

Declaration on corporate governance

Pertinent corporate governance practices

We conduct our business in line with the legal systems of the Federal Republic of Germany and of those other countries in which our Company operates. In addition to responsible corporate governance in accordance with the law, we have also established the Group's own regulations that reflect the value system and leadership principles within the Group.

Compliance

Only those companies that permanently convince their customers with innovation, quality, reliability, dependability and fairness will be lastingly successful on the market. In our view, an essential aspect of this is to observe legal requirements as well as the Company's own guidelines and ethical principles (compliance). Bertrandt's corporate culture is geared to these principles, while we have always felt bound to not only by legal requirements. Obligations entered into voluntarily and ethical principles are integral parts of our corporate culture and simultaneously the guide on which our decisions are based. The factors at the core of this include integrity of business dealings, protecting our lead in terms of knowledge, adhering to competition law and all foreign trade-related regulations, proper filing and financial communication as well as equal opportunity and the principle of sustainability. At Bertrandt, adherence to these principles is continually required of staff and business partners, and monitored accordingly.

Our value system: the Bertrandt mission statement

Bertrandt is a forward-looking company defined by a clear and unambiguous system of values. Its cornerstones are honesty, credibility, dependability, clarity and trust in people. Bertrandt's mission statement was based on this value system as long ago as 1996. This mission statement, which was updated in 2004, is the guide for our corporate strategy; for our daily conduct and our social responsibility. The mission statement's aim is not only to govern teamwork within the Bertrandt Group, but also what we do for our customers and shareholders. Commitment and trust are values in this respect that Bertrandt emphasizes afresh every day. Openness, trust and mutual appreciation are values that must characterise day-to-day collaboration. Our mission statement also aims to highlight the basis for our entrepreneurial success to our shareholders, customers, the general public and employees. Bertrandt is a long-standing, dependable partner to its customers, shareholders and staff. The Company's mission statement is available at www.bertrandt.de/Porträt.html.

We have set out our responsibility vis-à-vis the environment in special environmental guidelines in order to uphold the high standard of quality of our services. This environmental guideline can be found on our website at www.bertrandt.com/en/Company-profile.html.

Risk management

Dealing carefully with potential risks to the Company assumes high priority in our day-to-day work. We have set up a risk management system that helps us to detect risks and to optimise risk positions. We adapt this system to the changing circumstances on an ongoing basis. The Audit Committee set up by the Supervisory Board deals in particular with matters involving accounting, risk management including the internal control system and compliance as well as the required independence of the auditors.

Accounting and audit of the financial statements

The Bertrandt Group's accounting is based on the International Financial Reporting Standards (IFRS). The separate financial statements of Bertrandt AG are prepared in accordance with the German Commercial Code (HGB). The auditors are appointed by shareholders at the annual general meeting in line with the legal requirements. The Audit Committee prepares the Supervisory Board's proposal to the annual general meeting for the choice of auditors. The auditors are independent. They audit both the Group financial statements and the separate financial statements of Bertrandt AG.

Transparency

The Company's shareholders, all participants in the capital market, financial analysts, investors, shareholders' associations and the media are regularly kept up to date on the Company's situation as well as on material changes in its business. The principal communication medium for this is the internet. All persons who work for the Company and have access to insider information as specified by the regulations are advised of their obligations arising from insider trading law. Bertrandt AG's situation and results are reported in quarterly, six-month and annual reports, by means of balance sheet press conferences, the annual general meeting and conference calls as well as events involving international financial analysts and investors both in and outside Germany.

The dates of the regular financial reporting are recapped in the financial calendar, which can be found on the internet at www.bertrandt.com/en/Dates.html. In addition to the reporting, information that concerns Bertrandt and might exert considerable influence on the price of the Bertrandt share but is not publicly known is released by means of ad-hoc announcements.

How the Supervisory Board and the Management Board function

The Management Board normally meets every two weeks and ad hoc if needed; the Supervisory Board usually meets four times a year and as required. The Management Board keeps the Supervisory Board comprehensively informed on a regular and timely basis about all key matters concerning corporate strategy, planning, business performance, the financial and earnings situation, the risk situation and risk management as well as compliance. It also presents the

Supervisory Board with the Group capital spending and financial planning as well earnings projections for the upcoming fiscal year. The Chairman of the Management Board advises the Chairman of the Supervisory Board without delay of any key events that might be of material significance in judging the Company's situation and performance as well as its management. Transactions and measures that require the Supervisory Board's approval are submitted to said board in good time.

The members of the Management Board are obliged to immediately disclose to the Supervisory Board any conflicts of interest, and also to notify the other Management Board members. Management Board members are permitted to take on sideline activities, particularly supervisory board mandates outside the Group, only with the Supervisory Board's approval.

Composition and procedures of the Supervisory Board's committees

The Supervisory Board formed a Human Resources and an Audit committees in order to fulfil its duties. To raise efficiency, the Human Resources committee also performs the duties of the Nomination Committee. These committees prepare specific subject areas for discussion and decision in plenary meetings. On some subjects the Supervisory Board has delegated decision-making powers to the committees. They hold meetings as required.

The Human Resources Committee comprises Dr Klaus Bleyer (Committee Chairman), Prof. Wilfried Sihm and Mr Maximilian Wölfle. The Audit Committee is composed of Dr Klaus Bleyer (Committee Chair), Mr Horst Binnig and Mr Maximilian Wölfle. Further information on the committee members, particularly their professions and their memberships of supervisory boards and other supervisory bodies, is contained in the 2009/2010 Annual Report, which is accessible at www.bertrandt.com/en/Business-Reports.html.

Declaration dated 20 September 2010 of conformity with Section 161 of the German Public Companies Act

The Management Board and the Supervisory Board of Bertrandt AG hereby declare pursuant to Section 161 of the German Public Companies Act that as a matter of principle the Company conforms to the recommendations issued by the government commission on the German Corporate Governance Code (DCGK; hereinafter given the English abbrev. "GCGC") in the version dated 18 June 2009 and published in the electronic Bundesanzeiger of 5 August 2009. The recommendations in Section 3.8 (3), 4.2.3, 5.5.2, 5.5.3 Sentence 1 of the German Corporate Governance Code were not applied.

Since 2 July 2010, the Company has as a matter of principle conformed to the recommendations issued by the government commission on the German Corporate Governance Code in the

version dated 26 May 2010 and published in the electronic Bundesanzeiger on 2 July 2010. It has not and does not comply with the recommendations contained in Sections 2.3.3 Sentence 1, 3.8 (3), 4.1.5, 4.2.3, 5.4.1 (2) and (3), 5.5.2, 5.5.3 Sentence 1 and 7.1.2 Sentence 4 of the German Corporate Governance Code.

These departures from individual recommendations are based on the following considerations:

Section 2.3.3 Sentence 1 of the GCGC

Bertrandt AG's Articles of Association do not provide for postal voting, the result being that a postal vote is not legal. Furthermore, participation in the annual general meeting also enables shareholders to make well-founded decisions because they can consider the explanations of Management Board and Supervisory Board members in their voting, just as they can take into account what other shareholders and spokespersons of shareholder associations say.

Section 3.8 (3) of the GCGC

Bertrandt AG has taken out directors and officers (D&O) insurance. Contrary to Section 3.8 (3) of the GCGC, this cover does not provide for any deductible for members of the Supervisory Board. Bertrandt AG has taken out an insurance policy to protect itself in a hypothetical claim for damages.

Section 4.2.3 of the GCGC

As a matter of principle, the overall compensation paid to the members of the Management Board complies with the recommendations contained in Section 4.2.3 of the GCGC and comprises fixed and variable components. The principles underlying compensation are described in greater detail in Bertrandt AG's annual report. However, the remuneration did not and does not contain any specific components with a long-term incentive effect containing risk elements as defined in Section 4.2.3 (3) of the GCGC.

Whether and how the recommendations in Section 4.2.3 (4) of the GCGC can be legally implemented is still not entirely certain. Moreover, the Company reserves the right to deviate from the provisions of Section 4.2.3 (3) of the GCGC as and when required in order to be competitive.

For competitive reasons, the compensation paid to members of the Management Board has been and is disclosed only to the extent required by prevailing accounting law. On 18 February 2009, the shareholders approved the continuation of the long-standing reporting practice by passing another non-disclosure resolution in accordance with the Management Remuneration Act.

Section 5.4.1 (2) and (3) as well as 4.1.5 of the GCGC

The Company does not conform to Sections 5.4.1 (2) and (3) or to 4.1.5 of the GCGC. When making appointments to its Management Board and Supervisory Board as well as other executive

positions, Bertrandt AG considers the experience, capabilities and knowledge of the individual to be in the primary interest of the Company.

Section 5.5.2 and Section 5.5.3 Sentence 1 of the GCGC

In its Rules of Procedure, the Supervisory Board has specified how it treats any conflict of interest autonomously and at variance to the recommendations contained in Sections 5.5.2 and 5.5.3 Sentence 1 of the GCGC. The Rules of Procedure require each member of the Supervisory Board to disclose any conflict of interest to the Chairman of the Supervisory Board, who, himself, is required to disclose any such conflict to the Deputy Chairman of the Supervisory Board. These rules go beyond the scope provided for in Section 5.5.3 Sentence 1 of the GCGC and do not make any distinction on the basis of whether conflicts of interest are material or only temporary. Rather, all conflicts of interest must be disclosed. The public discussion of such disclosures may be waived to permit the members of the Supervisory Board to discuss with the Chairman even only apparent conflicts of interest on a confidential basis.

Section 7.1.2 Sentence 4 of the GCGC

Bertrandt AG released its report on the 3rd quarter of the 2009/2010 financial year on 18 August 2010. Bertrandt AG thus always fulfils the strict requirements of Deutsche Börse's Prime Standard with its reporting. Bertrandt AG will retain the right not to conform to Section 7.1.2 Sentence 4 of the German Corporate Governance Code until the German Corporate Governance Code is harmonised with the requirements of the Prime Standard.

Ehningen, 20 September 2010

The Management Board

Dietmar Bichler

Chairman

The Supervisory Board

Dr Klaus Bleyer

Chairman

Ehningen, 23 November 2010

Dietmar Bichler

Chairman of the Management Board

Ulrich Subklew

Member of the Management Board