporate Governance Code (GCGC) in the version dated May 13, 2013 and released in the German Federal Gazette on June 10, 2013 - and in the version dated June 24, 2014 and released in the German Federal Gazette on September 30, 2014 - were generally adhered to. The recommendations listed under Sections 3.8 Para. 3, 4.1.5, 4.2.2 Para 2 Sentence 3, 4.2.3 Para. 2 Sentence 6 half sentence 1 and Para.3, 5.2 Para. 2, 5.3.2 Sentence 3, 5.4.1 Para. 2 and 3, Section 5.4.2 Sentence 1, , 5.5.2, 5.5.3 Sentence 1 und 7.1.2 Sentence 4 of the GCGC were not applied respectively. The recommendations in Section 4.2.5 Para. 3 and 4 GCGC, which were applicable for the first time starting October 1, 2014, were not applied either.

The recommendations from the governing commission of the German Corporate Governance Code (GCGC) in the version dated May 5, 2015, released in the German Federal Gazette on June 12, 2015, were and are generally adhered to. Since June 12, 2015 the recommendations in Section 3.8 Para. 3, 4.1.5, 4.2.2 Para. 2 Sentence 3, 4.2.3 Para. 3, 4.2.5 Para. 3 and 4, 5.2 Para. 2, 5.3.2 Sentence 3, 5.4.1 Para. 2 and 3, Section 5.4.2 Sentence 1, 5.5.2, 5.5.3 Sentence 1 and 7.1.2 Sentence 4 of the German Corporate Governance Code were not and are not applied. Until October 1, 2015 deviations were made and will be made from Section 4.2.3 Para. 2 Sentence 6 Half Sentence. 1 GCGC.

The deviations from the individual recommendations are based respectively were based on the following arguments:

Section 3.8 Para. 3 GCGC

Bertrandt AG has taken out a pecuniary damage liability insurance policy (a so called directors and officers insurance policy). In deviation from Section 3.8 Para. 3 of the GCGC, the policy has no deductible for supervisory board members. Bertrandt AG took out the insurance policy to preserve its interests in the event of hypothetical damage.

Section 4.2.2 Para. 2 Sentence 3 GCGC

The system for Management Board compensation is oriented towards a sustained corporate development according to §87 Para. 1 Sentence 2 of the German Stock Corporation Act. In the assessment of the adequacy of the remuneration of the Management Board, the Supervisory Board in principle takes into account the vertical system for Management Board compensation as defined in the recommendation listed under Section 4.2.2 Para. 2 Sentence 3 GCGC. As the legal literature and the practice still discuss the details of this recommendation controversially, a deviation is declared as a precautionary measure.

Section 4.2.3 Para. 2 Sentence 6 half sentence 1 and Para. 3 GCGC

Pursuant to the recommendation in Section 4.2.3 Para. 2 Sentence 6 Half Sentence 2 of the GCGC the variable portions of the monetary compensation of the members of the Management Board are limited in terms of their amount. The GCGC additionally requires in Section 4.2.3 Para. 2 Sentence 6 Half Sentence 1 that the remuneration of the Management Board shall be limited "in total". As the remuneration of the Management Board is fixed and not variable the Company has the opinion that with the limitation of the variable remuneration this recommendation has already been realized. As a precautionary measure, for the period until September 30, 2015, a deviation was and is also declared in regard of this recommendation. With effect from October 1, 2015 the compensation of the members of the Management Board was also in total limited to a maximum amount by amending the employment contracts of all members of the Management Board. The precautionary limitation of the Declaration of compliance can therefore be omitted.

Deviations were made and will be made to Section 4.2.3 Para.3 GCGC. The Supervisory Board doesn't aim to a specific pension level for the members of the Management Board but a market and company compliant remuneration of the active work. Pension commitments are therefore generally not granted. Such commitments exist, as stated for many years in the annual report, just towards one active and one former member of the Management Board.

Section 4.2.5 Para. 3 and 4 GCGC

The release of the Management Board's remuneration shall only be made to the extent legally required. The Annual General Meeting decided on February 18, 2009 to continue with the long-standing disclosure practice with a further decision to suspend disclosure in accordance with the

stipulations in the German Management Board Compensation Disclosure Act (Vorstandsvergütungs-Offenlegungsgesetz) from August 10, 2005 till the end of the business year 2014/2015. For the business year starting on October 1, 2015, deviations will still be made to the recommendations in Section 4.2.5 Para. 3 and 4 of the German Corporate Governance Code. By the applicable laws, which now fully apply, a sufficient transparency of the Management Board's remuneration is achieved.

Section 5.2 Para. 2 GCGC

The chairman of the Supervisory Board is for many years at the same time chairman of the examination board. This has proved itself and therefore deviations were made and will be made to Section 5.2 Para. 2 of the GCGC.

Section 5.3.2 Sentence 3, 5.4.1 Para. 2 and 3, 5.4.2 Sentence 1 as well as 4.1.5 GCGC

Deviations were made and will be made to Section 5.3.2 Sentence 3, 5.4.1 Para. 2 and 3, 5.4.2 Sentence 1 as well as 4.1.5 of the DCGC. Bertrandt AG places primarily great emphasis on experience, capability and individual knowledge when hiring members of the Management Board and Supervisory Board as well as for any other leadership position material to the company.

The Company believes that its Supervisory Board consists of an appropriate number of independent members. As the term "independent members" isn't yet finally clarified the Company declares with utmost precaution, and because of the fact that three of the four members who are appointed by the capital side, among these the Chairman, are already members of the Supervisory Board for three or more electoral periods, that deviations will be made to Section 5.3.2 Sentence 3, 5.4.2 Sentence 1 GCGC as well as to Section 5.4.1 Para. 2 GCGC. In consideration of that fact the Company has not defined a regulatory time period for the length of membership to the Supervisory Board as foreseen in 5.4.1 Para. 2 GCGC.

Section 5.5.2 and Section 5.5.3 Sentence 1 GCGC

The Supervisory Board has in its Rules of Procedure independently formulated its own regulations governing the handling of conflicts of interest which deviates from the recommendations in Section

5.5.2 and 5.5.3 Sentence 1 of the GCGC. The Supervisory Board's Rules of Procedure obliges every Supervisory Board Member to disclose conflicts of interest to the Chairman of the Supervisory Board; the Chairman of the Supervisory Board is obliged to provide disclosure to the Vice-Chairman. Such stipulations exceed Section 5.5.3 Sentence 1 of the GCGC and do not differentiate as to whether the conflict of interest is material or only temporary but include every possible conflict. The waiving of the public disclosure of such statements also allows the supervisory board members to confidentially discuss violations that are in reality not violations but merely appear so in full confidentiality with the chairperson.

Section 7.1.2 Sentence 4 GCGC

Bertrandt AG has published on February 16, 2015 its report for the 1st quarter of the business year 2014/2015 and on May 20, 2015 its report for the 2nd quarter 2015. Bertrandt AG always fulfils with its reporting the strict requirements of the Prime Standards of the German Stock Exchange. As long as the German Corporate Governance Code is not synchronised with the regulations of the Prime Standards, Bertrandt AG reserves the right to deviate from Section 7.1.2 Sentence 4 of the GCGC.

Ehningen, September 21, 2015

The Management Board

The Supervisory Board

Dietmar Bichler
Chairman

Dr. Klaus Bleyer
Chairman