

**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, the 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, the overall cap for the pension benefits 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.

**2. Past-related Declaration**

Since the last declaration of conformity dated 14 September 2017, Siltronic AG has complied with the recommendations of the Code in the version of 7 February 2017 with the deviations mentioned and explained above under section 1 a) and b) as well as with a one-time deviation to section 4.2.3 paragraph 2 sentence 8 of the Code, pursuant to which subsequent amendments to the performance targets or comparison parameters shall be excluded. This is due to the fact, that in fiscal year 2017 the remuneration system of the Executive Board was amended retroactively to increase the share of the multi-year stock-based remuneration.

Munich, 13 September 2018

**Siltronic AG**

Executive Board

Supervisory Board