

## **Declaration of Compliance by Centrotec Hochleistungskunststoffe AG in respect of the German Corporate Governance Code**

"Centrotec Hochleistungskunststoffe AG complies with the recommendations of the Government Commission on the German Corporate Governance Code with the exception of the aspects detailed below:

Section 3.8. of the Code recommends an appropriate excess for D&O insurance cover for members of corporate bodies. Our current policy for D&O cover does not include an excess. Renegotiation of the policy would probably result in significantly higher costs in view of the sharp rise in insurance premiums last year. We are planning to agree an appropriate excess once the current policy has expired.

Section 5.3. of the Code recommends the formation of committees. This is, however, to take place subject to the specific circumstances of the company and the number of members of the Supervisory Board. Our Supervisory Board comprises three members, who consider all matters concerning the company jointly. We therefore regard the creation of committees to be inappropriate in our case. We believe that our view is compatible with the Code, but supply this information as a precautionary measure by way of clarification.

Section 5.4.5 of the Code recommends a variable as well as a fixed remuneration for the Supervisory Board members. Each member of the Supervisory Board receives fixed remuneration of EUR 1,533.88 per year; the Deputy Chairman receives one and a half times this amount, the Chairman twice this amount. No variable remuneration is envisaged at present. We are planning to table a motion on the introduction of a variable remuneration component at the next Shareholders' meeting. Centrotec moreover observes all target requirements of the Code on sound corporate governance".

Marsberg, March 6, 2003

CENTROTEC Hochleistungskunststoffe AG

Dr. Gert-Jan Huisman (Chairman), Finance

Martin Beijer, Plastic Systems

Dr. Alexander Kirsch, Strategy and Expansion and Engineering Plastics

Rob Slemmer, Climate Systems