

## **Declaration of conformity pursuant to § 161 of the German Stock Corporation Act (AktG) relating to the German Corporate Governance Code**

The Management and Supervisory Boards of centrotherm photovoltaics AG hereby declare that, with the exception of the deviations described below, the principles of behavior recommended by the Government "German Corporate Governance Code" commission have been complied with since the issue of the last declaration of conformity in December 2010, and will also be complied with in the future. Deviations from the German Corporate Governance Code in its current version from May 26, 2010, have been and will be made with regard to the following points:

- **Disclosure of remuneration components for individual Management Board members, and structural content of Management Board contracts (Figures 4.2.3-4.2.5):**

The Act relating to the Disclosure of Management Board Remuneration (VorstOG) permits the General Meeting of Shareholders to elect to waive disclosure of the individual emoluments of members of the Management Board with a majority of three-fourths of the voting capital when adopting resolutions. The corresponding information in accordance with §§ 285 Clause 1 Number 9 lit. a Clause 5 to 9, 314 Paragraph 1 Number 6 lit. a. Clause 5 to 9 of the German Commercial Code (HGB) shall not be disclosed in the annual and consolidated financial statements for the financial year beginning January 1, 2007, and for the four subsequent financial years. A corresponding resolution was adopted at the General Meeting of Shareholders on July 5, 2007.

Management Board members' contracts currently correspond to only a limited extent to the recommendation in Figure 4.2.3 Paragraph 2, whereby the structure of variable management board members' remuneration components should reflect both positive and negative developments. The Supervisory Board does not regard adaptation of these contracts as requisite, since several Management Board members already have an interest in a sustained and positive development of the company due to their substantial stake in the company. A deviation is made with respect to the recommendation in Figure 4.2.3 Paragraph 4 regarding the introduction of a settlement cap in employment contracts for Management Board members in the instance of the discontinuation of Management Board activity without an important reason. Further deviation is also made with respect to the recommendation contained in Figure 4.2.3 Paragraph 5, which limits a commitment to 150% of the settlement cap for services arising from early termination of Management Board activity following a change of control. Given the aforementioned, deviation is also made from the recommendation in Figure 4.2.4, whereby such commitments should be published individually. The implementation of these recommendations would firstly give rise to significant legal difficulties and uncertainties. Secondly, when negotiating contracts relating

to the initiation, continuation, or termination of Management Board member activities, the Supervisory Board does not wish to be subject to restrictions, thereby allowing it to always achieve the best negotiating result for the company.

- **Age limit for Management and Supervisory board members (Figures 5.1.2, 5.4.1 Paragraphs 2 and 3):**

Neither with respect to the composition of the Management board, nor with respect to its own composition and election proposals for Supervisory Board members to the Shareholders' General Meeting, does the Supervisory Board of centrotherm photovoltaics AG take into account a fixed age limit, because it is convinced that abilities and knowledge on the part of a potential candidate are independent of age. A rigid age limit might mean that Management or Supervisory board members who are particularly valuable because of their experience would leave centrotherm photovoltaics AG, or would not be recruited in the first place. Furthermore, the Supervisory Board of centrotherm photovoltaics AG pays attention to diversity in the composition of the Management and Supervisory boards, and, for this reason in particular, strives for an age mixture in the Management and Supervisory boards, which would not be achieved given a fixed age limit.

- **Supervisory Board composition (Figure 5.4.1 Paragraphs 2 and 3):**

The Supervisory Board of centrotherm photovoltaics AG has set no specific targets that take into account potential conflicts of interest, a fixed age limit for, and diversity of, Supervisory Board members, and, in particular, an appropriate participation of women. The Supervisory Board of centrotherm photovoltaics AG is of the opinion that primarily knowledge and abilities, as well as specialist expertise, should form the focus when selecting Supervisory Board members. Although the Supervisory Board of centrotherm photovoltaics AG welcomes the Code's intention of placing greater emphasis on the above-mentioned criteria in the composition of supervisory boards, it does not currently appear appropriate, however, to set specific objectives since, in the company's opinion, the current composition of the Supervisory Board of centrotherm photovoltaics AG takes this requirement sufficiently into account.

- **Formation of committees (Figure 5.3)**

The Supervisory Board of the company consists of the statutory minimum of three members, and therefore has not formed any committees from among its members.

- **Supervisory Board remuneration (Figure 5.4.6):**

The Supervisory Board members of centrotherm photovoltaics AG receive both fixed remuneration as well as a fee for attending meetings. Performance-related remuneration is not granted to the members

of the Supervisory Board in accordance with the remuneration regulation specified in the company statutes, since such performance-related remuneration is not required in order to motivate the Supervisory Board members, nor does it promote their sense of responsibility.

- **Independence and conflicts of interest relating to Supervisory Board members (Figures 5.4.2 and 5.5.3):**

The Deputy Chairman of the Supervisory Board, Rolf Hans Hartung, is the father of CEO, Robert M. Hartung. Rolf Hans Hartung holds significant stakes in both the company and its associated companies. These associated companies have, and have had, various legal relationships with the centrotherm photovoltaics Group of companies, as a consequence of which conflicts of interest may arise. There is currently no intention to revoke the Supervisory Board mandate of Rolf Hans Hartung, since, in the opinion of the Supervisory Board, the Supervisory Board has a sufficient number of independent members.

- **Shares and financial instruments held by Management and Supervisory board members (Figure 6.6):**

Any direct and indirect shareholding on the part of the members of corporate bodies has been, and shall be, published in harmony with the German Securities Trading Act and the German Securities Prospectus Act. No other publication of the shares or related financial instruments held by members of the company's corporate bodies occurs since, due to the current shareholder structure, there is no identifiable requirement to publish information beyond the extent of statutory requirements.

Blaubeuren, on December 6, 2011

centrotherm photovoltaics AG

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