

## **Declaration of Conformity 2015 by the Executive Board and the Supervisory Board of Siltronic AG**

### **1. General Declaration Pursuant to § 161 German Stock Corporation Act**

The Executive Board and the Supervisory Board of Siltronic AG hereby confirm that, following its IPO, the company will comply with the recommendations of the German Corporate Governance Code in the version dated 24 June 2014 (the “Code”) as published by the Federal Ministry of Justice in the official section of the electronic Federal Gazette, except as follows.

### **2. Exceptions**

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

German law and the company’s Articles of Association set clear limits in regards to 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, an Executive Board is responsible for independently managing the corporation. A Supervisory Board is instrumental in defining the main features of corporate strategy. However, beyond this contribution, the Supervisory Board has limited scope for exerting influence on the implementation of corporate strategy or on the operative business. The same applies to measures taken to avert damage or loss to the company. Since the Supervisory Board members receive a relatively low representation allowance when compared to the Executive Board members’ compensation, we do not deem the agreement of a deductible reasonable for members of the Supervisory Board.

#### **b) Maximum Limits Applicable for the Compensation of Executive Board Members (Article 4.2.3 para. 2 sentence 6 of the Code)**

Pursuant to the Code, the overall monetary compensation of Executive Board members, as well as the variable elements thereof, shall be capped. The contracts of Executive Board members comprise maximum amounts for fixed and variable compensation components; however, it is impossible to define a maximum limit for the compensation component *pension benefits* due to the specifics of the existing pension plan. Pension benefits provided by the company for the Executive Board members are contingent upon the development of interest rates over the year. When interest rates are low, the company inevitably must provide higher benefits. Owing to the unpredictability of the interest rate development, it is impossible to define a maximum amount of pension benefits.

**c) Appropriate Consideration of Women for the Appointment to the Executive Board (Article 5.1.2 of the Code)**

The considerable importance that Siltronic AG attaches to diversity extends to Executive Board membership. Nonetheless, expertise – including experience gained abroad – and qualifications are the key criteria here. For this reason, we do not consider it expedient to prioritize “the aim of appropriate representation of women” over expertise and qualifications. The Executive Board of Siltronic AG is comprised of two members, both of whom perform outstanding work. In the current situation, we do not believe that a change or an expansion of the Executive Board is reasonable solely for the purpose of giving adequate consideration to the appropriate representation of women.

**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, shareholders shall be informed of any candidates for the Supervisory Board chair, 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.