

DECLARATION OF CONFORMITY
with the German Corporate Governance Code
pursuant to Sec. 161 of the German Stock Corporation Act

The Executive Board and the Supervisory Board of Siltronic AG declare the following with regard to the recommendations of the “Commission German Corporate Governance Code” (the “Code”):

1. Future-related Declaration

Siltronic AG will comply with the recommendations of the Code in the version of 7 February 2017, as published in the Federal Gazette on 24 April 2017, subject to the deviations set out and explained below:

a) D&O Insurance Deductible for the Supervisory Board Members (Article 3.8 para. 3 of the Code)

The Code recommends that if the company takes out a D&O insurance policy for the Supervisory Board, a deductible similar to the statutory deductible for the Executive Board of at least 10% of the loss up to at least the amount of one and a half times the fixed annual compensation shall be agreed upon. The German law and the company’s Articles of Association set clear limits for the Supervisory Board’s capacity to exert influence on the business activities of a stock corporation. Pursuant to Section 76 para. 1 of the German Stock Corporation Act, the Executive Board is responsible for independently managing the company. The Supervisory Board determines the main principles of corporate strategy. However, beyond this contribution, the Supervisory Board has limited scope of influence on the implementation of the corporate strategy or on business operations. The same applies to measures to prevent or mitigate harm or damage to the company. Since the Supervisory Board members receive a relatively low fixed compensation when compared to the Executive Board members’ compensation which consists of fixed and variable components, we consider the agreement of a deductible for members of the Supervisory Board as not reasonable.

b) Maximum Limits for the Remuneration of Executive Board Members (Article 4.2.3 para. 2 sentence 6 of the Code) and Determination of a Targeted Pension Level (Article 4.2.3 para. 3 of the Code)

Pursuant to the Code, the remuneration of Executive Board members shall be capped, both in the aggregate and for individual remuneration components. The contracts of Executive Board members foresee maximum amounts for fixed and variable remuneration components. Therefore, the recommendation of the Code is fulfilled with regard to the major part of the remuneration. Regarding the pension benefits, on 14 September 2017 the Supervisory Board has resolved on the new remuneration system pursuant to which the gross amount of the monthly pension payments (Pension Cap) payable after the pension becomes due is capped to an amount equal to 50% of the employer-funded share of the monthly rate paid by the company based on the annual base salary. However, as before, the overall cap for the pension scheme will not be limited to an amount as especially the annual base

salary might be adapted in the future. As a result, no maximum amount can be fixed for the overall remuneration of the Executive Board. For that same reason, as a precaution, a deviation from the recommendation that the Supervisory Board shall establish a target level of pension benefits is declared.

c) Exclusion of subsequent Amendments to the Performance Targets or Comparison Parameters (Article 4.2.3 para. 2 sentence 8)

In its meeting on 14 September 2017, the Supervisory Board has resolved to change the remuneration system of the Executive Board retroactively effective 1 January 2017 in order to comply with the recommendation of the Code in Article 4.2.3 para. 2 sentence 3, pursuant to which variable remuneration components shall have a multiple-year assessment basis that shall have essentially forward-looking characteristics. In order to implement the recommendation, the multiple-year share-oriented remuneration component, which will be granted in the future in virtual stock (Phantom Stocks), was increased to 51% of the variable remuneration (Bonus) and the retrospective period for the assessment basis of the Bonus was shortened. Due to the retroactive change of the remuneration system for the Executive Board, we will temporarily deviate from the recommendation of Article 4.2.3 para. 2 sentence 8 of the Codex in fiscal year 2017, pursuant to which a retroactive change of the performance targets or the comparison parameters should be excluded.

d) Announcement of Proposed Candidates for the Chair of the Supervisory Board to the Shareholders (Article 5.4.3 of the Code)

According to this recommendation, proposed candidates for the Supervisory Board chair shall be announced to the shareholders, even though, as a rule, the Supervisory Board has not yet been appointed. Under German law, the Supervisory Board chair must be elected by and from among the Supervisory Board members. There is no legal requirement to announce the candidates for the chair from among a yet-to-be-appointed group of Supervisory Board members. Furthermore, this would result in a de facto predetermination, which is also not provided for under German law. For these reasons, we do not comply with this recommendation.

2. Past-related Declaration

Since the last declaration of conformity dated 30 November 2016, Siltronic AG has complied with the recommendations of the Code in the version of 5 May 2015 with the exceptions mentioned and explained above under section 1 a), b) and d).

Munich, 14 September 2017

Siltronic AG

Executive Board

Supervisory Board