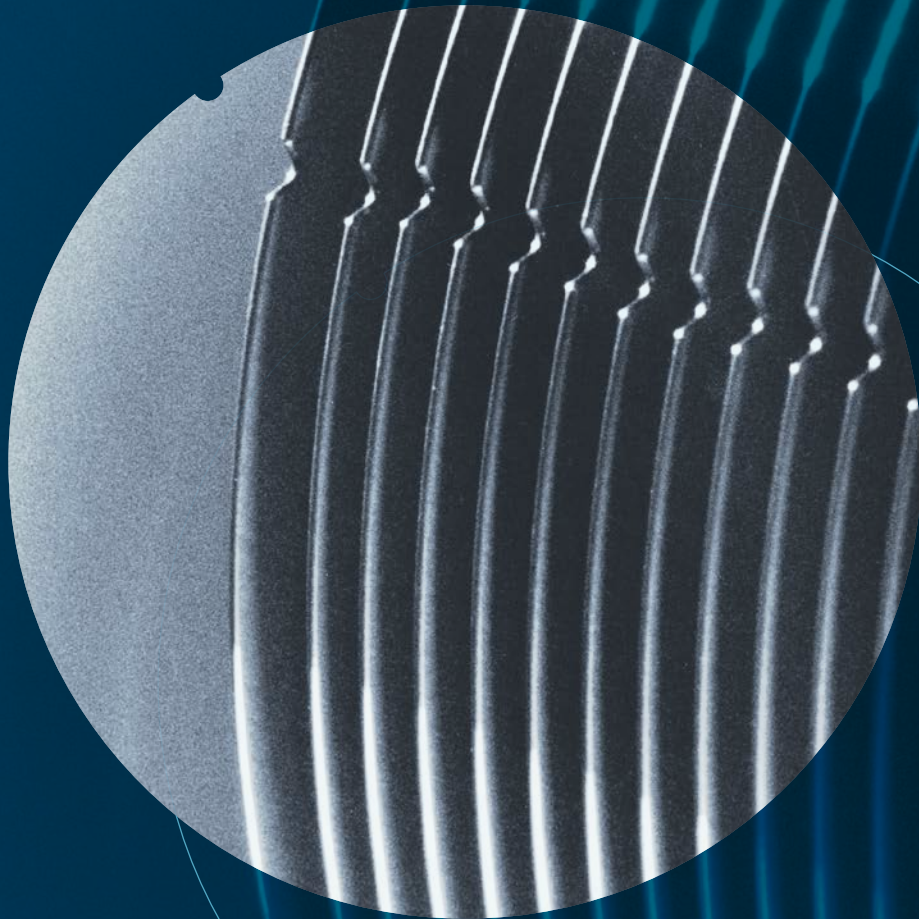


Quality.
Precision.
Wafer.



Compensation report

Extract
from the Annual Report 2022



Compensation report

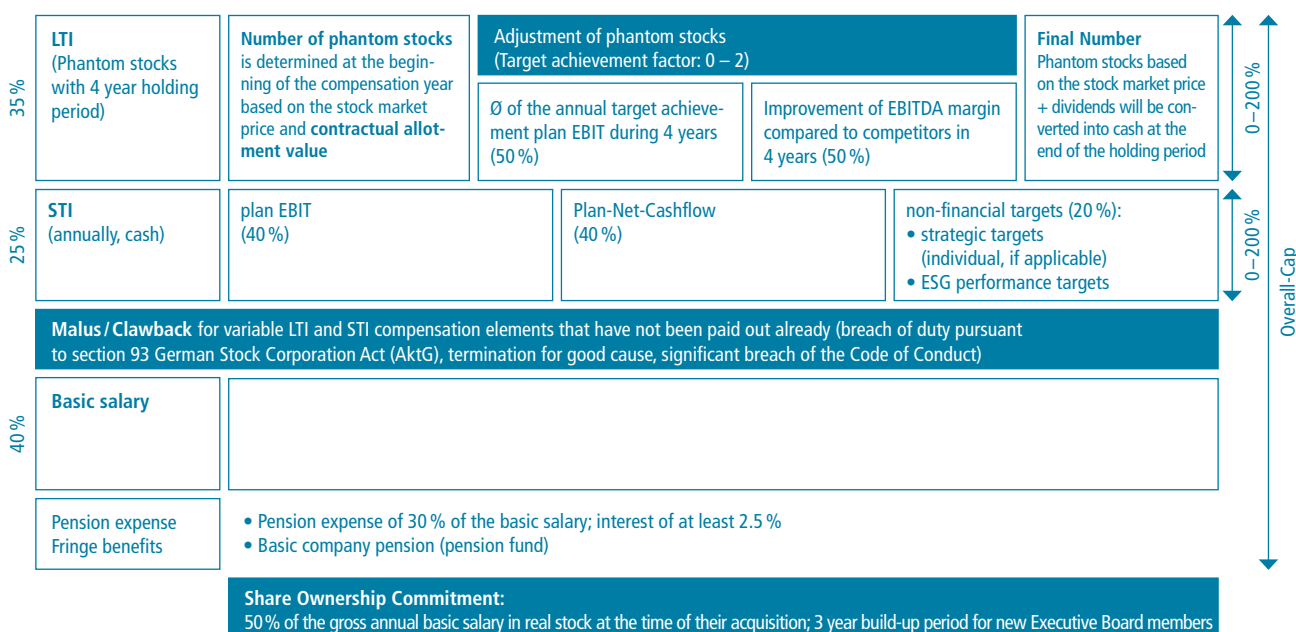
The following compensation report complies with the requirements of Section 162 of the German Stock Corporation Act (AktG) as amended by the Act Implementing the Second Shareholders' Rights Directive (ARUG II). The compensation report was prepared jointly by the Executive Board and Supervisory Board and adopted by both bodies on March 7, 2023. The unqualified report on the audit is printed at the end of the compensation report.

Overview of Executive Board compensation system

A full description of the compensation applicable for fiscal year 2022 system can be found in the invitation to the 2022 Annual General Meeting, which is available on our corporate website.

The compensation system contributes to furthering Siltronic AG's business strategy of sustainably consolidating its position as one of the leading manufacturers of semiconductor wafers by defending its technology position, expanding its capacity in line with market growth, and thereby generating profit and cash flow across all market cycles by continuously improving its cost position.

Model compensation system



Compensation 2022

Important events in the compensation year 2022

Effective with the fiscal year 2022, the Supervisory Board had increased the basic salary of Dr. Christoph von Plotho from EUR 550,000 to EUR 600,000. In this context, the Annual General Meeting 2022 increased the achievable maximum compensation of Dr. Christoph von Plotho from EUR 2,450,000 to EUR 2,650,000.

Against this background, the compensation system was submitted to the Annual General Meeting on May 5, 2022 for approval and adopted with 91.21% of the votes. The company's climate strategy was reflected in the non-financial targets of the variable compensation.

The following graphic provides an overview of the main components of the compensation system, the targets set and their strategic relevance in the fiscal year 2022.

Main components of the compensation system

Component	Strategic Reference	Implementation
Remuneration not linked to performance		
Annual basic salary	Attraction/retention of qualified management personnel	<ul style="list-style-type: none"> • CEO Dr. Christoph von Plotho: 600,000 EUR • CFO Rainer Irl: 390,000 EUR • fixed salary in 12 monthly installments
Fringe benefits	Granting of compensation at market rates and assumption of costs in connection with Executive Board activities	<ul style="list-style-type: none"> • Commitment to assume costs or non-cash benefits, including inter alia for a company car, health care, legal fees and subsidies to build up a private pension plan
Pension benefit	Adequate benefit as part of competitive remuneration	<ul style="list-style-type: none"> • 30 % of the basic salary is added to a fictitious capital account and bears interest at 2.5 % to a maximum of 5 % + basic company pension (pension fund) • Pension cap: 50 % of the last monthly basic salary received before the insured even
Remuneration linked to performance		
Annual bonus STI	Focusing on profitability and generating positive cash flow. Supporting the strategic development of the Company, which also includes social and environmental aspects.	<p>Financial KPIs:</p> <ul style="list-style-type: none"> • plan EBIT (40 %) • Plan-Net-Cashflow (40 %) <p>Non-financial KPIs</p> <ul style="list-style-type: none"> • strategic target (10 %): progress Fab Next • ESG (10 %): <ul style="list-style-type: none"> • work safety, silicon yield, Greenhouse Gas Emission, water consumption, recycling <p>Cap: 200 %</p>
Long-term share-based compensation LTI	Strengthening the long-term sustainability and sustainable development of the Company	<ul style="list-style-type: none"> • 4 year performance period for phantom stocks (stock market price + dividends) • KPIs for multiplication of the phantom stocks: <ul style="list-style-type: none"> • Ø of the plan EBIT target achievement (50%) • EBITDA margin of the Company compared to the competitor market (50%) • Cap: 200 %
Benefits in case of termination		
Mutual termination	Avoidance of unreasonably high severance payments	<ul style="list-style-type: none"> • Cap: compensation payment limited to remaining term, max. 2 years' compensation (in accordance with GCGC)
Post-contractual non-competition clause	Knowhow protection, competitiveness	<ul style="list-style-type: none"> • Compensation for waiting: 12 months in the amount of basic annual salary
Further regulations of the compensation system		
Share Ownership	Alignment of interests of the Executive Board and shareholders	<ul style="list-style-type: none"> • Shareholding obligation in the amount of 50 % of the annual basic salary (gross amount) in shares • Relevant date for current Executive Board members: Sept. 14, 2017
Malus/Clawback	Sanctions/incentives against compliance violations	<ul style="list-style-type: none"> • Payment amount for STI/LTI may be withheld: <ul style="list-style-type: none"> • good cause pursuant to section 93 of the German Stock Corporation Act (AktG) • significant breach of the Code of Conduct
Max. remuneration	Avoidance of unreasonably high payouts	<ul style="list-style-type: none"> • CEO EUR 2,650,000 • Executive Board member EUR 1,810,000

Determination of the target compensation and maximum compensation for 2022

Based on the compensation system, the Supervisory Board has set the following specific target compensation for the fiscal year 2022 upon recommendation of the Executive Committee of the Supervisory Board.

	Dr. Christoph von Plotho, CEO				Rainer Irle, CFO			
	2022				2022			
	Target	in %	Minimum	Maximum	Target	in %	Minimum	Maximum
Basic salary	600,000	34	600,000	600,000	390,000	32	390,000	390,000
Short term variable compensation								
STI for 2022	375,000	21	0	750,000	243,750	20	0	487,500
Long term variable compensation								
LTI 2022-2025	525,000	30	0	1,050,000	341,250	28	0	682,500
Target compensation	1,500,000	85	2,400,000		975,000	80		1,560,000
Fringe benefits	35,000	2			35,000	3		
Pension expense (service cost)	221,122	13			203,330	17		
Total target compensation	1,756,122	100	2,650,000		1,213,330	100		1,810,000

In addition to the caps for the individual variable compensation components (STI: 200 percent, LTI: 200 percent), the Supervisory Board has, in accordance with Section 87a (1) sentence 2 no. 1 of the German Stock Corporation Act (AktG), set a binding maximum compensation in the compensation system that comprises all compensation amounts paid for a given fiscal year (annual basic salary, variable compensation components, pension expenses or service costs, and fringe benefits). The maximum compensation for the fiscal year 2022 for the CEO Dr. Christoph von Plotho is EUR 2,650,000 and for the CFO Rainer Irle is EUR 1,810,000. The final inflow for the fiscal year 2022 can only be determined after the expiry of the four year holding period for the phantom stocks of the LTI at the beginning of the fiscal year 2026. If the total compensation determined thereafter for the fiscal year 2022 exceeds the defined maximum compensation, the cash settlement of the LTI for the fiscal year 2022 will be reduced accordingly.

Procedures for establishing, implementing and reviewing the appropriateness of the compensation system

Based on a proposal by the Executive Committee of the Supervisory Board, the Supervisory Board determines the system and the amount of the Executive Board compensation, including the maximum compensation. The Supervisory Board submits the resolved compensation system to the Annual General Meeting for approval.

The Supervisory Board regularly reviews the system and the level of the Executive Board compensation for appropriateness. To this end, it conducts an annual vertical comparison of the Executive Board compensation. In doing so, it considers the basic and target compensation in relation to the comparative groups of management and other employees. Secondly, the level and structure of the compensation is compared with a peer group of German listed companies defined by the Supervisory Board, which have similar key figures and whose composition is published (horizontal comparison). For the formation of this peer group, it was not possible to draw on the wafer competitors, as they only publish insufficient compensation information and are not listed in Europe. The Supervisory Board therefore formed a peer group of German listed companies that are listed in the MDAX, TecDAX or SDAX and have similar key figures. This includes Carl Zeiss Meditec AG, Fuchs Petrolub SE, Gerresheimer AG, Jenoptik AG, Norma Group SE and Sartorius AG.

In case of significant changes, but at least every four years, the compensation system is again submitted to the Annual General Meeting for approval.

The system and the level of the Executive Board compensation are determined by the full Supervisory Board on the basis of a proposal by the Executive Committee of the Supervisory Board and regularly reviewed for appropriateness. The compensation system for the Executive Board was last adjusted for the fiscal year 2022. It was approved by the Annual General Meeting on May 5, 2022 with 91.21 percent of the votes cast.

Fixed compensation components

Basic annual salary

The basic annual salary is a fixed cash payment for the entire year, based on the respective Executive Board member's area of responsibility. In 2022, Dr. Christoph von Plotho received a basic annual salary of EUR 600,000 and Rainer Irle received a basic annual salary of EUR 390,000, each of which was paid in twelve monthly installments.

Company pension scheme

Current Executive Board members are initially entitled to a basic Company pension through the Wacker Chemie VVaG pension fund. For this purpose, the Company and the Executive Board make monthly contributions to the pension fund. As of January 1, 2023, new members will no longer be members of the Wacker Chemie VVaG pension fund. Such a module will therefore no longer be granted for future appointments of new Executive Board members.

The Company also provides a pension expense of 30 percent of the basic annual salary each year. The pension expenses saved up to the time of retirement are credited to a notional capital account and earns interest in accordance with a 60-month average of the current yield published by the Bundesbank, but at a minimum of 2.5 percent and a maximum of 5 percent. The pension is calculated by multiplying this pension capital according to the status of the corresponding capital account at the time of the occurrence of the pension case by the pension factor applicable to the respective retirement age of the Executive Board member at the time of the

occurrence of the pension case. Alternatively, in the event of a pension being payable, the member of the Executive Board can choose a lump-sum payment instead of the promised lifelong retirement and disability pension, which corresponds to the pension capital at the time of the pension payment.

The gross amount of the monthly pension to be paid after retirement (based on the employer-financed portion) is limited for the members of the Executive Board to 50 percent of the monthly installment of the basic annual salary last received by the respective Executive Board member from the Company (pension cap).

Members of the Executive Board who have been promised deferred compensation in the past may continue to receive this compensation to the same extent as before.

The current members of the Executive Board receive an additional monthly amount (gross) from the Company in the amount of the employer's contribution to the statutory pension scheme as a building block for building up a private pension scheme. Such a component will no longer be granted in the event of future appointments of new Executive Board members.

The following overview shows the pension expense and the present value of the defined benefit obligations for fiscal year 2022. The decrease in the present value of the defined benefit obligation from 2021 to 2022 is due to the sharp increase in the discount rate used for pension provisions. The pension expense shown here results from the pension expense according to target compensation less own contributions.

EUR	Benefit obligations		Pension expense	
	2022	2021	2022	2021
Dr. Christoph von Plotho	2,463,268	2,985,634	202,317	89,838
Rainer Irle	1,584,990	2,596,909	195,638	237,133

As of December 31, 2022, the pension obligations for former members of the Executive Board and their surviving dependents amounted to EUR 5.884.382 and they received a remuneration in the reporting year of EUR 292,309.

Fringe Benefits

As a fringe benefit by the Company, the members of the Executive Board have a company car at their disposal, also for private use. The members of the Executive Board also receive a subsidy for health and long-term care insurance as well as costs in connection with a medical check-up. The fringe benefits also include the above-mentioned subsidies for building up a private pension or the non-cash benefit of the aforementioned benefits, if these are granted.

Insurance

In addition, there is a D&O insurance policy with a deductible in accordance with the requirements of the German Stock Corporation Act (AktG) amounting to 10 percent of the damage up to one and a half times the basic annual salary. In addition, the members of the Executive Board are included in the criminal legal expenses insurance that the Company has taken out for its employees and members of its executive bodies. This insurance covers any lawyers' and court costs incurred in the defense in criminal or misdemeanor proceedings. In addition, the members of the Executive Board are included in an accident insurance policy for accidents on and off the job.

Variable compensation components

Performance related bonus

The STI is a performance-related bonus with a one-year assessment period. The basis for the STI is the achievement of the performance targets set by the Supervisory Board for each fiscal year at the beginning of the fiscal year. The performance targets consist of financial targets and non-financial targets relevant to the Company. The financial targets adopted for the fiscal year 2022 relate to the performance categories 'plan EBIT' (40 percent) and 'plan net cash flow' (40 percent).

The performance criteria further the long-term development of the Company as follows:

The performance criterion 'plan EBIT' sets incentives to strengthen the Company's operating earning power. EBIT measures earnings before interest and taxes. With regard to the tax relief from which the Singapore subsidiary benefits for its investments, it makes sense to choose a ratio that excludes local taxation and the financial structure of the Company. Furthermore, the key figure EBIT takes depreciation and amortization into account and – against the background of the capital intensity of the semiconductor sector— only promotes investments that achieve an appropriate return on capital employed.

The performance criterion 'plan net cash flow' is based on one of the key financial control parameters used to manage the Company. The net cash flow shows whether the necessary investments in property, plant and equipment and intangible assets can be financed from the Company's own operating activities. In addition to profitability, the main influencing factors are effective management of net working capital and the level of capital expenditure. Net working capital is the sum of inventories and trade receivables plus contract assets less trade payables. A positive net cash flow is particularly important in a cyclical industry. Influencing factors for this performance category are in particular cost performance, good working capital management and an appropriate investment policy. On the other hand, inflows and outflows of customer and supplier prepayments are not considered, unless they relate to investments in property, plant and equipment and intangible assets.

The non-financial targets relate to strategic targets (10 percent as well as targets related to environment, social and prudent corporate management (governance) – so called ESG targets – (10 percent in total).

STI 2022

Various milestones for the Fab Next project were agreed as strategic goals, which involves the construction of a second fab at the Group site in Singapore, such as construction progress and meeting budget targets. The Supervisory Board approved the project at its meeting on July 27, 2021. The Supervisory Board waived individualization of the strategic objective for the Executive Board members, which is possible under the compensation system, in order to take account of the collective responsibility of the Executive Board as a body for the important Fab Next project.

The quantitative ESG targets set by the Supervisory Board (10 percent) comprise key figures for the avoidance of occupational accidents (measured on the basis of lost-time accidents per million hours worked), the efficient use of silicon in wafer production (measured on the basis of silicon yields), the reduction of specific water consumption, and the Greenhouse-Gas-emissions for the implementation of the adopted climate strategy the recycling rate, which together make up to an ESG performance index.

In line with the compensation system, the targets set and the levels of target achievement are published ex-post, provided they do not contain any confidential or competition-relevant information, in order to further increase the transparency of Executive Board compensation. The target setting and target achievement in the bonus (STI) applicable for financial year 2022 are shown in the table below.

The targets for the financial performance criteria were significantly exceeded. For the purpose of measuring target achievement, the respective unplanned and earnings-enhancing effects from the addition of a building were not taken into account. In the target measurement for the net cash flow performance category, payments for invoices relating to investments in property, plant and equipment and intangible assets that were not included in the planned value were not taken into account.

	Target value in EUR million	Target corridor in EUR million	Actual value in EUR million	Target achievement in percent	Weighting in percent
Financial targets					
plan EBIT	393	293 to 493	490	1.97	40
Plan-Net-Cashflow	-582	-682 to -482	-558	1.24	40
Non-financial targets					
Strategic target (project Fab Next)	Contains competition-relevant information (confidential)			1.00	10
ESG performance index				0.42	10
Total STI				1.42	100

Long-term share-based compensation: LTI

The LTI is designed as a share-based performance share plan with a four-year performance period or holding period for the phantom stocks (performance shares) and is based on economic indicators that take into account the long-term sustainability of the Company.

LTI share-based compensation

Number of phantom stocks is determined at the beginning of the compensation year based on the stock market price and contractual allotment value	Adjustment of phantom stocks (Target achievement factor: 0 – 2)		Final Number Phantom stocks based on the stock market price + dividends will be converted into cash at the end of the holding period
	Ø of the annual target achievement plan EBIT during 4 years (50%)	Improvement of EBITDA margin compared to competitors in 4 years (50%)	

The allotment value agreed in the service contract is initially converted into granted phantom stocks on the basis of the average weighted closing price of the share of the XETRA trading (or a comparable successor system) on the Frankfurt Stock Exchange on the last 30 trading days prior to the first day of the compensation year. The phantom stocks are held for a period of four years, calculated from the beginning of the compensation year. The basis for the LTI and the final number of phantom stocks is the achievement of the targets set by the Supervisory Board for each performance period. For each performance period, the performance targets are set by the Supervisory Board at the beginning of the performance period.

The performance targets for the LTI 2022 relate to the performance categories EBITDA margin improvement/deterioration compared with competitors over the performance period and average of the Company's annual planned EBIT target achievement over the four-year performance period and promote the Company's long-term development as follows:

For the overall target achievement factor, a 50 percent change in the Company's EBITDA margin in comparison with competitors over the performance period is relevant, i.e. in comparison with important wafer manufacturers (currently ShinEtsu Electronic Materials, SUMCO, GlobalWafers and SK Siltron). The EBITDA margin is defined as earnings before interest, taxes, depreciation and amortization, including impairment losses and, where applicable, reversals of impairment losses. It is one of the Siltronic Group's financial control parameters for measuring profitability in comparison with competitors. With this performance criterion, the Supervisory Board would like to create incentives for a performance that is demanding by industry standards. To determine the EBITDA development, the Supervisory Board first determines the average EBITDA margin of the four reported quarters preceding the four-year performance period for the Company and for each peer company and compares it with the average EBITDA margin of the four reported quarters prior to the end of the performance period. In the second step, the EBITDA development thus determined is used to determine the percentage points by which the EBITDA margin has improved or deteriorated for the Company and for each comparable company; the average is then calculated for the comparable companies. The third step is to determine by what percentage points the Company's EBITDA margin deviates from the average EBITDA margin change of the peer companies. Based on the percentage determined, the achievement of the objectives is calculated in a fourth step.

A further 50 percent of the overall target achievement factor is based on the average Company performance over the four-year performance period, i.e. the average of the annual plan EBIT target achievement of the Company over the four-year performance period. The definition of objectives and the measurement of target achievement follows the STI's plan EBIT target. The setting of the target and the measurement of target achievement follow the STI's plan EBIT target. This indicator takes into account depreciation and amortization and - against the background of the capital intensity of the semiconductor sector - only promotes investments that generate an appropriate return on capital employed.

EUR	Target (100%)	Weighted Share price	number of phantom shares (preliminary)
Dr. Christoph von Plotho	525,000	135,97	3,861
Rainer Irle	341,250	135,97	2,510

The specific targets and target achievement (including the final number of phantom stocks) for the LTI tranche 2022 will be published in the Annual Report 2026 after the end of the four-year performance period.

Additional disclosures on share-based compensation instruments in the financial year 2022

The following overview shows the development of the portfolio of phantom stocks of the tranches not yet disbursed.

Portfolio	Tranche	Calculated LTI at the beginning of the performance period in EUR	Number of phantom stocks at the time of granting	Number of phantom stocks (preliminary) 31.12.2022	Value on the reporting date 31.12.2022 in EUR
Dr. Christoph von Plotho	2020 – 2023	481,250	5,887	5,803	444,355
	2021 – 2024	481,250	3,957	3,579	262,377
	2022 – 2025	525,000	3,861	2,911	206,506
Rainer Irle	2020 – 2023	315,000	3,853	3,798	290,825
	2021 – 2024	341,250	2,806	2,538	186,061
	2022 – 2025	341,250	2,510	1,892	134,219

Option to reclaim (clawback/malus)

The Supervisory Board may reduce the amount paid out under the STI and the LTI by up to 100 percent upon termination of the Executive Board member's service contract due to termination by the Company for good cause, in the event of a breach of duty within the meaning of Section 93 of the German Stock Corporation Act (AktG) or a material breach of the Company's Code of Conduct by the Executive Board member during the assessment period – in case of the STI during the relevant one-year assessment period or, in case of the LTI during the relevant four year assessment period in each case. The reduction of the amount paid out is at the dutiful discretion of the Supervisory Board.

In the financial year 2022, the Supervisory Board did not make use of the option to reduce variable compensation.

Share ownership commitment

In addition to the LTI as a share-based performance share plan with a four-year performance period, the share ownership commitment for the Executive Board is another key component

of the compensation system. The members of the Executive Board are obliged to acquire shares amounting to 50 percent of a basic annual salary (gross amount) and to hold these shares for the duration of their appointment to the Executive Board. New members to the Executive Board have a period of 3 years to fulfill the share ownership commitment. The value of the shares at the time of acquisition is decisive. The current members of the Executive Board, Dr. von Plotho and Mr. Irle, fulfil this share retention obligation by means of the shares held by them at the time of the conclusion of their service contract in March 2020, based on the value of the shares at the time of the first creation of a share retention obligation on September 14, 2017. In addition to the LTI, the share retention obligation provides an additional incentive for the long-term development of the enterprise value beyond the respective four-year performance period.

Loans and advances

No loans or advances are granted to members of the Executive Board.

Commitments in connection with the termination of the activity as members of the Executive Board

In the event of premature termination of the service agreement, any payments to be agreed, including fringe benefits, may not exceed the value of two years' compensation and may not exceed the value of the compensation for the remaining term of the service agreement within the meaning of recommendation G.13 of the German Corporate Governance Code (GCGC) (severance payment cap). In the event of premature termination by the Company for good cause, severance pay is excluded.

The members of the Executive Board are each subject to a post-contractual non-competition obligation for a period of twelve months after termination of their service contracts. During this period, they are entitled to a waiting allowance amounting to 100 percent of the last annual basic salary received. Any benefits paid under the Company pension scheme and any income earned from activities not covered by the waiting period obligation are offset against the waiting period compensation if this additional income exceeds the total annual compensation (the amount paid out is decisive) of the last full year of service as a member of the Executive Board. If the Company pays a compensation for waiting periods, the severance payment will be credited against the compensation for waiting periods.

If the service relationship ends for any other reason than as a result of termination by the Company for good cause, the entitlement to the STI and the LTI remains subject to the general contractual provisions on settlement and payment.

Compensation granted and owed in 2022

The following table shows the compensation granted and owed individually to members of the Executive Board in accordance with Section 162 (1) sentence 2 no. 1 of the German Stock Corporation (AktG). According to the pronouncements of the IDW, it is permissible and appropriate for the disclosure pursuant to Section 162 (1) sentence 2 of the German Stock Corporation (AktG) to disclose the compensation components in the fiscal year in which the activity on which the compensation is based (one or more years) was fully performed, even if the actual payment or inflow does not occur until after the end of the fiscal year. Accordingly, the table contains all amounts that were earned in the reporting period ("vesting principle"). Accordingly, the variable compensation to be reported for the fiscal year includes, in addition to the fixed compensation components paid out in the fiscal year (basic salary and fringe benefits), the variable compensation STI earned for the fiscal year 2022 and the LTI tranche 2022 – 2025. However, in accordance with IDW pronouncements, the addition to provisions for the pension obligation is not recognized as compensation granted and owed but is recognized separately as pension expense in section 'company pension scheme'.

Current Executive Board Members	Fixed Components			Variable Components			Total Compensation	Fixed	Variable
	Fixed Salary	Fringe Benefits	Total	STI 2022	LTI 2022 – 2025	Total			
	in EUR	in EUR	in EUR	in EUR	in EUR	in EUR	in EUR	in %	in %
Dr. Christoph von Plotho, CEO	600,000	31,165	631,165	532,500	206,506	739,006	1,370,171	46	54
Rainer Irle, CFO	390,000	31,511	421,511	346,125	134,219	480,344	901,855	47	53

No compensation within the meaning of Section 162 (1) sentence 1 of the German Stock Corporation (AktG) was granted or owed to former members of the Executive Board in the fiscal year 2022. In accordance with Section 162 (5) of the German Stock Corporation (AktG), personal details are not disclosed for former mem-

bers of the Executive Board who left the Executive Board before December 31, 2012. A total of EUR 292,309 in benefits (pensions/retirement pay) which exclusively contains fixed components was paid to former members of the Executive Board who left before this date or their surviving dependents in the fiscal year 2022.

Compensation of Supervisory Board members

The compensation of the members of the Supervisory Board of Siltronic AG is governed by the Articles of Association of Siltronic AG.

The Articles of Association provide for a fixed annual compensation of EUR 30,000 for the members of the Supervisory Board.

Due to the additional expense associated with exercising certain functions, the compensation for the Chairman of the Supervisory Board is multiplied by a factor of 3. The factor 2 applies to his Deputy and the chairperson of a committee and the compensation of members of committees is multiplied by a factor of 1.5. However, membership of the Conciliation Committee, which is required to be established by law, is not taken into account, i.e. membership of this committee does not lead to an increase in annual compensation. In addition, twin and multiple functions are not taken into account, so that the Chairman and Deputy Chairman do not receive any other factors for functions in committees and committee functions are only taken into account once for the members of the Supervisory Board.

When joining or leaving the Supervisory Board or a committee during the current year, the principle of pro rata temporis compensation of Supervisory Board members applies.

The members of the Supervisory Board also receive an attendance fee of EUR 2,500 per meeting for each physical meeting of the

full Supervisory Board and its committees in which they participate in person, up to a maximum of EUR 2,500 per calendar day. Members attending physical meetings by telephone, video conference, or voting in writing, will not receive a meeting attendance fee. For meetings held in the form of a telephone or video conference, participating members receive a reduced attendance fee of EUR 1,250.

The Company will also reimburse the members of the Supervisory Board for their necessary expenses upon proof of such expenses.

The Company provides Supervisory Board members with adequate insurance cover. In particular, the Company takes out a D&O insurance policy without deductible for the benefit of Supervisory Board members.

No advances or loans were granted to members of the Supervisory Board during the reporting year.

Pursuant to section 113 (3) of the German Stock Corporation Act (AktG), the Annual General Meeting must pass a resolution on the compensation of the members of the Supervisory Board at least every four years. The compensation system outlined above was approved by resolution of the Annual General Meeting on June 26, 2020 with a majority of 99.91 percent of the votes.

The presentation of Supervisory Board compensation also follows the vesting principle.

Supervisory Board compensation in the fiscal year 2022

Supervisory Board member	Attendance fee 2022 in EUR	variable in %	Annual remuneration for 2022 in EUR ³⁾	fixed in %	Total remuneration in EUR
Mandy Breyer ²⁾	7,500	20	30,000	80	37,500
Prof. Dr. Gabi Dreo	12,500	29	30,000	71	42,500
Klaus-Peter Estermaier ¹⁾	12,500	29	30,000	71	42,500
Sieglinde Feist	12,500	29	30,000	71	42,500
Dr. Hermann Gerlinger	15,000	20	60,000	80	75,000
Michael Hankel	15,000	25	45,000	75	60,000
Markus Hautmann ²⁾	12,500	29	30,000	71	42,500
Johann Hautz ²⁾	25,000	29	60,000	71	85,000
Bernd Jonas	20,000	25	60,000	75	80,000
Dr. Tobias Ohler	25,000	22	90,000	78	115,000
Lina Ohlmann ²⁾	12,500	29	30,000	71	42,500
Volker Stapfer ²⁾	12,500	29	30,000	71	42,500

¹⁾ For the representative of the executive employees on the Supervisory Board, the regulations of the Verband angestellter Akademiker und leitender Angestellter der chemischen Industrie e. V. apply. (VAA).

²⁾ These employee representatives on the Supervisory Board as well as the trade union representatives on the Supervisory Board have declared that their compensation will be paid to the Hans Böckler Foundation in accordance with the guidelines of the German Trade Union Federation.

³⁾ Taking into account the applicable factors for specific functions.

Multi-year overview

Comparative presentation of compensation and earnings development

Pursuant to Section 162 (1) sentence 2 no. 2 of the German Stock Corporation Act (AktG), the following comparative presentation shows the annual change in the compensation granted and owed to current and former members of the Company's executive bodies, the Company's earnings performance and the average compensation of employees on a full-time equivalent basis. It is based on the average wages and salaries of Siltronic AG employees in Germany who were in active employment during the fiscal year (including persons in the active phase of partial retirement) and takes into account all collectively agreed and non-tariff salary levels up to senior management level. Employees who left the

Company during the fiscal year were included on a pro rata basis. In addition to fixed elements (salary, collectively agreed and job-related bonuses, top-up amounts for partial retirement, overtime and standby allowances), the compensation includes fringe benefits (company car allowance and other non-cash benefits) and variable components (bonuses, profit-sharing schemes, special payments, one-time payments, annual payments, inventor's bonus, paid leave, etc.) to improve comparability with the compensation of the Executive Board. The accrual value was used for variable compensation that relates to the compensation year but is not paid out until after the end of the fiscal year. Temporary employees are not included in the population, as they are not employed by Siltronic AG under labor law. Persons who work for us during their training or studies (e.g. interns, doctoral students, trainees, working students, diploma students, etc.) are also excluded accordingly.

Earnings performance

EUR million	2018	2019	Change in %	2020	Change in %	2021	Change in %	2022	Change in %
Revenue	1,456.7	1,270.4	-13	1,207.0	-5	1,405.4	16	1,805.3	28
EBITDA	589.3	408.7	-31	332.0	-19	466.4	40	671.6	44
Net income pursuant to the German Commercial Code (HGB)	169.5	58.5	-65	75.0	28	96.1	28	94.2	-2

Average compensation employees

EUR									
Employees in Germany	n.a.	n.a.	n.a.	75,575	n.a.	78,133	3	82,063	5

Compensation Executive Board

EUR									
Dr. Christoph von Plotho	1,653,206	1,333,241	-19	1,679,382	26	1,710,372	2	1,370,171	-20
Rainer Irle	1,071,786	881,654	-18	1,108,536	26	1,218,085	10	901,855	-26

Compensation Supervisory Board

EUR									
Current Supervisory Board members									
Mandy Breyer ²⁾ (since 04/2018)	31,123	40,000	n.a.	38,750	29	39,184	1	37,500	-4
Prof. Dr. Gabi Dreo (since 04/2018)	31,123	40,000	n.a.	38,750	29	37,500	-3	42,500	13
Klaus-Peter Estermaier ¹⁾ (since 04/2018)	31,123	40,000	n.a.	41,250	29	37,500	-9	42,500	13
Sieglinde Feist (since 12/2014)	42,500	40,000	-6	41,250	-6	37,500	-9	42,500	13
Dr. Hermann Gerlinger (since 03/2011)	62,500	56,250	-10	73,750	-10	68,750	-7	75,000	9
Michael Hankel (since 04/2018)	31,123	37,500	20	60,000	20	53,750	-10	60,000	12
Markus Hautmann (since 01/2021)	n.a.	n.a.	n.a.	n.a.	n.a.	37,500	n.a.	42,500	13
Johann Hautz ²⁾ (since 04/2003)	71,250	73,500	3	75,000	3	68,750	-8	85,000	24
Bernd Jonas (since 05/2015)	82,500	80,000	-3	78,500	-3	75,000	-4	80,000	7
Dr. Tobias Ohler (since 02/2013)	118,750	112,500	-5	111,250	-5	106,250	-4	115,000	8
Lina Ohlmann ²⁾ (since 01/2021)	n.a.	n.a.	n.a.	n.a.	n.a.	37,500	n.a.	42,500	13
Volker Stapfer ²⁾ (since 01/2022)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	42,500	n.a.

Former Executive Board members

EUR									
Compensation (pension) former board members (term ended before 12/2011)	217,617	221,253	2	262,373	19	287,436	10	292,310	2

In accordance with the transitional rule in Section 26j (2) sentence 2 of the Introductory Act to the Stock Corporation Act (EgAktG), the average compensation of employees cannot be calculated retrospectively for previous years, which is why it is only stated

from 2020. For the fiscal years 2017 – 2019, the granting value pursuant to DRS 17 was used to determine the Executive Board compensation.

Further Information

On May 5, 2022 the Annual General Meeting approved the compensation report on the compensation granted and owed individually to the members of the Executive Board and Supervisory Board in fiscal year 2021 with a majority of 91.24%. Due to the high level of approval of the compensation system and its application in 2021, no changes to the compensation system were deemed necessary in view of this in 2022. The changes to the compensation system (increase in maximum compensation) were based on the extension of Dr. von Plotho's contract.

Outlook for the fiscal year 2023

The Supervisory Board of Siltronic AG has appointed Dr. Michael Heckmeier as the future Chairman of the Executive Board. Mr. Heckmeier will take up his duties no later than July 1, 2023. Subject to approval by the Annual General Meeting, the compensation system for future new appointments of Executive Board members shall provide for the possibility that the Supervisory Board may grant benefits on the occasion of the commencement of Executive Board activity, in particular to compensate for the forfeiture of benefits with the previous employer.

Munich, March 7, 2023



Dr. Tobias Ohler
Chairman of the Supervisory Board of Siltronic AG



Dr. Christoph von Plotho
CEO



Rainer Irle
CFO

Independent Auditor's Report

To Siltronic AG, Munich,

REPORT ON THE AUDIT OF THE REMUNERATION REPORT

We have audited the attached remuneration report of Siltronic AG, Munich, for the financial year from January 1 to December 31, 2022, including the related disclosures, prepared to meet the requirements of Section 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of Management and the Supervisory Board

The management and the Supervisory Board of Siltronic AG are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the remuneration report. The procedures selected depend on the auditor's professional judgement. This includes an assessment of the risks of material misstatement, whether due to fraud or error, in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the remuneration report, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the

appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from January 1 to December 31, 2022, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

Other matter – formal examination of the remuneration report

The substantive audit of the compensation report described in this audit opinion comprises the formal audit of the compensation report required by Section 162 (3) of the German Stock Corporation Act (AktG), including the issuance of an opinion on this audit. As we express an unqualified opinion on the content of the compensation report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) of the German Stock Corporation Act (AktG) have been made in all material respects in the compensation report.

Limitation of liability

The terms governing this engagement, which we fulfilled by rendering the aforesaid services to Siltronic AG, are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on January 1, 2017. By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Munich, March 7, 2023

KPMG AG
Wirtschaftsprüfungsgesellschaft

[signature] Koeplin
Wirtschaftsprüfer
German Public Auditor]

[signature] Schäfer
Wirtschaftsprüferin[
[German Public Auditor]