

Voluntary Declaration on the German Corporate Governance Code in Keeping with Section 161 of the German Stock Corporation Act (AktG)

Even though PAUL HARTMANN AG is not a company listed on the stock exchange within the meaning of section 3 paragraph 2 of AktG and is not a company that has exclusively issued securities other than shares for trading on an organized market within the meaning of section 2 paragraph 5 of the Securities Trading Act (WpHG), and, at its own instigation, the shares it has issued are traded via a multilateral trading system within the meaning of section 2 paragraph 3 clause 1 no. 8, on March 19, 2010 its Management and Supervisory Boards approved the following voluntary declaration on the German Corporate Governance Code in keeping with section 161 of AktG.

Since the last declaration of conformity dated March 24, 2009, PAUL HARTMANN AG has complied with the recommendations of the German Corporate Governance Code in the version of June 6, 2008 with the deviations listed below and will in the future comply with the recommendations of the German Corporate Governance Code in the version of June 18, 2009, with the deviations detailed below. Inasmuch as the deviations applied to the past only we have indicated this separately.

- The reports and documentation required by law for the annual general meeting shall be published on the HARTMANN website in part only (item 2.3.1 of the Code).
- For the Board of Management (in line with statutory transitional regulations) and the Supervisory Board there is a directors & officers insurance (D&O insurance) without cost-sharing (item 3.8 of the Code).
- The current structure of the remuneration system for the Board of Management consists of both fixed and variable remuneration components. The variable components, however, have neither primarily an assessment basis of several years nor a limit in the event of extraordinary developments. A severance package cap in the event of a change of control has not been agreed upon (item 4.2.3 of the Code). Until August 2009, the relevant Board of Directors Committee regularly reviewed the Board of Management remuneration system (item 4.2.2 of the Code).
- No separate remuneration is paid for membership of the Board of Directors Committee, the Nominations Committee or the Arbitration Committee for 2009 (item 5.4.6 of the Code).
- No individual details of Supervisory Board remuneration are made available (item 5.4.6 of the Code).
- There will be no remuneration report showing total emoluments of individual members of the Board of Management (item 4.2.4 and 4.2.5 of the Code).
- The recommendation in item 6.6 of the Code with regard to members of the Board of Management and Supervisory Board disclosing details of their possession of company shares or associated financial instruments is not complied with.
- Interim reports are not produced (items 7.1.1 and 7.1.2 of the Code).

Heidenheim, March 19, 2010

The Board of Management and the Supervisory Board