

# Code of Conduct



## Compliance Mission Statement

Dear Colleagues,

The Siltronic corporation operates worldwide. Our employees<sup>1</sup> represent the corporation whenever and wherever they encounter other people outside the company. Siltronic is committed to acting in a manner which is legally proper and ethically correct.

The principles established in this Code of Conduct constitute an orientation framework for directing the conduct of our employees in their day-to-day work. Employees are personally responsible for their conduct and compliance with these principles is mandatory.

The success and reputation of the Siltronic corporation depends crucially on your conduct. Every one of us contributes to the success of Siltronic through his or her work. Inappropriate behavior from a single employee can endanger the reputation of the corporation and may cause Siltronic significant damage. We therefore appeal to you to use our Code of Conduct as a guideline in your business decisions.



**Dr. Christoph von Plotho**  
Chief Executive Officer & President



**Rainer Irle**  
Chief Financial Officer & Executive Vice President

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<sup>1</sup> Whenever referring to people, this document makes use of general terms such as "employee" in place of gender-specific terms.

## I. Basic Requirements of Conduct

### **1. Legal Framework**

We observe the laws and legal system of any country in which we do business. Every employee is obligated to observe both applicable internal Siltronic guidelines as well as the legal requirements of the system of laws within whose framework the employee is operating. Employees must avoid violations of the law under all circumstances.

### **2. Conduct Toward Other Employees**

As a global company, we're active in both an international market as well as a multi-cultural environment, and thus consider human diversity to be an asset. We hold our colleagues in high regard and are sensitive to their needs. We, our employees, our employee representatives and our management staff are very conscious of our responsibility and of the need to lead by example. We treat each other with respect, honesty and in an open manner. We disapprove of any unequal or unfair treatment of our employees and business associates on the basis of gender, race or ethnic origin, religion or ideology, disability, sexual orientation and age. We also condemn all forms of sexual harassment.

### **3. Management As Role Models**

We expect our management staff to provide employees direction through exemplary personal conduct and to create a good working environment. We expect management to set goals which are ambitious but realistic and to grant employees freedom and autonomy. At the same time, management must make it clear that compliance with laws and internal regulations, at all times and under all circumstances, is a top priority. Managers are responsible for ensuring that no violations of the law, which could have been prevented through appropriate supervision, are committed in their area of responsibility. Nevertheless, such management responsibility does not release employees from their own responsibility to conduct themselves in a proper manner.

## II. Dealing with Business Associates

### 1. Free Competition

Free competition is a fundamental principle of the global economic system. Regulations under antitrust and unfair competition laws serve to maintain free competition. Siltronic sees free competition as a basis for economic and technical progress. We actively take part in competition in many countries, and always act in accordance with applicable laws.

Agreements with competitors which could or are intended to prevent or restrict competition constitute a grave violation of the law. Agreements which restrict competition are generally prohibited. Such agreements include:

- arrangements with competitors regarding prices or other terms and conditions at which products are bought or sold;
- agreements with competitors on how to divide up markets and/or customers;
- agreements with competitors regarding production capacities;
- agreements or other business practices which dictate resale prices to retailers;
- boycotts of customers or suppliers.

An arrangement which violates antitrust laws doesn't just have to be one which appears in a written agreement, but can also be part of concerted practices between companies. Just informal contact or information exchanged between competitors may lead one to suspect that competition law was violated. Although not every contact between competitors is prohibited per se, special rules of conduct do apply in this area and must be observed, especially at events like association meetings and trade fair activities. A precise understanding of the principles under antitrust law is essential. A violation of the law can have serious consequences for both the corporation as well as the employee himself/herself.

Employees are similarly forbidden from acquiring competition-related information through industrial espionage, bribery, theft or electronic eavesdropping, and from knowingly disseminating false information on a competitor or its products or services.

### 2. Fighting Corruption

We acquire and award product and service orders in a fair manner, completely on the basis of technical criteria such as quality and price, and not by offering or accepting improper advantages. Any offer, promise, financial contribution or gift must be given in accordance with applicable laws and must avoid any appearance of dishonesty or inappropriateness. An offer, promise, contribution or gift must not be given if it could be interpreted as an attempt to bribe a business associate in order to gain business advantages for Siltronic. Our Compliance Policy contains more detailed regulations in this regard as well as value limits.

In addition, all employees are forbidden from granting indirect cash payments or other advantages when the circumstances show that these are being granted entirely or in part to a third party in order to gain, directly or indirectly, an unfair business advantage.

### **3. Gifts and Invitations**

No employee may use his or her position to demand, accept, obtain, or promise advantages. If a business associate or office holder demands or offers a personal advantage to a Siltronic employee, the employee must under no circumstances agree to this and must also immediately inform his or her manager as well as the responsible Compliance Officer. A gift may be given or accepted only if the applicable local laws permit this, and only if the gift has no influence whatsoever on decisions, or gives the impression of such influence. The same applies for invitations to events, invitations to meals or other privileges of any kind. The Compliance Policy contains more detailed regulations on gifts and invitations.

### **4. Donations and Sponsoring**

As a responsible member of society, Siltronic grants both monetary donations as well as donations in kind for the purposes of science and education, culture and sports and social projects. We provide such donations voluntarily and demand nothing in return.

The corporation generally does not make political donations; exceptions to this rule require consent from the Siltronic AG executive board.

All sponsoring activities must be transparent, must be set down in the form of a written agreement, must be intended for a legitimate business purpose and must be proportionate to the countervalue. Donations may neither be promised, offered nor given in order to gain unlawful business advantages for Siltronic or to pursue an inappropriate objective.

### **5. Laws Concerning Export Control and Customs / Fighting Money Laundering**

Siltronic observes all applicable laws concerning export control and customs when importing and/or exporting goods, services and technologies. The internal corporate regulations and export control procedure instructions established by the Siltronic corporation include detailed guidelines for carrying out cross-border transactions in accordance with applicable laws.

Siltronic is obligated in its business relations to only conduct business with legitimate customers, consultants and business associates whose business activities are carried out in accordance with legal regulations and whose financial resources come from legitimate sources. Employees must report any suspicious forms of payment as well as suspicious behavior by customers, consultants or business associates. Employees must also comply with all applicable regulations on recording and accounting for transactions (including cash-related transactions) and contracts.

## III. Handling information

### 1. Financial Integrity

Siltronic ensures that its bookkeeping and accounting are carried out in accordance with all applicable regulations and generally accepted rules on accounting. We maintain a complete and exact record of our business activity and transactions in order to be able to convey a true picture of our business operations, assets and financial situation.

### 2. Reporting

We are committed to devoting the utmost care to presenting information. Only company departments or personnel so authorized may provide the public with information on Siltronic. Statements about the corporation given to the media (print, radio, TV, online media) are generally issued only by the Investor Relations & Communications department (H-IR) or by the Siltronic AG executive board. Communication which concerns specific corporate locations and which is carried out with local and regional media is handled by local communicators in coordination with the H-IR.

The Siltronic AG executive board and the H-IR are exclusively responsible for communication with capital market participants.

### 3. Non-Disclosure

Business data, operational data and customer-related data are all subject to an obligation of non-disclosure. This obligation also applies to work and projects which are essential for Siltronic and/or its business associates and has not been made public, for example development projects. Business records must be carefully stored in order to protect company data. Any employee who processes company data at his or her computer must observe the requirements, guidelines and operational regulations concerning employment contracts. Non-disclosure of business information is also a component in our employment contracts.

### 4. Insider Law

Siltronic publishes confidential insider information which could affect its stock market price. Such information is released in a timely manner and in accordance with requirements under capital law.

Employees who have insider information which pertains to Siltronic may not trade Siltronic shares nor financial instruments whose prices are based directly or indirectly on Siltronic shares. Insider information is considered precise information, not known to the public, which directly or indirectly concerns Siltronic and which, if made public, is likely to significantly affect the price of Siltronic shares. Employees are also forbidden from passing insider information on to unauthorized individuals.

### 5. Protection of Personal Data

We respect both the privacy of our employees as well as the right of the individual to informational self-determination, and thus strictly observe legal requirements on data protection. Personal data may be collected, processed or utilized only to the extent that this is necessary for purposes which are legal and have been clearly defined. The use of data must be transparent to those employees concerned, and their rights of information, as well as any applicable rights of opposition, blocking and deletion, must be protected.

## **6. Social Media**

Many of our employees use social media platforms in their spare time. These include for example Facebook, Twitter or professional networks like Linked-In. Very often it is recognizable that the employees work for Siltronic, for example due to their online profile entry. Therefore, when using social media we must be aware of our responsibility to Siltronic's reputation. The rules of this Code of Conduct also apply to interaction on online platforms. In particular, we do not share any confidential or sensitive company information. We treat each other with respect, honesty and in an open manner and disapprove of any discriminatory behavior. Our general communications policy applies on social media too: As a matter of principle, only the Investor Relations & Communications department (H-IR) speaks on behalf of the company.

## IV. Separation of Personal Interest and Company Interests

### **1. Company Property**

Unless an internal company regulation exists to the contrary, we use work equipment and operating equipment only for operational purposes.

### **2. Ancillary Activities**

Any employee taking on an ancillary activity must first report this to the company in writing (type of work, location, duration, etc.) and also obtain prior written consent from the company. This consent may be granted if the company has no legitimate operational interests which will stand in the way of the activity.

### **3. Competition with Siltronic**

No employee may manage a company or work for a company which competes with Siltronic, nor may employees pursue activities which compete with Siltronic.

### **4. Social Commitment**

Siltronic welcomes its employees becoming involved in volunteer activities. Nevertheless, the goals pursued by such activities must be legally permissible and must not violate fundamental democratic values. Furthermore, such activities must not lead to an employee neglecting his or her duties in the company.

## V. Quality, Safety, Health and Environment

### 1. Quality of Our Products

Our clear orientation to quality and customer value is an essential condition to our success. We use our Integrated Management System for Quality, Safety, Health and Environment as a tool for continuously improving all our services and activities. The system is based on globally applicable standards in combination with our customers' requirements.

### 2. Safety, Health and Environmental Protection

The safety and health of our employees is our greatest asset, and safety is therefore one of the most important responsibilities for Siltronic management and staff. We're convinced that all accidents can be prevented. We do not accept conduct which endangers safety, and rigorously work to bring such behavior to an end. Not only does Siltronic comply with all legal regulations and official requirements in this regard, we also impose internal safety standards which go beyond official requirements.

We continuously work on our work processes in order to ensure that no risks will result from them. If accidents do occur, we analyze them and derive measures which will prevent repeat accidents. We regularly provide our employees with training on safety topics.

We regularly monitor the safety of our facilities and also maintain and service them at regular intervals. We observe our hazard prevention plans which govern the collaboration between internal and external work forces in case of accidents.

We fulfill all legal requirements concerning the safety of our products. We always keep our product information up-to-date, and also take new findings into account in our risk assessments.

We take appropriate measures to rule out risks resulting from the storage and transport of hazardous goods. In the process, we observe all legal requirements as well as our even more comprehensive internal regulations.

To prevent environmental impacts and conserve resources, we continuously work to optimize our processes. Every year we define savings goals for each of our production locations, in environment-related areas like emissions, waste and water consumption. Our environmental management program also includes measures to manage energy.

Siltronic observes all legal regulations and official requirements in this regard as well as our own internal regulations which are even more comprehensive.

All our employees are required to act in their day-to-day work so as to save resources.

## VI. Siltronic Social Responsibility

In order to be economically successful, companies require the trust of society. We consider one of our core responsibilities to be bringing the impacts of our business activities into conformity with society's expectations and needs. As a result, any decisions we make are geared to principles of responsible corporate management and sustainability. We support global initiatives for promoting sustainable behavior in economy and society:

### **1. Global Initiatives to Strengthen Sustainability**

As a supplier to the electronics industry, Siltronic orients itself with the Code of Conduct established by the Electronic Industry Citizenship Coalition (EICC), through which leading companies in the electronics industry aim to promote worldwide a social and ecological sense of responsibility as well as ethical business practices. You can find further information on the EICC and its Code of Conduct on the Web at <http://www.eiccoalition.org>.

In addition, Siltronic also implements the ten principles under the United Nations' "Global Compact" initiative, aimed at protecting human rights, maintaining social and environmental standards and fighting corruption. The Ten Principles of the UN Global Compact can be found on the Web at [www.unglobalcompact.org](http://www.unglobalcompact.org). We honor internationally proclaimed human rights, encourage compliance with them within our sphere of influence and ensure that Siltronic is not involved in human rights violations. We stand up for the abolition of child labor and the elimination of all forms of forced and bonded labor.

Siltronic also observes the principles of the Responsible Care® initiative of the German chemical industry (<https://www.vci.de/nachhaltigkeit/responsible-care/uebersichtsseite.jsp>).

### **2. Social Responsibility in the Supply Chain**

We expect our suppliers and partners to comply with all worldwide locally applicable laws and regulations as well as with the main principles laid down in this code of conduct.

Our suppliers shall respect the human rights of their employees. They shall promote equal opportunities and fair treatment and not tolerate any form of discrimination. They shall not use any form of forced or bonded labor. They shall provide fair remuneration and comply with the applicable maximum number of working hours. They shall recognize the right of free association of employees and exclude any form of child labor. Our suppliers shall take responsibility for the health and safety of their employees, take precautionary measures against accidents and provide training on working safety.

Our suppliers shall minimize environmental pollution and make continuous improvements in environmental protection.

Our suppliers shall not tolerate any form of corruption or bribery.

They shall use reasonable efforts to promote among its suppliers and partners compliance with the main requirements of this Code of Conduct.

## VII. Implementation and Reporting

### 1. Compliance Reports

Siltronic regularly monitors and continuously develops its compliance management program. These duties are the responsibility of Siltronic's Compliance organization. Employees may turn to their managers or to Compliance officers to report violations of laws, violations of the present Code of Conduct or violations of internal guidelines.

### 2. Ombudsman

The Siltronic AG executive board has appointed an external lawyer, Dr. Niklas Auffermann, as its Ombudsman for Corruption Prevention. The Ombudsman is the point of contact for informants (including both employees within the company as well as outside parties) who wish to give confidential information concerning circumstances in which they suspect corruption or other criminal acts. The Ombudsman's responsibilities are limited to handling indications of corruption, criminal acts and regulatory offenses. The office does not represent a general complaints department, but is instead a specially designed means for obtaining information on circumstances which may indicate corruption or other illegal activities. The Ombudsman reviews the facts together with the informant and will only report to the Chief Compliance Officer of Siltronic AG if the informant expressly authorizes this. Informants may remain anonymous if they wish.

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