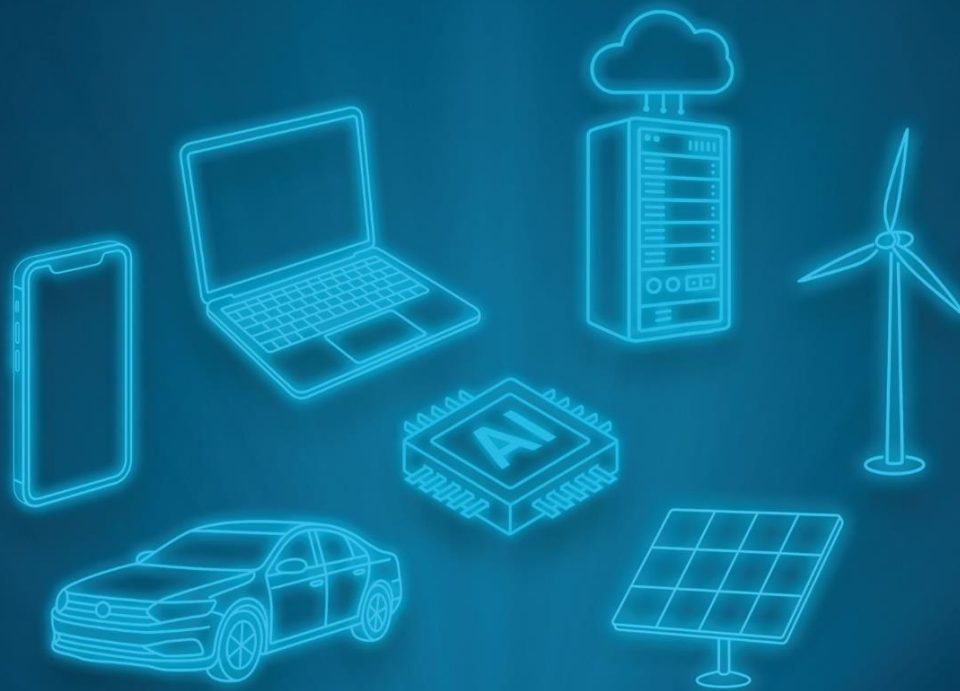




FOUNDATION OF DIGITAL LIFE

Annual Report 2025



Siltronic Group key figures

Statement of profit or loss

In EUR million	2025	2024	2023	2022	2021
Sales	1,346.7	1,412.8	1,513.8	1,805.3	1,405.4
Gross profit	111.2	275.4	372.2	615.4	441.2
Gross margin	% 8.3	19.5	24.6	34.1	31.4
EBITDA	316.9	363.8	433.9	671.6	466.4
EBITDA margin	% 23.5	25.8	28.7	37.2	33.2
EBIT	-26.4	125.2	231.3	495.6	316.9
EBIT margin	% -2.0	8.9	15.3	27.5	22.5
Financial result	-38.2	-24.9	-0.5	-8.5	1.5
Income taxes	-13.3	-33.1	-29.5	-52.7	-28.7
Result for the period	-77.9	67.2	201.3	434.4	289.6
Earnings per share	EUR -2.31	2.10	6.15	13.02	8.44

Capital expenditure and net cash flow

In EUR million	2025	2024	2023	2022	2021
Capital expenditure in property, plant and equipment, and intangible assets	369.1	523.4	1,315.9	1,073.6	425.6
Net cash flow	-85.3	-297.0	-663.5	-395.4	1.7

Statement of financial position

In EUR million	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021
Total assets	4,760.9	5,084.4	4,504.9	4,050.7	2,455.4
Equity	2,028.3	2,215.2	2,099.7	2,067.1	1,318.8
Equity ratio	% 42.6	43.6	46.6	51.0	53.7
Net financial debt/ assets	836.5	733.5	355.7	-373.6	-572.9

Non-financial performance indicators

	2025	2024	2023	2022	2021
Climate protection:					
CO ₂ emissions scope 1 and 2 (market based) per one million sales	metric ton CO ₂ eq 167.2	167.8	168.4	151.8	231.9
Circular economy: waste recycling ratio	% 64.8	66.9	71.1	70.7	72.4
Circular economy: water recycling ratio	% 13.1	4.0	10.0	9.6	9.2
Occupational safety: work accidents (with lost day) at work per million working hours	Number 1.3	2.3	2.4	3.8	4.5
Human rights and safety standards in the supply chain: audit coverage of key suppliers	% 89	-	-	-	-

Employees

	2025	2024	2023	2022	2021
Year-end, excluding external personnel	4,249	4,357	4,455	4,488	4,117



CONTENT

Company profile

As one of the world's leading providers of high-tech wafer solutions, Siltronic is globally oriented and operates production facilities in Asia, Europe and the US. Wafers are the foundation of the semiconductor industry and the basis for chips in all applications of digital life – from servers and computers to smartphones, electric cars and wind turbines. Operating internationally and highly customer-oriented, the company consistently focuses on quality, technology, innovative strength, and operational excellence.

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Our Executive Board



KLAUS BUCHWALD
Chief Operating Officer

DR. MICHAEL HECKMEIER
Chief Executive Officer

CLAUDIA SCHMITT
Chief Financial Officer

Interview with the Executive Board

The year 2025 was characterized by a challenging market environment. Nevertheless, Siltronic achieved a robust result. In the interview, Dr. Michael Heckmeier, Claudia Schmitt and Klaus Buchwald explain how Siltronic addressed the challenges and which strategic priorities the Company is focusing on. The main topics include the long-term growth prospects and our new vision, “We create the foundation of your digital life.”

What does the new vision presented in this Annual Report — “We create the foundation of your digital life” — stand for?

MH: Our newly formulated vision highlights the essential role Siltronic plays in the digital world. Wafers are the foundation of the semiconductor industry. The chips manufactured from them are now found in nearly every area of life. They are used in smartphones, cars, servers, data centers, and medical applications. Our wafers enable modern life — they make Artificial Intelligence, Digitalization, and advanced technologies possible.

Siltronic makes a fundamental contribution to the digital world. Our wafers make modern life possible – enabling Artificial Intelligence, Digitalization, and advanced technologies.

Dr. Michael Heckmeier, CEO

At the same time, our vision underscores that we take a long-term perspective. Our goal is clear: to be among the top three wafer manufacturers in the Leading Edge and Power segments. Despite the challenging market environment, the semiconductor industry’s structural growth drivers remain unchanged.

Which ones are they, and why do you believe you can benefit from them in the long term?

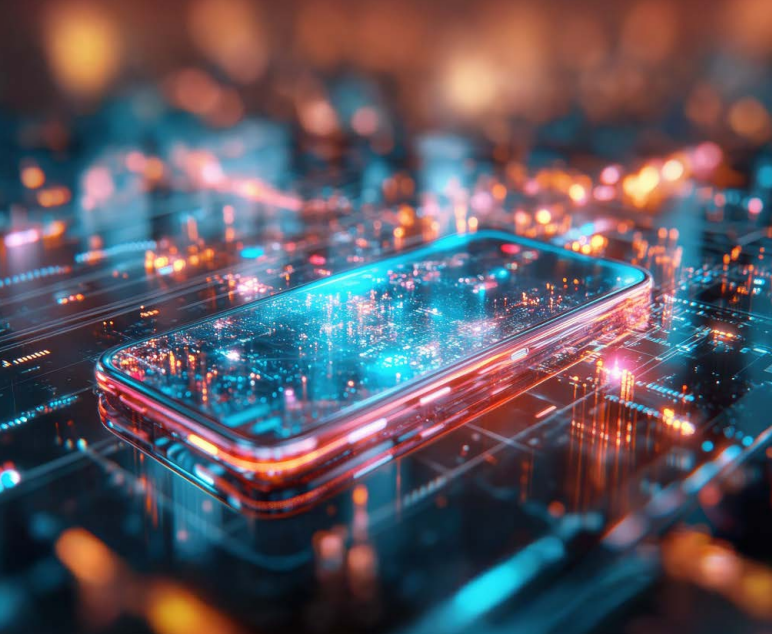
KB: There are several megatrends from which we benefit. These include Digitalization, Electromobility, and Artificial Intelligence. The latter is of central importance to the wafer industry. Although this trend has not yet resulted in increased sales, the demand for silicon per AI application is rising significantly. It is important for us to align our operations precisely with these megatrends. We are creating the foundation today to support these developments with increasing volumes and a scalable production base.

Wafers are the foundation of chips for the semiconductor industry and, by extension, of modern life. They are essential components in the devices and infrastructure that connect and power our everyday lives. Wafers thus underpin the technologies behind countless applications in today’s digital world.



Does that mean that you are optimistic about the coming years?

MH: Absolutely. In the short term, the environment will undoubtedly remain challenging. At the same time, we are very positive about the longer-term outlook. What gives us confidence is Siltronic’s clear strategic positioning in a structurally growing market shaped by disruptive technological advances. As one of the world’s leading providers of high-tech wafer solutions, we are a key pillar of the semiconductor industry. Thanks to our technological expertise, strong focus on quality, and operational excellence, we are able to work with our customers to develop the latest technologies and bring them to market.



Smartphones combine computing power, connectivity, and sensor technology in a compact form. This is made possible by semiconductor chips, which are based on wafers.

As the only wafer manufacturer headquartered in the Western Hemisphere, we also contribute to Europe's technological sovereignty and to the resilience of European supply chains. This combination of a strong European footprint and a global presence enhances our competitiveness over the long term and makes Siltronic a reliable partner for the semiconductor industry.

Let's now take a look at the past financial year. How did Siltronic perform in light of the challenging market environment?

MH: Siltronic performed in line with our expectations in financial year 2025 and, despite all challenges, once again achieved a high level of profitability. In the Memory and Logic segments, we saw the first signs of a demand recovery over the course of the year as inventory levels began to normalize. Combined with accelerating growth in end markets, this led to an increase in wafer area. In contrast, demand in the Power segment – and thus in the 200 mm area – remained weak due to persistently high inventory levels. In addition to negative currency effects, price pressure outside of long-term contracts had a particularly negative impact.

How did these factors affect Siltronic's financial and operational performance last year?

CS: As expected, the developments outlined were reflected in our financial performance. With sales of EUR 1,347 million, we are – as projected – below the level of the previous year. The EBITDA margin reached 23.5 percent, which remains at a high level within our target corridor, but was noticeably below the previous year's figure. In addition to negative FX effects, price pressure outside the long-term agreements had a particularly adverse impact. On the cost side, our cost program and increasing fixed-cost dilution supported our operational performance. From H2 onward, the scheduled start of depreciation of our new fab in Singapore increasingly influenced our results. Despite temporarily reduced spending, we remain in an investment phase that continues to be primarily driven by the expansion of this new fab.

KB: Strategically, we made important progress last year. This includes key customer qualifications at the new 300 mm fab in Singapore and the closure of our SD line in Burghausen. While the latter measure has a short-term impact on sales – the effect is in the single-digit percent range – it strengthens profitability and competitiveness.

We are also particularly proud that during the reporting period we once again received several significant customer awards. We were honored for our operational excellence and outstanding quality performance, as well as for our reliability, technological strength, and our collaborative partnership, which are defining characteristics of our Company.

We received the customer awards not only for our operational excellence and outstanding quality performance, but also for our reliability and our strong partnership.

Klaus Buchwald, COO

Which measures are you taking to further strengthen Siltronic?

CS: Our focus is on three key levers: targeted investments, consistent cost efficiency, and active cash management. Since the investment peak in 2023, we have significantly reduced our expenditures and are clearly aligning new investments with our strategic priorities. At the same time, we are implementing a comprehensive, cross-functional cost program that addresses all major cost drivers. We also place great emphasis on prudent cash management, particularly with respect to working capital. It is also important for me to emphasize that Siltronic continues to maintain a solid liquidity position and sufficient financial flexibility to successfully navigate the current market environment.

What role did ESG play last year?

CS: ESG again played a central role last year. All three components – environmental, social, and responsible corporate governance – have long been embedded in our Company’s DNA. We pursue ambitious goals to continuously further develop our environmental and social performance as well as our governance structures. In doing so, we contribute to a more sustainable future while also strengthening our competitiveness. In the reporting year, we achieved our ambitious targets in the material categories of CO₂ intensity, water recycling, accident frequency, and human rights in the supply chain. For 2025, we also recently received CDP’s highest rating, “A-Leadership,” in the categories Climate Change and Water Security. This represents an important milestone for us.

Thanks to targeted investments, consistent cost efficiency, and active cash management, we once again delivered solid results in 2025. We will continue to focus on these levers this year to further strengthen our resilience.

Claudia Schmitt, CFO

The new fab in Singapore is a central pillar of your long-term strategy. How is the ramp progressing at the moment, and how are you aligning the further expansion with market developments?

KB: Our state-of-the-art site in Singapore remains a key contributor to our future success story, and we are very proud that we were able to complete many important customer qualifications over the past twelve months. We are adjusting the production ramp carefully in line with current market developments. Since demand remains below our original expectations, capacity expansion is proceeding at a reduced pace. This ensures that investments remain appropriately aligned with actual demand.

What are your business expectations for 2026?

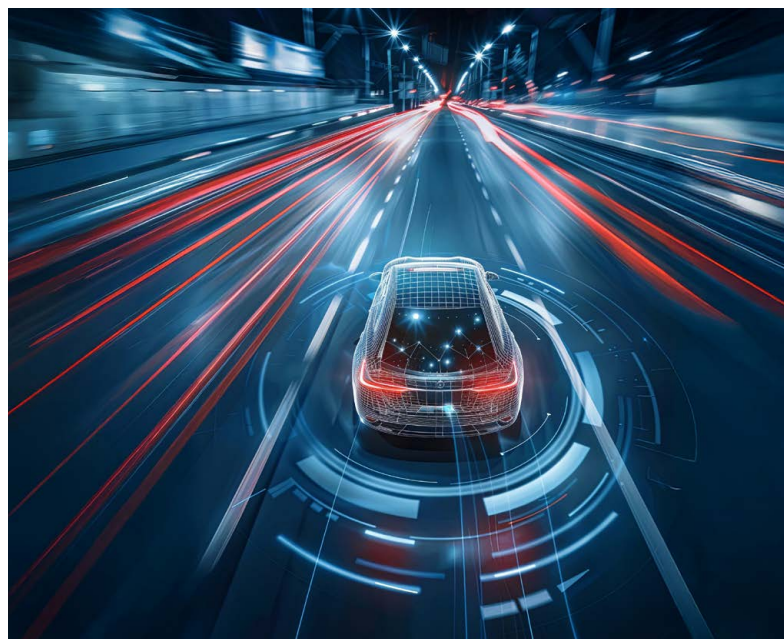
MH: For 2026, we expect a further recovery in parts of the end markets, mainly driven by Artificial Intelligence. However, the positive momentum in the Memory segment is not yet fully reflected in the wafer industry. While many of our customers are benefiting from high prices, they are simultaneously constrained by limited capacities – bottlenecks that are also slowing growth in certain end markets, such as smartphones or PCs. At the same time, the market environment remains challenging, particularly for automotive and other power applications. Against this backdrop, we will continue to drive Siltronic’s strategic development and further strengthen our resilience.

CS: In addition, we are facing exchange rate headwinds and ongoing price pressure outside existing long-term agreements. Therefore, disciplined financial management remains particularly important in this market environment. Under these conditions, and based on an exchange rate assumption of EUR/USD 1.18, we expect sales to be in the mid-single-digit percent range below the previous year. This guidance also reflects that the closure of the SD line will take effect for a full year for the first time in 2026. For the EBITDA margin, we expect a range of 20 to 24 percent.

What can your shareholders expect?

MH: Our share price was marked by increased volatility in 2025. At the same time, the slightly positive full-year performance of our stock shows that taking a long-term perspective pays off. The consistent implementation of our strategy, disciplined financial management, and our focus on structural growth drivers should also have a noticeable positive impact on our share price in the medium term.

Ms. Schmitt, Dr. Heckmeier, Mr. Buchwald, thank you very much for the conversation!



Whether in powertrain systems, infotainment, or driver assistance systems, wafers enable the powerful electronics in modern vehicles.



Supervisory Board report

Dear shareholders,

Siltronic's business environment remained challenging in 2025. In particular, the depreciation of the US dollar, increasing price pressure outside long-term contracts and persistently high inventory levels, especially in the 200 mm sector, shaped our business performance. Despite these conditions, Siltronic succeeded in achieving a solid result.

In 2025, the new Fab in Singapore achieved qualification for products of numerous customers. As a result, the depreciation of the new Fab began, which, together with additional ramp-related costs, affected Siltronic's results as expected. However, the new Fab represents an essential strategic asset that enables us to be prepared for future market growth and to strengthen our position as one of the world's leading wafer manufacturers.

Global developments – such as the Digitalization of all areas of life, the use of Artificial Intelligence and Electromobility – will continue to drive global semiconductor demand in the medium and long term. It therefore remains important for us to adhere to our clear objectives and priorities while maintaining the flexibility to respond to changes. Against this backdrop, the Supervisory Board once again placed increased focus last year on Siltronic's strategic positioning, both in the areas of Leading Edge and Power, and in its role as the only wafer manufacturer located outside Asia.

The consistent implementation of the strategic initiatives and cost-saving measures helped strengthen Siltronic's resilience and enabled reliable performance in a demanding market environment, as well as the confirmation of the guidance released in July 2025 for the full year. The employees of Siltronic deserve great appreciation for their outstanding commitment in 2025. Their dedicated efforts made a significant contribution to the solid business result achieved despite the challenging conditions.

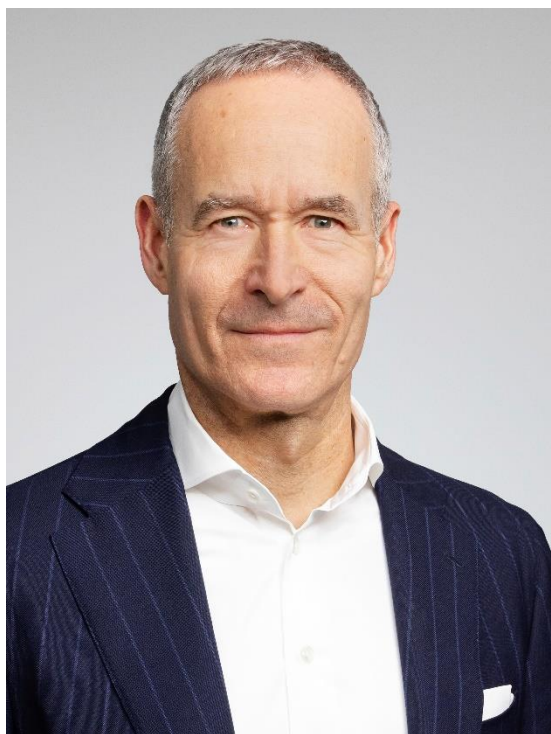
Continuous dialogue with the Executive Board

As in the previous years, the Supervisory Board performed its duties throughout the financial year 2025 in accordance with the legal requirements, the Articles of Association and the rules of procedure. In close and trusting cooperation with the Executive Board, all decisions were always made in the best interests of the Company. The Supervisory Board regularly advised the Executive Board, closely and diligently monitored its activities and satisfied itself of the legality, appropriateness, and correctness of the management's conduct.

The basis for this was, in particular, the Executive Board's reports in the meetings of the Supervisory Board and its committees on all matters essential to the Company. The Executive Board informed the Supervisory Board and its committees comprehensively and in a timely manner about all matters relevant to the Company, in particular business development and the economic situation, financial and investment planning, strategic development, risk exposure and risk management as well as the activities of the internal audit and compliance.

The Supervisory Board and the responsible committees were involved in all important decisions at an early stage and always had the opportunity to critically review the Executive Board's reports and proposed resolutions. Any deviations from the planned business performance and defined objectives were explained in detail.

Even outside the regular meetings, both I, as Chairman of the Supervisory Board, and the chairpersons of the respective committees were in close contact with the Executive Board and were continuously informed about current developments and significant business transactions.



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

Key activities of the Supervisory Board plenum

In view of the aforementioned dampening factors, the Supervisory Board devoted considerable attention to the Company's positioning within its individual product areas. The focus was on financial stability, including compliance with financial covenants, planned investments, and further developments aimed at safeguarding competitiveness. These topics formed the basis for an in-depth discussion on measures to secure the Company's future and ensure sustainable value creation.

The implementation of the corporate strategy remained a key focus during the past financial year. In this context, the Executive Board and selected members of senior management regularly informed the Supervisory Board in plenary sessions about the strategy's further elaboration, the measures initiated, and the progress achieved – in particular with regard to market environment and developments as well as operational processes. The plenary was also kept regularly updated on the status of the SD closure, in particular the scheduled processing of customers' final orders and the integration of all permanently employed Siltronic employees into the remaining production lines.

The Supervisory Board's personnel-related activities focused on extending the mandates of Dr. Heckmeier and Ms. Schmitt. Both Executive Board members were confirmed for an additional term of five years.

In the reporting year, four plenary meetings of the Supervisory Board were held – two each in the first and second half of the year. All meetings of the Supervisory Board and its committees were held in person. A tabular overview of individual participation in the plenary and committee meetings can be found in the Declaration on Corporate Governance on [page 52](#). In addition, separate preliminary meetings of both the shareholder and employee representatives were held. The Supervisory Board regularly meets without the Executive Board, in particular to discuss matters relating to the remuneration of the Executive Board and succession planning. Since 2022, the Audit Committee has also regularly met without the Executive Board, in line with the recommendation in section D.10 of the German Corporate Governance Code.

At the meeting of the Supervisory Board to approve the financial statements on March 5, 2025, we, including the auditor, who was present at the meeting, discussed in detail the annual financial statements of Siltronic AG and the consolidated financial statements as of December 31, 2024 as well as the combined management report and approved them.

The Supervisory Board also determined the variable compensation of the Executive Board for the financial year 2024 based on the recommendation of the Executive Committee and the determined target achievement. An internal assessment, which also included a peer group comparison, confirmed the appropriateness of the compensation of the Executive Board. After the preparation and recommendation by the Executive Committee, the Supervisory Board resolved on the individual total target compensation and maximum compensation for each Executive Board member, based on an adjusted wafer peer group as well as the performance criteria for the variable compensation for the financial year 2025. Due to the close connection of the function with operational activities, the full Supervisory Board furthermore decided to transfer the responsibilities of the Labor Director to the COO, Mr. Buchwald.

The plenum adopted the Supervisory Board's report to the Annual General Meeting and discussed the agenda for the Annual General Meeting on May 12, 2025. On the recommendation of the Nomination Committee, the shareholder representatives of the Supervisory Board resolved to propose Mr. Andreas Pecher to the Annual General Meeting as a new member of the Supervisory Board of Siltronic AG. The Supervisory Board also approved the Executive Board's proposal to hold the Annual General Meeting as a virtual event for the first time since the Covid-19 pandemic. Sustainability considerations, and in particular cost factors, combined with the assurance that shareholders' rights would be fully safeguarded, justified this decision.

The Executive Board reported on the course of business in the financial year 2024, including the non-financial performance indicators, as well as on the start of the financial year 2025. The full Supervisory Board also addressed the status of the investment projects, including their budgeting, and the Group's top objectives for the coming financial year. In addition, the Executive Board explained its assessment of the Group's risk situation.

Within the internal control procedure for Related Party Transactions adopted by the Supervisory Board, the Executive Board reported on the business transactions with Wacker Chemie AG. As a precautionary measure, Supervisory Board Chairman Dr. Tobias Ohler, who is also a member of the Wacker Chemie AG Executive Board, and Sieglinde Feist, who holds a management position at Wacker Chemie AG, did not take part in the resolution on the implementation of the control procedure in order to avoid even the appearance of a conflict of interest.

Finally, the Executive Board provided a detailed explanation of the implementation of the adopted strategy.

At its meeting on May 15, 2025, the Supervisory Board addressed, among other things, current developments in the area of customs and export control, the course of business, and market trends. A key focus of the meeting was a comprehensive market update, taking into account Siltronic's strategic objectives. The Supervisory Board also reviewed the current status of the investment projects and the development of the budget.

At the Supervisory Board meeting on July 25, 2025, the discussion focused primarily on the Executive Board's report on the course of business and on the forecasts, including opportunities and risks. The current status of the investment projects was also reviewed. Another focal point of the meeting was the reporting on Siltronic's quality initiatives as well as the operational performance-management measures and their progress. Following a discussion on the independence of Dr. Ohler, the Board concluded that his 12-year tenure did not constitute a material conflict of interest and adopted the Declaration of Compliance in accordance with the German Corporate Governance Code (DCGK). In light of the new composition of the Supervisory Board, the full Board also approved an updated qualifications matrix.

At its meeting on November 25, 2025, the Supervisory Board addressed in addition to the Executive Board's report on business performance, the status of investment projects. The Supervisory Board discussed the planning of Siltronic Group for the financial year 2026 and the multi-year planning. A key focus of the discussions was the 2026 budget presented by the Executive Board, including financial and investment planning, particularly in light of the challenging market environment and the financial obligations. Both were approved at the meeting. The Supervisory Board also examined the format of the upcoming 2026 Annual General Meeting. Starting from the fundamental position that the Company does not intend to adopt virtual Annual General Meetings as a standard format but wishes to use them only where objectively justified, the Board conducted an in-depth review of the legal and organizational framework for a virtual meeting. Taking into account the positive

experience from 2025 as well as the Company's mandated cost-saving measures, the Supervisory Board once again decided, after careful consideration of the advantages and disadvantages, to hold the Annual General Meeting virtually.

The plenum further reviewed the internal control procedure for transactions with related parties (related-party transactions) and reaffirmed its approval of the process. Finally, the Supervisory Board discussed the effectiveness of its own work and that of its committees. Individual assessments were collected anonymously and processed, and the findings were discussed in the plenum. No material deficiencies were identified. Additional opportunities for improvement will be implemented going forward.

Supervisory Board committees

In order to perform its duties efficiently, the Supervisory Board has set up four permanent committees: an Executive Committee, an Audit Committee, a Nomination Committee and the Conciliation Committee, the latter of which is mandatory pursuant to Section 27 (3) of the German Co-Determination Act. Insofar as these committees met, the chairpersons of the committees informed regularly and comprehensively to the Supervisory Board on the committee work and results.

The **Executive Committee** met once in the reporting year, passed one circular resolution and held several informal consultations among its members. It dealt with the compensation of the Executive Board Members and prepared the resolutions of the Supervisory Board plenum regarding the determination of targets for the variable compensation, the particular total target compensation and maximum compensation, the determination and review of the appropriateness of the Executive Board compensation and the approval of the compensation report. In addition, the Executive Committee prepared the extension of the terms of office of the Chief Executive Officer and the Chief Financial Officer.

The **Audit Committee** held four meetings in the financial year 2025. Its activities focused on the monitoring of the internal control system and the financial and investment planning, including compliance with financial covenants. The Audit Committee discussed the annual financial statements of Siltronic AG and the consolidated financial statements as well as the combined management report for the financial year 2024 in the presence of the auditor. It also discussed the quarterly reports and, in the presence of the auditor, the half-year report as well as the auditor's review thereof for the current financial year. Due to the auditor rotation required by the EU Audit Regulation for the financial year 2025, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich, had already been appointed by the 2024 Annual General Meeting as the auditor for the financial

year 2025. The Audit Committee therefore issued the audit engagement letter to the auditor for the financial year 2025, defined the focal points of the audit and determined the auditor's fee. In view of the possible entry into force of the German CSRD Implementation Act, the 2025 Annual General Meeting had, as a precautionary measure, appointed PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich, as the auditor for the sustainability reporting for the financial year 2025. As the CSRD Implementation Act had not entered into force, the Audit Committee additionally issued the separate mandate for the limited assurance review of the ESG report for the financial year.

The Audit Committee discussed the assessment of the audit risk, the audit strategy, and the audit planning with the auditor. It also dealt with the handling of non-audit services and the evaluation of the quality of the audit. The committee addressed the Company's risk management system, the effectiveness and findings of the internal audit, as well as the compliance management system. It received continuous reports on compliance issues.

In addition to the meetings of the Audit Committee, regular discussions were held between the Chairwoman of the Audit Committee and the auditors, also without the participation of the Executive Board.

To prepare for the election of a new shareholder representative to the Supervisory Board at the 2025 Annual General Meeting, the **Nomination Committee** considered suitable candidates. Candidates for election to the Supervisory Board were identified and personal interviews were held on the basis of a specific profile of requirements for the candidate, which took into account statutory provisions, the German Stock Corporation Act, the German Corporate Governance Code, the Rules of Procedure for the Supervisory Board, the Supervisory Board's objectives for its composition as well as the competence profile and the diversity concept for the Supervisory Board. On the basis, one candidate was identified. Particular attention was paid to professional and technological expertise, independence, international experience, availability and diversity.

The **Conciliation Committee** was not convened in the financial year 2025.

Education and training measures

The members of the Supervisory Board independently take responsibility for the training and continuing education required for their duties, and they receive appropriate support from the Company as required. An onboarding program is offered for new members of the Supervisory Board. Relevant legislative updates affecting Siltronic and its corporate bodies were discussed at the regular Supervisory Board meetings.

Individualized disclosure of attendance of Supervisory Board members in 2025

Supervisory Board member	Supervisory Board Plenum		Executive Committee		Audit Committee	
	Number	in %	Number	in %	Number	in %
Dr. Tobias Ohler (Chairman)	4 of 4	100	1 of 1	100	4 of 4	100
Daniela Berer (Deputy Chairwoman)	4 of 4	100	1 of 1	100		
Dr. Jos Benschop	4 of 4	100				
Mandy Breyer	4 of 4	100				
Klaus Estermaier	4 of 4	100				
Sieglinde Feist	4 of 4	100				
Dr. Hermann Gerlinger (until May 12, 2025)	1 of 1	100				
Michael Hankel	4 of 4	100	1 of 1	100		
Lina Ohlmann	4 of 4	100				
Andreas Pecher (since May 12, 2025)	1 of 3	33				
Mariella Röhm-Kottmann	4 of 4	100	1 of 1	100	4 of 4	100
Volker Stapfer	4 of 4	100			4 of 4	100
Günter Zellner	4 of 4	100				

Further disclosures on offices held

Name	Occupation	Membership in other supervisory boards and other comparable domestic and foreign supervisory bodies of business enterprises (as of December 31, 2025)
Dr. Tobias Ohler Chairman of the Supervisory Board	Member of the Executive Board of Wacker Chemie AG, Munich, Germany	Member of the Supervisory Board – Wacker Chemie VVaG Pension Fund
Dr. Jos Benschop	Executive Vice President Technology, ASML Netherlands BV	Member of the Supervisory Board – Cymer Light Source Technology Chairman of the international Advisory council NanoLabNL
Daniela Berer ¹⁾	Deputy Chairwoman of the Works Council of Siltronic AG, Burghausen and Munich site	
Mandy Breyer ¹⁾	Deputy Chairwoman of the Works Council of Siltronic AG, Freiberg site	
Klaus-Peter Estermaier ¹⁾ Representative of Senior Executives	Head of Supply Chain Center & Strategic Planning, Siltronic AG Chairman of the Joint Speaker Committee of the Senior Executives of Siltronic AG	
Sieglinde Feist	Head of the central unit Sales & Distribution, Wacker Chemie AG, Munich	Chairperson of the Board of Directors (non-executive) – Wacker Chemicals Ltd., United Kingdom – Wacker-Kemi AB, Sweden Member of the Board of Directors (non-executive) – Wacker Chemie Italia S.r.l., Italy – Wacker Chimie S.A.S., France – Wacker Quimica Ibérica, S.A., Spain – Wacker Chemicals (South Asia) Pte Limited, Singapore – Wacker Chemicals Korea Inc., South Korea (all Wacker Chemie Group mandates)
Dr. Hermann Gerlinger*	Managing Partner of the GeC GmbH (one-person company)	Member of the Board of Directors – VAT Group AG, Switzerland Member of the Shareholder Committee – LR Pure Systems GmbH, Ditzingen-Heimerdingen, Germany
Michael Hankel	Chairman of the Executive Board of M+U Hankel Stiftung (non-profit foundation)	
Lina Ohlmann ¹⁾	Secretary IGBCE, Union Pay Policies Division	
Andreas Pecher ^{o 2)}	Chairman of the Executive Board of Carl Zeiss AG Chairman of the Executive Board of Carl Zeiss Meditec AG	Chairman of the Supervisory Board – Carl Zeiss SMT GmbH
Mariella Röhm-Kottmann ³⁾	Chief Financial Officer, Constantia Flexibles GmbH	Member of the Supervisory Board and Chairwoman of the Audit Committee of Zalando SE
Volker Stapfer ^{1) 4)}	Works Council exempted of Siltronic AG, Burghausen	
Günter Zellner ¹⁾	District Chairman of the IGBCE, Altötting	Member of the Supervisory Board – Wacker Chemie AG, Munich

¹⁾ Employee representative

²⁾ until December 31, 2025: Chairman of the Supervisory Board of Carl Zeiss Meditec AG

³⁾ until December 31, 2025: CFO of Sunlight Energy Storage Systems Industrial and Commercial Societe Anonyme

⁴⁾ until March 31, 2025 Chairman of the works council of Siltronic AG, Burghausen/Munich

* Supervisory Board Member until May 12, 2025

^o Supervisory Board Member since May 12, 2025

Audit of annual and consolidated financial statements

The auditor, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich, audited the annual financial statements of Siltronic AG for the financial year 2025, the consolidated financial statements and the combined management report on the individual and consolidated financial statements (reporting date December 31, 2025) prepared by the Executive Board and issued an unqualified audit opinion thereon. Since the financial year 2025, the audit has been signed by Diana Plaum, Certified Public Auditor, and Klaus Bernhard as auditor responsible for the audit. The external rotation period for auditors defined as a maximum of ten years in compliance with the European Auditing Regulation (EU Regulation 537/2014), commenced with the change of auditor for the financial year 2025.

The annual financial statements of Siltronic AG and the combined management report for the Siltronic Group were prepared in accordance with German statutory accounting requirements. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and in accordance with the additional requirements of German law pursuant to Section 315e (1) of the German Commercial Code (HGB).

The various financial statements, the combined management report and the auditor's reports were made available to all members of the Supervisory Board in a timely manner and were first discussed and examined in detail as a draft version in the Audit Committee meeting on March 2, 2026. The final version was subsequently discussed and examined in great detail at the Supervisory Board's meeting to approve the financial statements on March 10, 2026. The auditor was present at both meetings. The Audit Committee dealt in particular with the Key Audit Matters described in the audit opinion, including the audit procedures performed. The auditor reported on the scope, the priorities and main results of their audit and in particular addressed the Key Audit Matters and the audit procedures applied. The auditor was available to the Audit Committee and the Supervisory Board plenum for questions and additional information. The auditor also examined the early warning system for risks in accordance with Section 91 of the German Stock Corporation Act (AktG) and found that it meets the legal requirements. No risks were identified that could jeopardize the going concern status of the Company.

The Supervisory Board concurs with the results of the audit. Based on the final results of the review by the Audit Committee and our own examination, there are no objections to the annual financial statements of Siltronic AG, the consolidated financial statements, the combined management report including the non-financial information integrated in the combined management report and the auditor's reports. We therefore approve the annual financial statements of Siltronic AG and the consolidated financial statements for the year ending December 31, 2025, as prepared by the Executive Board. The annual financial statements of Siltronic AG are thus adopted. As no consolidated profit attributable to shareholders has been determined in accordance with IFRS principles, no dividend distribution is envisaged for the financial year 2025 in accordance with the applicable dividend policy.

In addition, the compensation report was prepared jointly by the Executive Board and the Supervisory Board and approved by both bodies on March 10, 2026.

The previous year's Annual General Meeting on May 13, 2024 had already appointed PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich, as the auditor of the annual financial statements and the auditor for the audit review of interim financial reports for the financial year 2025. In this context, no auditor was appointed for the ESG report. At its meeting on May 12, 2025, the Annual General Meeting, taking into account the recommendation of the Supervisory Board, appointed PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich, as the auditor for the sustainability report as a precautionary measure.

Summarized non-financial statement/ESG report

In preparation for the implementation of the Corporate Sustainability Reporting Directive (CSRD), Siltronic AG has, as in the previous year, integrated the combined non-financial statement (ESG report) into the combined (Group) management report. At its meeting on October 24, 2025, the Audit Committee also commissioned the auditor, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, to perform the limited assurance engagement of the ESG report. PricewaterhouseCoopers GmbH issued an unqualified assurance opinion. The ESG report and the audit opinion of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft were submitted to the members of the Supervisory Board in a timely manner. The Audit Committee at its meeting on March 2, 2026 and the Supervisory Board at its meeting on March 10, 2026 discussed, reviewed and approved the ESG report in detail. There were no indications of any objections to the ESG report or the assessment of the audit results by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft.

Changes to the Executive Board and Supervisory Board

By resolution of the Supervisory Board dated July 25, 2025, Dr. Michael Heckmeier was reappointed as a member of the Executive Board and as Chief Executive Officer for a further five years, until May 5, 2031. By resolution passed on the same day, Ms. Claudia Schmitt was likewise reappointed as a member of the Executive Board (Chief Financial Officer) for a further five years, until June 30, 2031.

With the close of the Annual General Meeting on May 12, 2025, Dr. Hermann Gerlinger stepped down as a member of the Supervisory Board representing the shareholder representatives. The Annual General Meeting elected Mr. Andreas Pecher, with effect from the close of the Annual General Meeting on May 12, 2025, as a member of the Supervisory Board for a term of two years.

The Supervisory Board would like to thank all employees of Siltronic AG and all Group companies for their active commitment.

Munich, March 10, 2026

Supervisory Board



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

Siltronic on the stock exchange

2025: Robust but more volatile equity markets in a geopolitically tense environment

In 2025, international equity markets once again demonstrated resilience despite a market environment shaped by geopolitical tensions and economic policy uncertainties. Donald Trump's return to the White House in January particularly affected trade and currency policy. The U.S. administration's planned tariff increases temporarily led to higher volatility, especially in the first half of the year. Nevertheless, the long-term upward trend in equity markets persisted, bolstered by moderate inflation and an overall stable global liquidity environment.

Monetary and economic conditions in the euro area were characterized by cautious normalization in 2025, creating an overall supportive environment for equity markets. Later rounds of the ECB Survey of Professional Forecasters confirmed that inflation expectations had stabilized close to the target.

Despite subdued overall growth, robust labor markets and rising real wages supported economic activity. Meanwhile, financing conditions in the euro area improved significantly as interest rate cuts initiated in 2024 took effect. Declining borrowing costs encouraged corporate investment in infrastructure and technology in particular. ECB economic reports also documented ongoing disinflation and effective monetary policy transmission, though services inflation remained comparatively persistent. Overall, this macroeconomic environment contributed to stabilized equity market expectations throughout 2025.

Price developments continued to stabilize in Germany in 2025. Consumer prices rose by an average of 2.2 percent compared to 2024, which is the same level as the previous year. Core inflation, which excludes energy and food, eased to 2.8 percent, though it remained above the headline rate. This reflected ongoing price increases, particularly in the services sector. Services became more expensive again, rising by 3.5 percent, mainly due to higher prices for passenger transport, social services, insurance, health services, vehicle repairs, travel, and hospitality. By contrast, goods increased only 1.0 percent due to declining energy prices, while food prices rose 2.0 percent. Toward the end of 2025, price pressures weakened further. The inflation rate was 1.8 percent in December compared to the same month the previous year. This was the first time the rate fell below two percent, primarily due to significant declines in energy prices. Inflation excluding energy amounted to 2.2 percent.

In 2025, developments in the German equity markets were once again strongly influenced by a high concentration of a few large-cap, index-heavy stocks. The DAX rose by around 23 percent over the course of the year, reaching new all-time highs several times. This positive performance was driven by market-leading companies in the industrial, defense, and energy sectors, which disproportionately benefited from robust demand and stable economic conditions. Outside the leading index, however, the picture was more mixed. Market development was less homogeneous. The SDAX recorded a strong increase of around 25 percent, continuing its dynamic recovery trend. The MDAX also showed clear improvement after a weaker previous year, achieving an annual gain of nearly twenty percent. In contrast, the TecDAX performed significantly more modestly. Over the full year, it achieved only modest growth of about six percent, primarily due to subdued overall demand for technology stocks. Overall, the market-leading companies represented in the DAX disproportionately benefited from predominantly supportive macroeconomic conditions. This underscores the continued importance of large-capitalization companies that are internationally competitive for overall market performance in 2025.

Share Performance in 2025: Volatility in a market environment marked by uncertainties

The Siltronic share price began the 2025 financial year at EUR 46.50, reaching an annual high of EUR 61.75 on October 28. Throughout the year, the Memory and Logic segments showed initial signs of market recovery. A reduction in previously elevated inventories, combined with an increase in demand in end markets, led to a slight expansion and moderate improvement in the wafer area sold.

On February 3, 2025, Siltronic released an ad-hoc announcement regarding the proposed dividend of EUR 0.20 per share. One day later, the Company published the preliminary figures for financial year 2024, which confirmed the continued weak demand and a market recovery that is only beginning to materialize with delay. These announcements increased the already existing uncertainty in the capital market.

Although initial signs of recovery became visible in Memory and Logic, the market environment remained challenging. Weak demand in Power applications, unfavorable FX effects, and low visibility weighed on the business. As early as March 21, the share was downgraded from the SDAX, putting additional pressure on the share price. On September 11, the share ultimately reached its yearly low of EUR 32.

In September, the Memory industry – led by Samsung and SK Hynix – introduced the new HBM4 technology. This advancement in the field of high-performance Memory and Artificial Intelligence provided important momentum for the wafer industry and led to a noticeable improvement in investor sentiment. Siltronic’s share also benefited and recovered significantly over the course of the year. At year-end, it closed at EUR 48.90, which was five percent higher than at the beginning of the year. The overall market, as described previously, also showed a positive trend. The Philadelphia Semiconductor Index performed particularly dynamically and gained 42 percent.

The average daily trading volume of Siltronic shares on the Xetra index amounted to 99,391 shares in 2025. Our market capitalization totaled around EUR 1.5 billion as of December 30, 2025, based on the Xetra closing price.

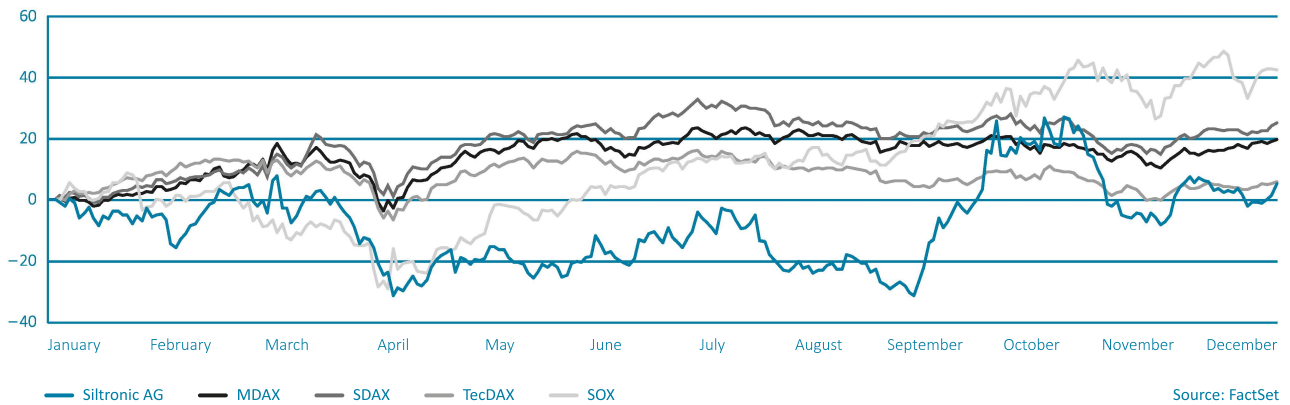
In the SDAX ranking, we were positioned at rank 150 at year-end 2025, and in the TecDAX at rank 22. The ranking is based on the market capitalization of freely tradable shares, i.e., the free float market capitalization.

Dividend

Against the backdrop of the negative business result, the applicable dividend policy provides for no dividend for financial year 2025.

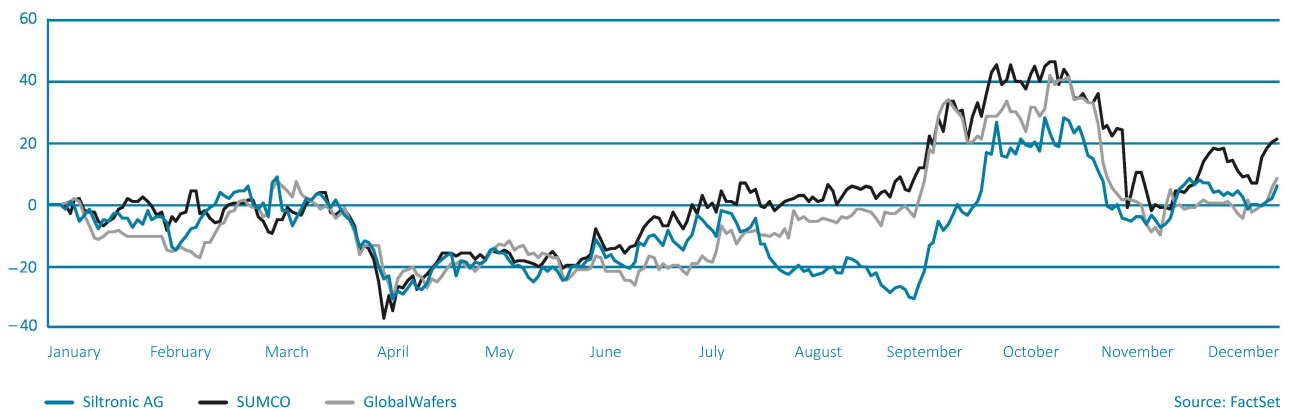
Performance of Siltronic shares vs. indices 2025

in %



Performance of Siltronic shares vs. competitors 2025

in %



Shareholder structure

As of December 31, 2025, Wacker Chemie AG held the largest stake in Siltronic AG with 30.83 percent of the voting rights. The second-largest shareholder was HAL Trust, Hamilton, Bermuda, with 15.10 percent of the voting rights. The parent company of Global-Wafers, Sino-American Silicon Products, continued to hold 13.67 percent of the shares.

Within the free float, the Company had the following information on notifiable shareholdings (as of December 31, 2025):

The Goldman Sachs Group, Inc., Wilmington, US, holds 5.23 percent of the voting rights, of which 0.04 percent are held directly and 5.19 percent are held via instruments.

UBS Group AG, Zurich, Switzerland, holds 4.18 percent of the voting rights, of which 2.83 percent are held directly and 1.35 percent are held via instruments.

Bank of America Corporation, Wilmington, US, holds 4.07 percent of the voting rights, of which 2.09 percent are held directly and 1.98 percent are held via instruments.

BlackRock, Inc., Wilmington, US, holds 3.85 percent of the voting rights, of which 2.47 percent relate to voting rights and 1.38 percent relate to instruments.

Magnetar Capital, Evanston, US, holds 3.84 percent of the voting rights, of which 2.97 percent are held directly and 0.87 percent are held via instruments.

Union Investment Privatfonds GmbH, Frankfurt, Germany, holds 3.83 percent of the voting rights, of which 2.86 percent are held directly and 0.97 percent are held via instruments.

Morgan Stanley, Wilmington, US, holds 3.64 percent of the voting rights, of which 2.23 percent are held directly and 1.42 percent are held via instruments.

JP Morgan Chase & Co., Wilmington, US, holds 3.26 percent of the voting rights, of which 2.61 percent are held directly and 0.65 percent are held via instruments.

DWS Investment GmbH, Frankfurt, Germany, holds 3.17 percent of the voting rights, of which 3.09 percent are held directly and 0.08 percent are held via instruments.

The Capital Group Companies, Inc., Los Angeles, US, holds 3.03 percent of the voting rights, of which 2.96 percent are held directly and 0.07 percent are held via instruments.

T. Rowe Price Group, Inc., Baltimore, Maryland, US, holds 3.03 percent of the voting rights, of which 2.93 percent are held directly and 0.10 percent are held via instruments.

At the end of 2025, 54.9 percent of the shares were held in Germany, 20.8 percent in continental Europe, 14.1 percent in Asia, 5.7 percent in the United States, and 3.8 percent in the United Kingdom and Ireland, as well as 0.6 percent in the rest of the world. The Executive Board and Supervisory Board held less than one percent of the shares as of December 31, 2025.

Investor relations activities

The aim of our investor relations activities is to ensure transparent and trust-based communication with our investors and analysts. With comprehensive information, we contribute to an appropriate valuation of our share. In 2025, we participated in 25 capital market conferences and roadshows organized by banks. We focused on investors and analysts in Germany, Europe, and the US. In total, we held more than 200 discussions with investors and analysts, including so-called group meetings in which several investors or analysts participated. In 2025, the main topics of our capital market communication were the business performance in 2025, further corporate financing, market developments, the ramp of our new fab in Singapore, and the scaling of our sustainability initiatives.

Analyst coverage

At the end of 2025, the Siltronic share was covered by eleven financial analysts. As of December 31, 2025, three analysts recommended buying the share, six analysts recommended holding it, and two analysts recommended selling it. The analysts' average price target at the end of December 2025 was EUR 58.

Current data and information are published on the Siltronic website www.siltronic.com under Investor Relations.

Key share data

First trading day	June 11, 2015
Stock exchange	Frankfurt
Market segment	Regulated Market
Transparency standard	Prime Standard
Index	SDAX, TecDAX
ISIN	DE000WAF3001
Ticker symbol	WAF300
Free float in % as of December 31, 2025 ²	40.4
Number of shares	30,000,000
High of 2025 ¹	EUR 59.10
Low of 2025 ¹	EUR 32.00
2025 closing price ¹	EUR 48.90
Market capitalization as of December 31, 2025	EUR 1.5 billion

¹ Xetra closing price

² According to DAX index rules

COMBINED MANAGEMENT REPORT

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Business and economic conditions

Business activities and group structure

One of the leading international suppliers of hyperpure silicon wafers

Siltronic is one of the leading manufacturers of hyperpure silicon wafers for the semiconductor industry. We have production sites at four locations in Asia, Germany and the US, where we manufacture silicon wafers with diameters of up to 300 mm. The dominant consumers of silicon wafers in the semiconductor industry are among our customers and we have established long-standing business relationships with them over several years.

We are known in the market for leading technology, expertise, customer-specific solutions, and global product availability, as well as assured quality and delivery reliability. We are the only major Western based wafer manufacturer and at the same time have a worldwide presence thanks to our global production and sales network. This enables us to maintain close relationships with customers in all regions and to respond quickly to their requests. This combination is the basis for our high level of customer satisfaction and it is the foundation for the sustained success of our business. Our

goal is to deliver high-quality wafers that meet the latest requirements of our customers. This requires continuous improvement of product features and quality as well as a high level of innovation.

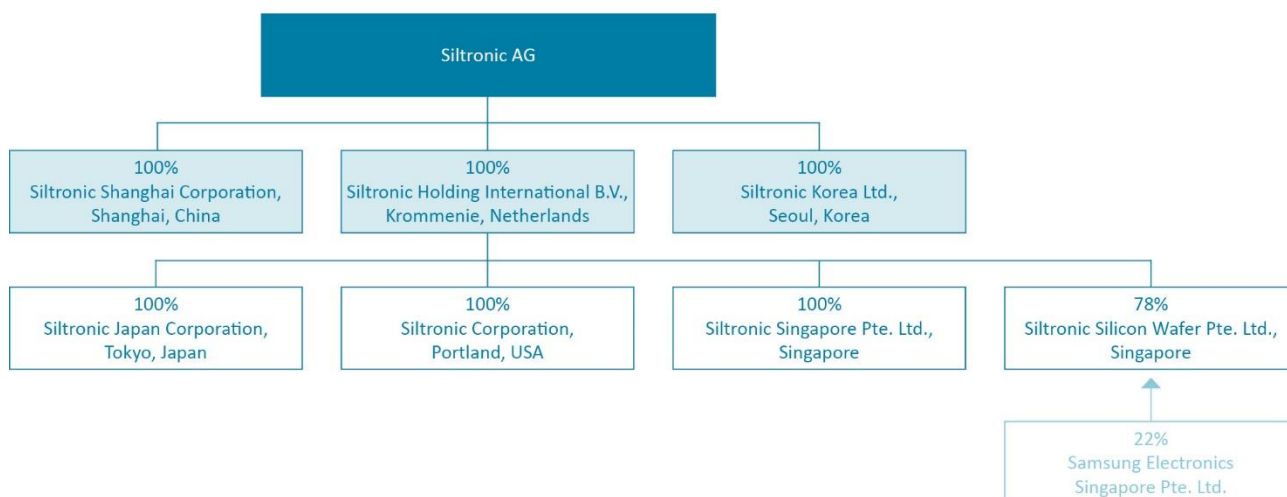
Silicon wafers are the basis for semiconductor chips and integrated circuits and are therefore a key component of many electronic applications, such as computers, smartphones, industrial equipment, wind turbines or cars with and without electric drives.

Our goal is to be one of the leading suppliers for the most advanced applications in the semiconductor industry (Leading Edge) and to place a strong focus on wafers for Power semiconductors.

Legal structure of the Group

Since 1996, Siltronic has operated in the legal form of a stock corporation (Aktiengesellschaft) under German law, initially under the name Wacker Siltronic Gesellschaft für Halbleitermaterialien AG. Since 2004, the Group has been operating under the name Siltronic AG, with its registered office in Munich. As of the end of 2025, the Group directly or indirectly held interest in seven companies.

Structure of the Siltronic Group



Management and control

As required by the German Stock Corporation Act (AktG), Siltronic AG has a two-tier governance structure consisting of the Executive Board and Supervisory Board. Since June 1, 2024, the Executive Board has comprised three members: Dr. Heckmeier, CEO, Ms. Schmitt, CFO, and Mr. Buchwald, COO. The Supervisory Board consists of twelve members, ten of whom began their term of office at the end of

the 2023 Annual General Meeting. For one employee representative, the term began in 2024, and for one shareholder representative, in 2025. Information on the Executive Board and the Supervisory Board, and how their responsibilities are allocated, can be found in the Declaration on Corporate Governance on [page 52 ff.](#)

Allocation of responsibilities on the Executive Board

CEO	CFO	COO
<ul style="list-style-type: none"> • Application Technology • CEO Office/Strategy/Business Development • Export & Import Control • Investor Relations & Corporate Communications • Legal & Compliance • Marketing & Sales • Quality & Security (including IT-Security) • Siltronic Singapore • Technology inclusive C-Level CTO 	<ul style="list-style-type: none"> • Accounting • Controlling • Corporate Auditing • Corporate Social Responsibility • Customs • Finance/Treasury • Human Resources (Director of Human Resources) (until June 30, 2025) • Insurance • Pensions • Procurement • Risk Management • Siltronic USA • Tax 	<ul style="list-style-type: none"> • Engineering • Human Resources (Director of Human Resources) (from July 1, 2025) • IT • Operations • Site Management Germany (Burghausen and Freiberg) • Supply Chain

Active strategic management holding company, decentralized structure, and proximity to customers

The parent company of the Siltronic Group, Siltronic AG, acts as the Group's holding company under company law and as its operational holding company. As the parent company, Siltronic AG is in charge of corporate strategy and strategic management as well as communications with the Company's important stakeholders, particularly the capital markets and shareholders. The operational subsidiaries are managed by local management. With the exception of the pure sales companies in South Korea and China, the Siltronic AG Executive Board is also represented on the boards of the subsidiaries.

Remuneration of the Executive Board and Supervisory Board

The Executive Board's remuneration consists of fixed and variable elements. The main features of the remuneration system for the Executive Board and Supervisory Board are described in the compensation report on [page 162](#).

Remuneration of the extended management team

An extended team of senior group managers at Siltronic AG have their performance measured in accordance with agreed targets. Specific targets are defined at groupwide, regional, and operational level and are reviewed on an ongoing basis.

Declaration on corporate governance

The declaration on corporate governance, which is required by Section 289f and Section 315d of the German Commercial Code (HGB), is issued on [page 52](#). It includes information on the work of the Executive Board and Supervisory Board, the declaration of conformity pursuant to Section 161 of the German Stock Corporation Act (AktG), details on significant corporate management practices and further details on corporate governance.

The declaration of conformity is permanently available to the public on our website <https://www.siltronic.com/en/investors/corporate-governance.html>.

Important products, business processes, and markets

We create added value with our experience, technological competence and innovative strength

Silicon is the basis for nearly all semiconductor components and thus the foundation for the entire global electronics industry.

The performance of semiconductor components is constantly increasing, allowing more and more functions to be integrated. Today, the smallest structures, so-called "nodes" or "design rules" are just a few nanometers in size. The rapid technological development is reflected in the requirements for our silicon wafers. Their material properties are optimized and continuously improved for each of the highly complex applications. Volume production of wafers with diameters of up to 300 mm is then carried out according to specifications that define many different parameters and production processes.

Siltronic produces polished wafers for Memory chips, epitaxial wafers for highly integrated microprocessors, low-resistance wafers for Power applications and a variety of other wafer types. Wafers are used for applications in Artificial Intelligence, automotive, telecommunications, high-voltage applications, or network technology.

We act as a strategic development partner for our industrial customers, and we supply solutions tailored specifically to their requirements. In doing so, we draw on our technical expertise and deep understanding of what our customers need. With our four production sites and our sales and application engineering support locations in Europe, the US, and Asia we are close to our customers worldwide. In 2025, our three largest customers were (in alphabetical order) Intel Corporation, Samsung Electronics and Taiwan Semiconductor Manufacturing Company (TSMC). Our local sales approach and our global production network enable us to offer high-quality customer service while making the best possible use of our resources.

Our long-term partnerships with customers are based on a high level of trust and cooperation, which also contributes to our overall performance. The best performances are recognized by customers with awards for supplier performance. We are proud to have received this recognition on numerous occasions over the years. In 2025, we once again received several supplier awards for providing world-class support in areas such as quality, service, technology, and sustainability.

We have sales and application technology specialists at all locations to ensure competent and fast on-site support for our customers. We mainly sell our products directly to customers who manufacture semiconductor components themselves. Key account teams, consisting of employees from the areas of sales, application technology, process technology, quality management and logistics, maintain close relationships with our customers.

By working closely with our customers, we help them to continuously improve and develop their products and solutions. At the same time, we receive important feedback on our products, which we use to guide our technology development.

Economic and legal influences

We sell our wafers to customers in the semiconductor industry worldwide. This means we are subject to the cyclical fluctuations that are typical for this industry. However, the timing and magnitude of these fluctuations can vary significantly. Additionally, more than six months may elapse between changes in end markets and their impact on our production. We take account of expected developments in our business planning at an early stage using selected leading indicators, such as commodity prices, customers' ordering behavior, our capacity utilization, and production and unit sales forecasts for the semiconductor industry.

Exchange rate volatility caused by trade relationships between currency areas has an operational impact on our sales and earnings because we generate nearly 80 percent of our sales in US dollars, but we incur the bulk of our costs in euros. We are trying to reduce the effect of changes in foreign exchange rates by increasing the production in Singapore, which correlates closely with the US dollar. Furthermore, we enter into hedging instruments to mitigate exchange rate fluctuations.

Siltronic's costs are affected by wage and salary increases and by changes in the cost of materials and energy costs. Our main raw material is polysilicon, most of which we obtain from Wacker Chemie AG on the basis of long-term supply agreements. We use a variety of supplies in our manufacturing processes, e.g. slurries and sawing wire. As far as possible, we try to procure our materials from multiple suppliers.

We increase our profitability by taking steps to optimize processes in all functional units. We use ongoing cost-reduction programs in order to proactively identify and unlock potential for improvement. As part of these programs, we systematically track projects to increase efficiency. New ideas are prioritized and their implementation monitored in regular steering committee meetings.

As a global company, we are subject to various legal and tax regulations that we have to take into account in our business operations. These include product liability laws and employment requirements, as well as foreign trade and patent law.

Increasing trade barriers and sanctions as well as other protectionist and politically motivated obstacles, particularly with regard to the intensification of the economic disputes between China and the USA, may have an impact on our sales markets. We continuously monitor geopolitical developments and have developed plans and measures to minimize the impact on our business processes and to ensure compliance with all legal requirements at all times.

We also keep a particularly close eye on the logistics chains and our suppliers and evaluate opportunities and risks on a regular basis.

Competitive situation

There is a great deal of global competitive pressure in the market for silicon wafers for the semiconductor industry, which is characterized by a high concentration of wafer suppliers. Our main competitors are the two Japanese manufacturers Shin-Etsu and SUMCO Corporation, as well as GlobalWafers (Taiwan) and SK Siltron (South Korea).

These five largest manufacturers, together with Siltronic, meet roughly 75 percent of global demand. Customers are working closely with manufacturers on the development of new wafers. We expect to be able to benefit even more from this trend in the future due to our excellent access to customers.

According to the SEMI industry association, Siltronic had a stable market share in 2025 in terms of sales compared to the previous year.

Risks to our business arising from the economic and legal environment are presented in the risk report on [page 37](#).

Corporate strategy and corporate management

Our short- and medium-term strategic objective is the sustainable expansion of our business activities. To achieve this goal, we will continue to invest heavily in technology and quality, pursue our programs for operational excellence and cost reduction, and expand our capacities in line with market growth. Maintaining high profitability and stable cash flows also remains a key focus. All of this supports our goal of being one of the top three wafer manufacturers in the Leading Edge and Power segments.

We adjust our strategy and operational actions as needed to reflect the respective market conditions in order to maintain and continuously strengthen our position as one of the world's leading high-tech wafer manufacturers. In 2025, we further developed our strategy. The newly formulated vision "We create the foundation of your digital life", underscores our commitment to providing the basis for chips, and thus for digital life, with our wafers. The five Siltronic values – customer focus, curiosity, courage, performance, and integrity – form the foundation of our strategy and our objectives.

The discontinuation of the production of polished and epitaxial wafers with a diameter of up to 150 mm at the Burghausen site in 2025 represents a change in Siltronic's strategic direction compared to the previous year.

Megatrends creating a sustained increase in the use of our high-quality hyperpure silicon wafers

Customer requirements in the semiconductor industry are changing all the time, driven primarily by global megatrends such as Artificial Intelligence, Digitalization, and Electromobility. The constant improvements in functionality and energy efficiency are based on semiconductor manufacturers' continuous improvements to the components used in these applications, for example in smartphones, driver assistance systems in motor vehicles, and industrial automation. These developments typically go along with increasing performance requirements for the raw materials used. For example, smaller design rules for components are only possible if the silicon wafers used meet the corresponding geometry requirements.

We therefore expect that demand for highly developed wafers, so-called leading edge wafers, will continue to grow. We want to seize these growth opportunities with innovative strength and a strong focus on quality, technology, and operational excellence. In doing so, we focus on value-adding solutions and actively support our customers as a reliable partner in meeting new requirements.

Power Strategy

In the field of Power semiconductors, we aim to consolidate our strong market position and continue to successfully accompany attractive growth markets. To achieve this, we are adopting a focused and differentiated approach to address the specific characteristics of each Power sub-segment.

Synergies through standardized production processes

We have many years of experience in the production of 300 mm wafers, and we have built state-of-the-art production fabs for the volume production of these wafers at our German sites in Freiberg (Saxony) and Burghausen (Bavaria) as well as in Singapore. Standardized processes and largely identical machinery ensure knowledge transfer between our production sites. This enables us to improve processes quickly and easily, and to simplify the qualification process for our customers.

Our success factors: global presence and innovative strength

We want to offer solutions with enhanced product capabilities and quality that can be used in our customers' current and future applications.

The products required in our target markets are highly sophisticated. Examples of applications for silicon wafers are Artificial Intelligence, computers, tablets, smartphones, assistance and control systems in the automotive industry, or wearables. We provide our customers worldwide with specified, high-quality products. Apart from the Czochralski process we use the float zone technology to grow ingots for the production of wafers up to 200 mm in diameter. We continuously improve our innovative strength and place a high priority on research and development (R&D).

Ongoing optimization of our production processes and cost structures

Our strategic objectives are to improve profitability and to strengthen cash flow. We support and steer our efforts to achieve these objectives in a variety of ways. These include cost and capex discipline and continuous improvement of processes in all functions and regions.

Securing sustainable profitable growth

To support further market growth, we have built a new state-of-the-art fab in Singapore for 300 mm wafers and are also investing in new equipment at other sites to meet the highest demands of our customers.

Use of Artificial Intelligence (AI)

Artificial Intelligence (AI) is an important part of our corporate strategy and is firmly embedded in the "Technology & Innovation" pillar. We are continuously expanding the use of AI. For example, we have been using machine learning for automated process control and optimization for many years. In quality assurance, automated pattern recognition based on measurement data is used for defect detection. Predictive maintenance is applied to automatically identify error patterns and initiate the necessary maintenance work on process equipment.

Constant monitoring of selected financial and non-financial key performance indicators

The Executive Board essentially bases its management of Siltronic on financial performance indicators.

The most important financial performance indicators in 2025 were EBIT, EBITDA margin and net cash flow.

High profitability is one of the key targets and metrics for the Executive Board. EBIT and EBITDA are used as key performance indicators. EBITDA is defined as earnings before interest and taxes, EBITDA as EBIT excluding depreciation, amortization, impairment losses and reversals thereof. We use the EBITDA margin to compare ourselves with competitors.

Another key performance indicator is net cash flow. Net cash flow is defined as free cash flow (cash flow from operating activities less cash outflows/inflows for capital expenditure in property, plant and equipment and intangible assets) excluding increases or decreases due to prepayments from customers or suppliers. The exclusion of timing differences due to prepayments helps to assess the extent to which a company can finance its investments in property, plant and equipment and intangible assets through its operating business. By focusing on this figure, we ensure that Siltronic's financial solidity is maintained in the future.

Our goal is to achieve positive net cash flow in our capital-intensive business. 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, trade receivables and contract assets less trade payables. Customer prepayments are not included in net working capital.

All financial performance indicators are planned throughout the Group and monitored on an ongoing basis. We measure deviations between planned and achieved targets monthly at Group level and in all local companies. Key performance indicators are analyzed monthly and quarterly. We also regularly review detailed business planning and forecast specific business developments based on available monthly and quarterly results.

The above-mentioned key performance indicators are supplemented by further financial performance indicators. These include sales, capital expenditures and net financial assets/debt. Net financial debt include long- and short-term loan liabilities minus cash and cash equivalents as well as long- and short-term securities and fixed term deposits (investments). Restricted securities are not included. If cash and cash equivalents and investments exceed loan liabilities, the excess is presented as net financial assets.

Non-financial performance indicators primarily relate to CO₂ intensity (climate protection), recycling of water and waste, occupational safety, and human rights in the supply chain. We do not consistently use any of these indicators to manage the business.¹

¹ The non-financial KPIs of the non-financial report have been audited with limited assurance in accordance with International Accounting Standard on Assurance Engagements (ISAE) 3000 (Revised). The corresponding separate assurance certificate of the auditor is also included in the annual report.

Business report

Macroeconomic situation and industry trends

According to analyses by the International Monetary Fund (IMF), the global economy was nearly stable in 2025, resulting from opposing factors: trade-policy pressures were balanced by rising investment in technology and Artificial Intelligence. Global growth remained unchanged at 3.3 percent in 2024 and 3.3 percent in 2025, according to the latest forecast from January 2026. The IMF reported that the global inflation rate was about 5.8 percent in 2024 and is expected to decrease to 4.1 percent in 2025.

Economic growth in the Eurozone increased from 0.9 percent in the previous year to 1.4 percent in the financial year 2025. The subdued growth in the euro area is mainly attributable to persistent structural challenges, a comparatively weaker technology-driven investment momentum, and continued pressure from energy prices as well as the appreciation of the euro. Germany recorded economic growth of 0.2 percent in 2025, following a decrease of 0.5 percent in 2024.

According to the IMF, the gross domestic product (GDP) of the American economy increased by 2.1 percent in 2025 (2024: 2.8 percent).

The Japanese economy saw a growth of 1.1 percent in 2025, after a significant decline of -0.2 percent in the previous year.

China's GDP growth in 2025 was 5.0 percent, remaining at the previous year's level (2024: 5.0 percent). Growth is supported by economic stimulus measures and additional investment-oriented lending by state-owned banks.

The market for silicon wafers for the semiconductor industry, based on the members of the industry organization SEMI and measured by the globally sold area, increased by 5.8 percent in 2025 (2024: 2.7 percent decline).

Sources: IMF (World Economic Outlook update, January 2026 and January 2025), SEMI SMG (Press release from February 10, 2026)

Significant events

Construction of a 300 mm fab in Singapore

In July 2021, we decided to build a second 300 mm fab at the Group site in Singapore to support market demand and the expansion projects of key customers. The fab began operations at the beginning of 2024 and will be gradually ramped up over several years. In the financial year 2025, our focus was on completing key customer qualifications. This marked the start of depreciation for major parts of the fab as planned in August 2025.

The investment was financed through our own funds from past and future operational cash flows, customer prepayments, and external financing. In total, three loans were taken in 2022, consisting of a promissory note loan, a loan from the European Investment Bank, and an additional loan. In 2023, another loan agreement was concluded, consisting of a term loan and a revolving credit facility, which was partially drawn in 2024 and 2025. Furthermore, another promissory note loan was placed for refinancing in September 2024, which was paid out in October 2024. In October and December 2025, the first contractual partial repayments of loans drawn in 2022 were made.

The effects of the investments on the net assets and financial position, the opportunities and risks and the forecast are explained separately in the relevant chapters.

Decision to cease production of "Small Diameters" at the Burghausen Site

In March 2024, we decided to gradually cease production of polished and epitaxial wafers with a diameter of up to 150 mm at the Burghausen site. The implementation was completed on July 31, 2025.

Despite this decision, the Burghausen site remains of crucial importance to Siltronic. In addition to being the global technology and research and development center, it also produces 300 mm wafers and 200 mm high-purity silicon ingots.

The impact on earnings is minimal. There are no significant impacts on opportunities and risks. The impacts on the forecast are detailed in the respective chapter.

Comparison of actual and guided business performance

The increasing momentum in the end markets over the course of the year and the resulting stronger demand for 300 mm products were offset by several adverse factors in 2025. The shutdown of the SD line during the reporting year impacted sales development as expected and accounted for roughly one third of the sales decline, while the remaining decrease was attributable to additional factors. These included, in particular, an unfavorable product mix, partly due to continued high inventory levels in the Power segment, the significant depreciation of the US dollar against the euro, and ongoing price pressure outside existing long-term agreements.

As part of the 2024 Annual Report, sales were expected to be in line with the previous year, based on an exchange rate assumption of EUR/USD 1.08. The guidance for the EBITDA margin was between 22 and 27 percent. Due to the start of depreciation for major parts of the fab in Singapore, depreciation was expected to increase significantly to between EUR 380 million and EUR 440 million, resulting in a substantial decline in EBIT. The expected level of capital expenditure was also reduced to between EUR 350 million and EUR 400 million, which in turn was expected to lead to a significantly improved net cash flow, although it was still anticipated to remain clearly negative.

Due to external factors that increasingly dampened performance over the course of the year, the guidance for the EBITDA margin was revised in the Q1 release. The Company now expected an EBITDA margin of 21 to 25 percent. The guidance for the remaining key figures remained unchanged.

With the release of the Q2 results, the guidance was updated based on an adjusted exchange rate assumption for the second half of the year (as of July 29, 2025: 1.15 EUR/USD). The Executive Board now expected sales for the full year 2025 to be in the mid-single-digit percentage range below the previous year. The expected development of depreciation improved to EUR 340 million to EUR 400 million due to a weakening of the Singapore dollar and improved insights gained over the course of the year, while the guidance for the other key figures remained unchanged.

In Q3, the guidance for the second half of the year was further refined: the EBITDA margin was adjusted to 22 to 24 percent, and the exchange rate assumption to 1.17 EUR/USD for H2 2025. Despite this less favorable exchange rate development, the sales guidance remained unchanged. The ranges for depreciation (EUR 340 million to EUR 360 million) and capital expenditure (EUR 360 million to EUR 380 million) were also narrowed. Expectations for EBIT and net cash flow remained unchanged.

With sales of EUR 1,346.7 million in 2025, the decline of -4.7 percent compared to the previous year was within the adjusted guidance. The EBITDA margin was at 23.5 percent, also within the adjusted guidance. In line with the guidance, EBIT of EUR -26.4 million, as expected, was also significantly lower than in the previous year.

Depreciation and capital expenditure were also within the guided ranges. At EUR -85.3 million, net cash flow improved significantly compared to the previous year (EUR -297 million), as expected, but remained significantly negative.

Comparison of actual and guidance business performance

	2024 actual	Annual Guidance March 6, 2025 (Annual Report)	Guidance April 30, 2025 (Q1 2025)	Guidance July 29, 2025 (Q2 2025)	Guidance October 28, 2025 (Q3 2025)	2025 actual
EBITDA margin in %	25.8	22 to 27 percent	21 to 25 percent	unchanged	22 to 24 percent	23.5
EBIT in EUR million	125.2	significant decline	unchanged	unchanged	unchanged	-26.4
Net cash flow in EUR million	-297.0	considerably improved compared to the previous year, but remains significantly negative	unchanged	unchanged	unchanged	-85.3
Sales in EUR million	1,412.8	the region of the previous year, no growth compared to the previous year expected (EUR/USD: 1.08)	unchanged	in the mid-single-digit percentage range below the previous year (EUR/USD: 1.15 for H2 2025)	in the mid-single-digit percentage range below the previous year (EUR/USD: 1.17 for H2 2025)	1,346.7 -4.7 percent
Depreciation in EUR million	238.5	EUR 380 to 440 million	unchanged	EUR 340 to 400 million	EUR 340 to 360 million	343.3
Investments in EUR million	523.4	EUR 350 to 400 million	unchanged	unchanged	EUR 360 to 380 million	369.1

Overall statement by the Executive Board on business performance and the economic position

The demand for wafers is highly dependent on the development of end markets, albeit with a certain time lag. Overall, the global end markets grew by 5.8 percent in the reporting year.

Increasing market momentum in end markets over the course of the year led to stronger demand for 300 mm products. This was driven by a significant increase in demand for servers fueled by Artificial Intelligence applications and an increase in PC demand supported by the release of Windows 11. These positive developments in the 300 mm sector resulted in increased wafer area sold at Siltronic.

However, the increase in volume was insufficient to offset pricing pressure outside of existing long-term agreements and negative product mix developments. Additionally, the closure of the SD line in 2025 and the significant depreciation of the U.S. dollar negatively impacted sales. From 2024 to 2025, the US dollar weakened from an average exchange rate of 1.08 to 1.13 per EUR.

Although the aforementioned influences had a significant impact on our results, we once again demonstrated our resilience in the past financial year. Considering the limited influence we had over the external circumstances, the development of the 2025 financial year was satisfactory.

In 2025, we generated sales of EUR 1,346.7 million, which corresponds to a decrease of 4.7 percent compared to the previous year (2024: EUR 1,412.8 million). The EBITDA margin reached 23.5 percent (2024: 25.8 percent), remaining at a solid level, supported in part by the cost measures implemented.

Capital expenditure, which continued to focus on the new 300 mm fab in Singapore, remained high in the reporting year. However, compared to the previous year, we significantly reduced it to EUR 369.1 million (2024: EUR 523.4 million). The lower level of capital expenditure was also a key factor behind the improved net cash flow, which amounted to EUR -85.3 million (2024: EUR -297 million). Net financial debt increased to EUR 836.5 million at year-end (2024: EUR 733.5 million) as a result of high capital expenditure payments that could not be offset by the cash flow from operating activities.

The year 2025 was also characterized by major customer qualifications at the new 300 mm fab in Singapore. As a result, depreciation of significant parts of the fab began in August 2025, which led to a substantial planned reduction in EBIT compared to the previous year (2025: EUR -26.4 million, 2024: EUR 125.2 million). The ramp of the fab is progressing with capacity aligned to market conditions.

For 2026, we again expect growing end markets, driven by continued Artificial Intelligence momentum. Offsetting this, however, is a further depreciation of the US dollar against the euro in 2026 compared to 2025 (assumption: 1.18 US dollars per EUR). In addition, we assume that inventories in the Power segment will initially remain high and that the ongoing pricing pressure outside our long term agreements will continue to have a negative impact.

This assessment is based on the results of the 2025 consolidated and individual financial statements and takes into account the business development up to the time of the preparation of the 2025 combined management report.

We remain convinced of the ongoing growth drivers of the semiconductor industry. We expect that megatrends such as Artificial Intelligence, Digitalization, and Electromobility will significantly increase the demand for semiconductors and thus wafers. Additionally, the new fab, due to its advantageous cost structure, will significantly improve the Company's profitability.

Financial position and financial performance

Sales and earnings development

Positive volume development is offset by negative effects from sales prices, product mix and exchange rates

		2025	2024	Change	Q4 2025 ¹	Q3 2025 ¹	Q4 2024 ¹	Change	
								Q4 to Q3	Q4 to Q4
Sales	in EUR million	1,346.7	1,412.8	-66.1	371.6	300.3	360.6	71.3	11.0
	in %			-4.7				23.7	3.1

¹ Quarterly figures are unaudited

Annual comparison

In the financial year 2025, consolidated sales decreased from EUR 1,412.8 million in the previous year to EUR 1,346.7 million. This represents a decline of 4.7 percent or EUR 66.1 million.

Since we predominantly invoice our sales in US dollars, a stronger or weaker US dollar against the euro has a decisive impact on sales performance. In the full-year average 2025, the euro traded at 1.13 against the US dollar, compared with 1.08 in the previous year. The US dollar, which was 4 percent weaker year-over-year, significantly weighed on Siltronic's sales.

In addition, the closure of the SD production line during 2025 contributed roughly one third to the decline in sales. Furthermore, price effects outside existing long-term agreements as well as an unfavorable product mix had a negative impact on the sales level. In contrast, the wafer area sold developed positively in the reporting year. However, the wafer area sold, which was significantly above the previous year's level, could not offset the negative effects mentioned above.

In terms of regional distribution, Asia was the most important region in the reporting year, as in the previous year. Sales generated with Asian customers accounted for 76 percent (previous year: 73 percent). Europe ranked second with 12 percent (previous year: 16 percent), followed by the US with 10 percent (previous year: 9 percent).

Sequential quarterly comparison¹

The strong sales performance in Q4 2025 was due to announced delivery volume shifts from Q3 2025 into Q4 2025. The wafer area sold in the fourth quarter was significantly higher than in the previous quarter.

The US dollar exchange rate versus the euro did not have a significant impact on the sequential quarter-over-quarter comparison. In the final quarter, the average exchange rate for the US dollar against the euro was 1.16 (average rate Q3 2025: 1.17; Q2 2025: 1.13; Q1 2025: 1.05).

Cost of sales increased due to investment-related higher depreciation

		2025	2024	Change	Q4 2025 ¹	Q3 2025 ¹	Q4 2024 ¹	Change	
								Q4 to Q3	Q4 to Q4
Cost of sales	in EUR million	1,235.5	1,137.4	98.1	371.9	303.9	295.1	68.0	76.8
	in %			8.6				22.4	26.0
Gross profit	in EUR million	111.2	275.4	-164.2	-0.3	-3.6	65.5	3.3	-65.8
	in %			-59.6				-91.7	-100.5
Gross margin	in %	8.3	19.5		-0.1	-1.2	18.2		

¹ Quarterly figures are unaudited

Yearly comparison

Cost of sales increased by EUR 98.1 million to EUR 1,235.5 million year-over-year. The increase is primarily attributable to higher scheduled depreciation resulting from capital expenditure.

Scheduled depreciation increased by EUR 101.8 million year-over-year. By far the largest share of this increase is included in cost of sales. The main driver was the new Fab in Singapore, which led to an increase of EUR 94.7 million in scheduled depreciation.

In addition, cost of sales increased due to the significantly higher wafer area sold. Excluding depreciation, the higher wafer area led to a positive fixed-cost dilution effect on cost of sales. Cost-reduction measures also had a noticeable impact. Labor and energy costs per wafer area decreased significantly. Costs for raw materials, supplies and consumables developed in line with the wafer area sold.

Driven by depreciation, gross profit for 2025 decreased by 59.6 percent to EUR 111.2 million. The gross margin declined from 19.5 percent to 8.3 percent.

Sequential quarterly comparison¹

Gross profit in the fourth quarter of 2025 was driven by the strong sales increase resulting from the higher wafer area and by significantly higher depreciation.

Expenses for selling, R&D and administration at around 11 percent of sales

In EUR million	2025	2024	Change	Q4 2025 ¹	Q3 2025 ¹	Q4 2024 ¹	Change	
							Q4 to Q3	Q4 to Q4
Selling expenses	31.9	32.3	-0.4	8.0	7.9	7.8	0.1	0.2
R&D expenses	78.3	83.1	-4.8	22.3	17.4	19.8	4.9	2.5
Administration expenses	35.8	35.4	0.4	9.4	8.4	9.0	1.0	0.4
Total	146.0	150.8	-4.8	39.7	33.8	36.7	5.9	3.0
In % of sales	10.8	10.7		10.7	11.3	10.2		

¹ Quarterly figures are unaudited

The expenses for selling, research and development (R&D) and administration were EUR 146 million in the reporting year (previous year: EUR 150.8 million). This represents 10.8 percent of sales compared to 10.7 percent in the previous year. Year-over-year, expenses

for selling and R&D decreased roughly in line with sales. General administrative costs, however, increased slightly compared to the previous year.

As in the previous year, there was no material impact from exchange rates on other operating income and expense

In EUR million	2025	2024	Change	Q4 2025 ¹	Q3 2025 ¹	Q4 2024 ¹	Change	
							Q4 to Q3	Q4 to Q4
Balance of exchange rate effects	0.3	-0.3	0.6	2.7	3.2	-0.4	-0.5	3.1
Rest of other operating income and expenses	8.1	0.9	7.2	3.6	2.8	-1.0	0.8	4.6
Balance of other operating income and expenses	8.4	0.6	7.8	6.3	6.0	-1.4	0.3	7.7

¹ Quarterly figures are unaudited

To mitigate risks arising from exchange rate developments, we implement measures to hedge currencies.

Exchange rate effects from hedging activities are included in other operating income and other operating expenses. Such income and expense counteract the impact of exchange rate effects on sales and gross margin.

In 2025, there was a net income from exchange rate effects of EUR 0.3 million, compared to expenses of EUR 0.3 million in the previous year.

Sequential Quarterly Comparison¹

In the fourth quarter of 2025, an exchange rate-related income of EUR 2.7 million was recorded, after EUR 3.2 million in the previous quarter.

EBITDA margin at 23.5 percent

		2025	2024	Change	Q4 2025 ¹	Q3 2025 ¹	Q4 2024 ¹	Change	
								Q4 to Q3	Q4 to Q4
EBITDA	in EUR million	316.9	363.8	-46.9	86.4	65.7	93.0	20.7	-6.6
	in %			-12.9				31.5	-7.1
EBITDA margin	in %	23.5	25.8		23.3	21.9	25.8		
Depreciation, amortization and impairment less reversals									
thereof	in EUR million	-343.3	-238.5	-104.8	-120.0	-97.1	-65.6	-22.9	-54.4
EBIT	in EUR million	-26.4	125.2	-151.6	-33.6	-31.4	27.4	-2.2	-61.0
	in %			-121.1				7.0	-222.6
EBIT margin	in %	-2.0	8.9		-9.0	-10.5	7.6		

¹ Quarterly figures are unaudited

EBITDA 2025 amounted to EUR 316.9 million and was significantly lower than in 2024 with EUR 363.8 million.

The EBITDA margin was 23.5 percent in the reporting year, and thus remained resilient despite the adverse effects from price declines, product mix, and the development of the US dollar.

Depreciation and amortization included in "Depreciation, amortization and impairment less reversals thereof" increased in the financial year 2025 due to investment activities.

The main reasons for the decline in operating result (EBIT) to EUR -26.4 million, a decrease of EUR 151.6 million, are - besides the EBITDA effects - the higher scheduled depreciation resulting from capital expenditure.

Sequential Quarterly Comparison¹

In the fourth quarter, EBITDA increased from EUR 65.7 million to EUR 86.4 million compared to the previous quarter. This is primarily attributable to the strong sales increase resulting from the higher wafer area.

Loans for investments increase interest expenses

		2025	2024	Change	Q4 2025 ¹	Q3 2025 ¹	Q4 2024 ¹	Change	
								Q4 to Q3	Q4 to Q4
In EUR million									
Interest expenses for pension provisions		-4.4	-4.7	0.3	-1.1	-1.1	-1.2	-	0.1
Net result of financial investments		14.7	14.2	0.5	2.9	3.3	5.1	-0.4	-2.2
Interest for loans		-39.9	-28.4	-11.5	-9.3	-9.9	-10.6	0.6	1.3
Other financial result (mainly leasing, derivatives and other provisions)		-8.6	-6.0	-2.6	-3.3	-3.0	-1.8	-0.3	-1.5
Financial result		-38.2	-24.9	-13.3	-10.8	-10.7	-8.5	-0.1	-2.3

¹ Quarterly figures are unaudited

Loans taken out to support the financing of capex in fabs in Germany and Singapore led to a significant increase in interest expenses for loans.

Loss of EUR 78 million in the reporting year

	2025	2024	Change	Q4 2025 ¹	Q3 2025 ¹	Q4 2024 ¹	Change	
							Q4 to Q3	Q4 to Q4
Result before income tax in EUR million	-64.6	100.3	-164.9	-44.4	-42.0	18.9	-2.4	-63.3
Income taxes in EUR million	-13.3	-33.1	19.8	-8.4	-1.9	-20.6	-6.5	12.2
Tax rate in %	-21	33		-19	-5	109		
Result for the period in EUR million	-77.9	67.2	-145.1	-52.8	-43.9	-1.6	-8.9	-51.2
<i>thereof Siltronic shareholders</i>	<i>-69.2</i>	<i>63.0</i>		<i>-44.4</i>	<i>-38.6</i>	<i>-2.5</i>		
<i>thereof other shareholders</i>	<i>-8.7</i>	<i>4.2</i>		<i>-8.4</i>	<i>-5.3</i>	<i>0.8</i>		
Earnings per share in EUR	-2.31	2.10	-4.41	-1.48	-1.29	-0.08	-0.19	-1.40

¹ Quarterly figures are unaudited

In the past financial year, income taxes amounted to EUR 13.3 million (previous year: EUR 33.1 million). The Group's tax rate was -21 percent in the reporting year (previous year: 33 percent). The higher tax rate is due to deferred tax effects.

The scheduled depreciation, which increased by EUR 101.8 million due to capital expenditure, was the main reason for the decline in the annual result by EUR 145.1 million. The net loss of EUR 77.9 million (previous year: profit of EUR 67.2 million) includes EUR -69.2 million attributable to the shareholders of Siltronic AG (previous year: EUR 63.0 million).

Earnings per share were EUR -2.31, compared to EUR 2.10 in the previous year.

Assets and liabilities

The Group's total assets significantly increased to EUR 4,760.9 million on December 31, 2025 (2024: EUR 5,084.4 million).

Non-current assets decreased due to FX effects

In EUR million	Dec. 31, 2025	Dec. 31, 2024	Change
Intangible assets	55.8	34.8	21.0
Property, plant and equipment	3,527.7	3,676.2	-148.5
Right-of-use assets	130.5	144.6	-14.1
Financial investments	2.7	2.7	-
Other assets	18.1	27.9	-9.8
Non-current assets	3,734.8	3,886.2	-151.4

Non-current assets amounted to EUR 3,734.8 million at the end of 2025, or around 78 percent of total assets (previous year: 76 percent). Compared with the end of 2024 (EUR 3,886.2 million), they decreased by EUR 151.4 million which is mainly attributable to the exchange rate of the Singapore dollar against the euro.

Capital expenditure (including intangible assets) totaled EUR 369.1 million (previous year: EUR 523.4 million). They were primarily allocated to the expansion of the new fab in Singapore.

Our capital expenditure projects, in addition to expanding capacity, focus on enhancing cost efficiency, optimizing the product mix, safeguarding capabilities (keeping pace with technological progress), and maintenance.

Depreciation and amortization amounted to EUR 343.3 million in 2025 (previous year: EUR 238.5 million).

As in the previous year, intangible assets include a goodwill arising from a step acquisition in 2014, capitalized development costs, and software costs.

Other non-current assets comprise prepayments on inventories.

Cash and cash equivalents, securities and fixed-term deposits decreased due to the investment-related negative free cash flow

In EUR million	Dec. 31, 2025	Dec. 31, 2024	Change
Inventories	300.8	308.3	-7.5
Trade receivables	124.4	155.6	-31.2
Other assets	69.6	70.6	-1.0
Cash and cash equivalents and fixed-term deposits	531.3	663.7	-132.4
Current assets	1,026.1	1,198.2	-172.1

Current assets amounted to EUR 1,026.1 million as of December 31, 2025, compared to EUR 1,198.2 million in the previous year. They accounted for around 22 percent of total assets (previous year: around 24 percent).

As in the previous year, finished and unfinished goods continued to represent the largest share of inventories.

Trade receivables decreased at the reporting date, driven by the expanded use of a receivables purchase program, developments in invoicing currencies (in particular the US dollar versus the euro), and shorter debtor turnover periods.

Other current assets primarily include tax receivables, prepaid expenses, and the fair values of derivatives.

Net working capital amounted to EUR 182.5 million as of 31 December 2025 (previous year: EUR 183.4 million).

The decline in cash and cash equivalents, securities and fixed-term deposits was primarily driven by the investment-related negative free cash flow.

Equity ratio of 43 percent

In EUR million	Dec. 31, 2025	Dec. 31, 2024	Change
Equity	2,028.3	2,215.2	-186.9
Pension provision	124.8	134.1	-9.3
Loan liabilities	1,246.2	1,303.8	-57.6
Customer prepayments	506.5	508.6	-2.1
Lease liabilities	127.1	137.0	-9.9
Other liabilities	218.5	215.4	3.1
Non-current liabilities	2,223.1	2,298.9	-75.8

Equity amounted to EUR 2,028.3 million as of December 31, 2025 (previous year: EUR 2,215.2 million). The equity ratio was thus 43 percent compared to 44 percent as of 31 December 2024.

The development of equity is shown in the following table:

In EUR million	
Equity December 31, 2024	2,215.2
Net loss	-77.9
Dividend	-6.0
Other comprehensive income: remeasurement of DBO, mainly due to decrease in interest rate	19.3
Other comprehensive income: foreign currency valuation	-131.0
Other comprehensive income: changes of derivative financial instruments	8.7
Equity December 31, 2025	2,028.3

Non-current liabilities amounted to EUR 2,223.1 million as of December 31, 2025 (previous year: EUR 2,298.9 million); they account for around 47 percent (previous year: around 45 percent) of total liabilities and equity. The decrease of EUR 75.8 million was mainly attributable to loan liabilities. For existing loan liabilities, reclassifications from non-current to current financial liabilities

occur in line with the respective remaining maturities. In addition to the loans utilized, there are unused credit lines amounting to EUR 127 million, which are currently not intended to be utilized.

Pension provisions slightly decreased year-over-year. This is due to an increase in interest rates in Germany from 3.46 percent to 4.26 percent. In the USA, the interest rate declined from 5.37 percent at year-end 2024 to 5.16 percent at year-end 2025.

Siltronic received prepayments in previous years and in the reporting year due to long-term agreements with customers. This is primarily related to the expansion of our production capacities in Singapore. The contracts obligate customers to purchase wafers over several years. Depending on the purchases of wafers by these customers, Siltronic must refund the received prepayments.

The long-term lease liabilities primarily relate to lease agreements for land and machinery. Additionally, there are a smaller number of assets provided through lease agreements.

The other long-term liabilities primarily include deferred income from investment grants received, personnel-related provisions (such as for partial retirement and long-service awards), as well as environmental obligations.

Trade payables decreased due to lower investment activity

In EUR million	Dec. 31, 2025	Dec. 31, 2024	Change
Trade liabilities	242.7	280.5	-37.8
Loan liabilities	109.1	75.2	33.9
Customer prepayments	9.5	57.3	-47.8
Lease liabilities	6.8	7.3	-0.5
Other provisions and liabilities	141.4	150.0	-8.6
Current liabilities	509.5	570.3	-60.8

Current liabilities totaled EUR 509.5 million as of December 31, 2025, representing around 11 percent of total assets (previous year: around 11 percent).

The decrease in trade payables was mainly attributable to lower investment-related payables. Assignments of trade payables to a financing partner reduced the balance-sheet item by EUR 5.4 million year-over-year. The obligations arising from these assignments are included in other non-current liabilities.

The short-term loan liabilities are loans that are scheduled to mature in 2026.

The short-term customer prepayments reflect the portion of customer prepayments that are expected to be delivered within one year. The repayment is linked to deliveries or revenue.

Other liabilities primarily include assignments of trade payables amounting to EUR 46.0 million (previous year: EUR 40.6 million), the short-term portion of personnel liabilities (vacation, overtime, performance-based compensation), as well as tax liabilities and negative market values from derivatives.

Influence of exchange rate fluctuations and acquisitions on balance sheet

The exchange rate fluctuations on the change in the carrying amounts of assets and liabilities located outside Germany (impact from translation shown in equity) decreased by EUR 131.0 million compared to the previous year.

There were no acquisitions of a company or a business.

Free and net cash flow negative as expected due to high capex

In EUR million	2025	2024	Change
Cash flow from operating activities	230.1	344.5	-114.4
Proceeds/payments for capital expenditure including intangible assets	-341.3	-667.5	326.2
Free cash flow	-111.2	-323.0	211.8
Increase/decrease of prepayments received (customer prepayments)	25.9	26.0	-0.1
Net cash flow	-85.3	-297.0	211.7
Proceeds/payments for capital expenditure including intangible assets	-341.3	-667.5	326.2
Proceeds/payments from financial investments (fixed-term deposits, securities)	163.6	-292.3	455.9
Cash flow from investing activities	-177.7	-959.8	782.1
Dividends	-6.0	-36.0	30.0
Proceeds from loans	53.0	569.0	-516.0
Repayment of loans	-62.4	-	-62.4
Principle portion of lease payments	-6.2	-7.4	1.2
Proceeds/payments from other financing liabilities	5.4	-	5.4
Cash flow from financing activities	-16.2	525.6	-541.8

Net cash flow from operating activities

We generated a net cash flow from operating activities of EUR 230.1 million in 2025, compared to EUR 344.5 million in the previous year.

In the reporting year, free cash flow was negatively impacted by prepayments amounting to EUR 25.9 million. The amount is a net figure from inflows and repayments of prepayments. In the previous year, the negative impact was almost identical at EUR 26 million.

Cash inflow/outflow for capital expenditure and free cash flow

Cash outflows for capital expenditure including intangible assets decreased from EUR 667.5 million in 2024 to EUR 341.3 million in 2025. As in the previous year, the high payments could not be fully financed from the cash flow from operating activities.

The free cash flow (cash inflow from operating activities after deduction of proceeds/payments for capital expenditure including intangible assets) was significantly negative at EUR -111.2 million, but it has improved considerably compared to the previous year (2024: EUR -323.0 million).

Unrecognized intangible assets

We consider the confidence of our customers in the quality of existing products as well as in the ability of Siltronic to adapt existing products to the continuously increasing technical requirements of customers as an important factor for a successful business. To be able to identify and properly assess the future technical requirements of our customers at an early stage, we rely primarily on our own worldwide sales network, which maintains mature customer relationships.

Furthermore, we see our long-standing expertise in research and development as a competitive advantage.

Net cash flow is significantly negative due to investments

Since prepayments from customers and suppliers, due to their size and irregularity, affect the significance of cash flow from ordinary business activities, Siltronic uses net cash flow as a control measure. Further details on this control measure can be found in the chapter "Corporate Strategy and Management."

In the reporting year, net cash flow showed a cash outflow of EUR 85.3 million (previous year: EUR 297 million). The reason was the continued high payments for capex.

Cash inflow/outflow for financial investments

In addition to cash outflows for capex including intangible assets, cash inflows and outflows for cash investments (time deposits and securities) are included in cash flow from investing activities. In 2025, net cash inflows due to cash investments had a volume of EUR 163.6 million (previous year: net outflow of EUR -292.3 million). After net inflows, the group held securities and fixed-term deposits totaling EUR 204.9 million as of December 31, 2025. These were in addition to cash and cash equivalents amounting to EUR 329.1 million.

Cash flow from financing activities

In 2025, EUR 0.20 per share was distributed to the shareholders of Siltronic AG (previous year: EUR 1.20).

Proceeds from loans amounting to EUR 53.0 million resulted from the drawdown of funds under long-term loan agreements. Scheduled repayments of loans totaled EUR 62.4 million during the financial year.

Financial management

Principles and objectives

The objective of Siltronic's financial management is to optimize cash flows and to ensure that financial risks (mainly currency effects) are hedged in accordance with our policy. Derivatives are used to hedge cash inflows and outflows resulting from receivables and liabilities, variable interest rates and oil prices.

As the Group's parent company, Siltronic AG is significantly involved in the financing of its subsidiaries. Financing is managed from the Group perspective.

Net financial debt at EUR 836.5 million

The high investments at the end of 2023, some of which were not due for payment until 2024, and the continued elevated level of investment led to payments for capex including intangible assets amounting to EUR 380.1 million, significantly exceeding the balance sheet additions for the reporting year (EUR 369.1 million). Since the cash flow from operating activities could not offset the payments, net financial debt increased by EUR 103.0 million. This also includes the dividend of EUR 6.0 million paid to Siltronic AG shareholders in May 2025. As of December 31, 2025, net financial debt stood at EUR 836.5 million (December 31, 2024: net financial debt of EUR 733.5 million).

In EUR million	Dec. 31, 2025	Dec. 31, 2024	Change
Cash and cash equivalents	-329.1	-297.1	-32.0
Securities and time deposits	-204.9	-369.3	164.4
Restricted Funds	2.7	2.7	-
Nominal value of loan liabilities including interest	1,367.8	1397.2	-29.4
Net financial debt	836.5	733.5	103.0

Liquidity management

Our aim is to pool Group companies' surplus liquidity and, while ensuring solvency at all times, to optimally allocate this money within the Group or to invest it externally. For this purpose, we use a treasury management system that provides us with an overview of each subsidiary's cash status at all times.

Summary of financial position

Due to the very high payments for capex including intangible assets during the reporting year, net financial debt as of the reporting date is EUR 836.5 million (previous year: EUR 733.5 million).

Limitation of financial risk

To limit Siltronic's currency risk, we have defined a strategy for entering into currency hedging transactions. We refer to this as "hedging strategy". Currency hedging transactions include futures, swaps and options. Expenses and income are recognized in accordance with the rules on hedge accounting under IFRS (reported in the statement of profit or loss in other comprehensive income).

Other core components of our policy for limiting financial risk are the clear definition of process responsibility, multi-level approval processes, risk assessments and audits.

Siltronic AG

In addition to the information on the Siltronic Group, we report on the performance of Siltronic AG. The annual financial statements of Siltronic AG are prepared in accordance with the regulations of the German Commercial Code (HGB). The complete set of financial statements including related documents is published separately.

As the parent company of the Siltronic Group, Siltronic AG is responsible for overall strategic management, financing and communication with the capital market and shareholders.

Siltronic AG is an operating company. Wafers and the intermediate product ingot are manufactured at the two German production sites in Burghausen and Freiberg. In addition, Siltronic AG has sales entities in the form of permanent establishments in Taiwan, France and Italy and a permanent establishment in Singapore, whose activities are limited to providing engineering services to Siltronic group companies in Singapore.

The company realizes its sales on the one hand from self-produced products (wafers and ingots) and on the other from reselling wafers. Revenues generated in Singapore from engineering services are not significant.

The company sells wafers either to end customers (third parties) or to subsidiaries. Siltronic AG bills end customers if the end customer is (i) located in Europe or (ii) in Taiwan or if (iii) the customer explicitly wishes to purchase from Siltronic AG. In all other cases, Siltronic AG sells wafers to subsidiaries, which act as distributors and sell the wafers to end customers. Ingots are sold exclusively to subsidiaries.

In the distribution business, subsidiaries with manufacturing sell their wafers to Siltronic AG, which acts as a reseller. In these cases, Siltronic AG bills end customers located in (a) Europe or (b) Taiwan or if (c) a customer explicitly wishes to purchase from Siltronic AG.

Results of operations of Siltronic AG in accordance with the German Commercial Code (HGB)

In EUR million	2025	2024	Change	
			Amount	in %
Sales	1,011.6	1,099.0	-87.4	-8
Changes in inventories and other own work capitalized	19.3	17.0	2.3	14
Total operating output	1,030.9	1,116.0	-85.1	-8
Cost of materials	-557.0	-550.9	-6.1	1
Labor costs	-255.8	-259.9	4.1	-2
Depreciation, amortization, and impairment	-146.6	-127.8	-18.8	15
Other net operating expenses and income	-152.2	-179.2	27.0	-15
Result before dividend income from subsidiaries	-80.7	-1.8	-78.9	4,383
Dividend income from subsidiaries	1.6	-	1.6	100
EBIT	-79.1	-1.8	-77.3	4,294
EBITDA	67.5	126.0	-58.5	-46
Interest income/expenses	-14.9	-13.1	-1.8	14
Result before income taxes	-94.0	-14.9	-79.1	531
Income taxes and other taxes	-0.3	1.6	-1.9	-119
Profit or loss	-94.3	-13.3	-81.0	609

In order to understanding Siltronic AG's financial performance it is crucial to separate the results of its own production of wafers and ingots from the results situation of the trading business. The trading business relates exclusively to wafers that subsidiaries have manufactured. For further information, please refer to the paragraphs preceding the table.

Although the wafer trading business has a significant impact on sales and cost of materials, neither EBIT nor EBITDA of the company are significantly affected. The main reason for this is that the trading business shows a low margin in line with its low risk profile. The selling price of a wafer subject to resale recorded in the line item 'sales' is only slightly higher than the purchase price recorded under 'cost of materials'. In addition, as there are only minor fixed costs associated with the trading business, the annual changes in EBIT and EBITDA in the statutory financial statements (prepared in accordance

with German commercial law) depend on the result of own production of wafers and ingots and on income from investments. (Siltronic AG can participate in the financial performance of all major foreign subsidiaries through its investment company Siltronic Holding International B.V., Netherlands, by way of dividends. The Executive Board of Siltronic AG exercises this option by determining the amount of dividends to be paid by Siltronic Holding International B.V. to Siltronic AG each year on the basis of business considerations.) This also applies to the EBITDA margin, which excludes trading activities as performance indicator.

The year-over-year decrease in sales of EUR 87.4 million in the statutory accounts of Siltronic AG is attributable to the company's own production of wafers and ingots. Around one third was attributable to the closure of the SD production line. The decrease was further driven by prices in invoicing currencies and by the unfavorable

development of the US dollar against the euro. (Group-wide, prices also declined, and the US dollar exchange rate had a negative impact.)

In the financial statements of SAG, 71 percent of total sales comes from customers based in Asia (previous year: 66 percent), 18 percent from customers primarily based in Europe (previous year: 23 percent), and 11 percent from American customers (previous year: 11 percent).

Cost of materials decreased when excluding trading activities, mainly due to lower costs for polysilicon and energy. At Group level, energy costs per wafer area also developed favorably, while polysilicon costs remained unchanged.

Labor costs declined primarily due to lower expenses for variable compensation components. The year-over-year decrease in headcount further supported this cost development. This reduction more than offset the increase in expenses for company pension plans. Personnel expenses in relation to total output from own production rose from 31 percent in the previous year to 36 percent in the reporting year. At the Group level, personnel expenses relative to wafer area sold declined, while the differing development versus the separate financial statements is attributable to the different accounting and valuation of pensions under German commercial law and IFRS.

As in the Group, the higher depreciation is attributable to the increase in capex in property, plant, and equipment over the past few years. Of the total EUR 146.6 million in depreciation, EUR 3.0 million related to impairment losses, which resulted from the closure of a production line.

Other operating expenses and income, net, declined significantly compared to the previous year and were influenced by two key factors. Firstly, service expenses decreased, particularly for information technology, temporary labor, and external services. Secondly, the balance of currency gains and losses (including derivatives) improved by EUR 8.0 million year over year. Both developments were broadly in line with the trends observed at the Group level.

Excluding the trading business, the EBIT margin in the individual financial statements decreased by 4 percentage points. In the consolidated financial statements, the decline was similar at 6 percentage points. The EBITDA margin excluding the trading business showed a comparable development to the consolidated financial statements, with a decrease of 1 percentage point in the individual financial statements and 3 percentage points in the consolidated financial statements.

The cash flow from operating activities in the individual company was significantly positive at EUR 92.9 million (in the Group, this cash flow was also significantly positive at EUR 230.1 million). Disregarding the impact of customer prepayments on cash flow from operating activities, the picture remains unchanged (as in the group). Since cash outflows for capital expenditure in property, plant and equipment and intangible assets were, as in the group, significantly higher than cash flow from operating activities, the net cash flow of Siltronic AG remained negative at EUR -12.3 million, as in the previous year. (The group's net cash flow was also clearly negative, with a cash outflow of EUR -85.3 million.)

The result before taxes was negative (as it was at the group level). As a result, apart from non-income-related taxes, Siltronic AG did not report any tax expenses for 2025. No deferred tax assets were recognized.

Net assets of Siltronic AG in accordance with the German Commercial Code (HGB)

In EUR million	Dec. 31, 2025	Dec. 31, 2024	Change	
			Amount	in %
Fixed assets				
Intangible Assets	31.7	14.1	17.6	>100
Property, plant and equipment	976.2	989.7	-13.5	-1.4
Investments in affiliated companies	129.9	129.9	-	-
	1,137.8	1,133.7	4.1	0.4
Current assets and deferred expenses				
Inventories	534.6	580.9	-46.3	-8.0
Trade receivables from third parties	54.3	85.0	-30.7	-36.1
Receivables from affiliated companies	451.3	373.4	77.9	20.9
Other assets, excluding time deposits	41.4	46.4	-5.0	-10.8
Cash and cash equivalents, including time deposits	493.4	608.9	-115.5	-19.0
	1,575.0	1,694.6	-119.6	-7.1
Total assets	2,712.8	2,828.3	-115.5	-4.1

Intangible assets increased due to the capitalization of development costs and preparations for the implementation of a new ERP system.

As capex including intangible assets exceeded depreciation, the book value decreased by EUR 13.5 million. In the financial year 2025, additions to property, plant and equipment amounted to EUR 133.7 million.

Investments in affiliated companies relate almost exclusively to the subsidiary Siltronic Holding International B. V.

Inventories include prepayments of EUR 390.9 million, a slight decrease compared to the previous year (December 31, 2024: EUR 426.1 million). Siltronic AG has passed on a significant portion of the prepayments to a manufacturing subsidiary. Siltronic AG sells the wafers produced by the subsidiary in the trading business.

The decrease in trade receivables from third parties was driven by three generally reinforcing effects. Firstly, the company made greater use of a receivables purchase program. Secondly, debtor turnover periods decreased. Thirdly, the exchange rate development of the euro against the US dollar had a positive impact.

Receivables from affiliated companies increased significantly as additional loans were granted to a subsidiary. As a result, receivables from affiliated companies rose by EUR 79.9 million.

The main reasons for the decrease in cash and cash equivalents were the cash outflows for capital expenditure in Germany and Singapore. The investments in Singapore were primarily financed through Group loans in the reporting year.

Financial position of Siltronic AG in accordance with the German Commercial Code (HGB)

In EUR million	Dec. 31, 2025	Dec. 31, 2024	Change	
			Amount	in %
Equity	449.2	549.6	-100.4	-18.3
Provisions				
Pension provisions	174.6	175.9	-1.3	-0.7
Other provisions	89.9	136.5	-46.6	-34.1
	264.5	312.4	-47.9	-15.3
Liabilities				
Loan liabilities	1,106.5	1,078.9	27.6	2.6
Trade payables to third parties	111.6	64.5	47.1	73.0
Liabilities to affiliated companies	306.5	322.6	-16.1	-5.0
Prepayments received	416.2	451.1	-34.9	-7.7
Other liabilities	58.3	49.2	9.1	18.5
	1,999.1	1,966.3	32.8	1.7
Total equity and liabilities	2,712.8	2,828.3	-115.5	-4.1

As at the balance sheet date, 17 percent of the assets were financed by equity and 83 percent by liabilities.

The decrease in other provisions is mainly due to a significant reduction in outstanding invoices from investment activities.

The change in liabilities to banks resulted from the inflow of EUR 53.0 million in loans drawn from an existing credit line, as well as the scheduled loan repayment of EUR 25.0 million.

The main reason for the decrease in liabilities to affiliated companies was the overall lower level of financial liabilities owed to subsidiaries.

The increase in trade payables was due to investment activities as of the balance sheet date. Provisions for outstanding invoices decreased by a similar amount.

The prepayments were received from customers outside the Group. The repayment is linked to the future delivery of wafers to these customers.

Net financial debt amounted to EUR 503.2 million as of December 31, 2025 (previous year: EUR 461.1 million). Cash flow from operating activities amounted to EUR 92.9 million in the reporting year. Payments for (net) tangible and intangible assets totaled EUR 127.4 million. Additionally, a dividend of EUR 6.0 million was paid to shareholders. In addition to the loans drawn, credit lines totaling EUR 127 million remain available.

Chances and risks

The business development of Siltronic AG is essentially subject to the same risks and opportunities as those of the Siltronic Group. In principle, Siltronic AG participates directly or indirectly in the rewards of its subsidiaries in accordance with its interest. The assessment of risks is presented in the risk report. Siltronic AG, the parent company of the Siltronic Group, is integrated into the Group-wide risk management system.

Outlook

The expectation for the future business development of Siltronic AG in the coming year is essentially the same as the outlook for the Siltronic Group, which is described in detail in the forecast report.

Risk and opportunity report

Risk strategy and risk policy

Siltronic pursues a risk strategy aimed at long-term corporate value. We define risks as events that may have a negative impact on our targets and guidance, and these can be of both internal and external origin. Risks are only accepted to the extent that they are required to leverage significant opportunities and are economically justifiable. The objective of risk management is to identify risks at an early stage, assess their likelihood of occurrence and potential financial impact, and manage or limit them through appropriate measures. Financial, operational, strategic, and ESG-related aspects are taken into account. The Executive Board reviews the risk strategy regularly and continuously develops it further in light of the dynamic market environment of the semiconductor industry.

Risk management system

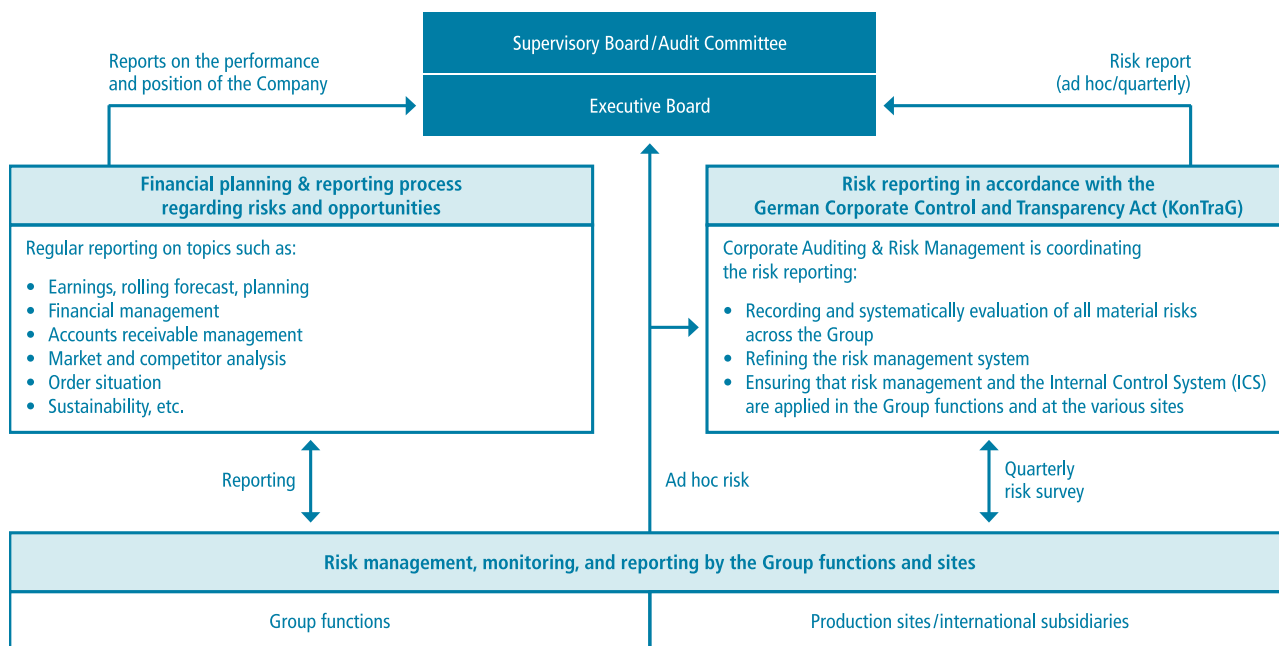
From an organizational perspective, the risk management system is integrated into the existing decentralized organizational and reporting structure as well as into strategic corporate planning. It is complemented by a multi-stage process with mandatory procedures and criteria for identifying, assessing, managing, and reporting risks. The Group companies and the Group functions oversee day-to-day risk management within their respective areas. Every quarter, the designated risk managers are requested to report to head office regarding risks at their site or in the Group function for which they are responsible. In addition, material risks must be reported immediately through an ad-hoc reporting process. Process and system responsibility for the Group-wide risk management system lies with the Executive Board. Corporate Auditing & Risk Management centrally coordinates the Group-wide recording of all major risks in a separate system application, analyzes the overall situation at Group level, and communicates the risks to the relevant functions. In addition, Corporate Auditing & Risk Management verifies the appropriate and effective implementation of risk management requirements in the various Group functions and at the sites as part of the annual audit plan or through ad-hoc assigned investigations. An independent external body is regularly assigned to audit the Group risk management system.

The design and effectiveness of risk management measures are assessed at least once a year by the responsible functions as part of the year-end risk register review. In addition to the inherent and residual risks, the design and effectiveness of the risk mitigation and control measures are assessed. These measures are also part of the internal control system. Siltronic controls its processes via the Integrated Management System (IMS). Within the framework of the IMS, the continuous development of risk management and control processes is also assessed during the year by all function and site managers together with the Executive Board in a joint meeting. The overall outcome of this review process is recorded in writing in a final evaluation by the Executive Board. Based on this information and the regular internal management and audit reports, the Executive Board has no indication that Siltronic's risk management, internal control and compliance systems are not appropriate or effective. However, the effectiveness of any risk management- and control system remains limited. No risk management and control system, even if it is classified as effective, can guarantee complete assurance. There remain uncertainties and risks that no one can predict with certainty.¹

The Executive Board and the Audit Committee of the Supervisory Board are regularly informed about the current risk situation, the measures taken and the further development of the risk management system. Opportunities are not systematically recorded in the risk management process. The Executive Board and management are informed about current and expected business developments in monthly reports prepared by the Group Controlling function. Based on this data, risks and opportunities are discussed, evaluated and weighed up by management.

¹ Paragraph is unaudited information

Risk- and opportunity reporting



The designated risk managers in our Group functions and at the main sites, along with the Group risk manager, regularly review processes, procedures, and developments for any risks that might exist. Risks are identified and assessed using standardized risk matrices in our system-based risk management application. We assess the relevant risks for probability of occurrence and the degree of impact on our business activities, financial position, financial performance, and cash flow. The period under review for the risk register extends beyond that of the forecast and covers the planning period adequate for the respective risk.

Based on the risks recorded quarterly or ad hoc, suitable measures are taken to avoid the identified risks or to reduce their probability of occurrence or possible economic damage. The measures derived to limit risks and any relevant early warning indicators, as well as the residual risks derived from them, are regularly updated and documented centrally in a risk management application.

Compliance Management System (CMS)

Siltronic's CMS is designed to prevent, identify and sanction legal violations in the corporate context. It was derived from a compliance risk analysis in which company and industry-specific risks were examined. The system is regularly reviewed and developed further depending on new conclusions.

Siltronic has appointed compliance officers in Germany, the USA, South Korea, China, Japan, Singapore and Taiwan. They coordinate compliance activities within the Group, provide advice on compliance and are the point of contact for questions and training.

We have issued an internationally applicable corporate guideline that defines responsibilities, value limits and reporting channels. Particular emphasis is placed on the prevention of corruption, bribery and anti-competitive behavior.

Internal control system

The internal control system (ICS) comprises control measures designed to manage risks and ensure orderly operations to achieve our business objectives. These checks are integrated into the operating processes and incorporate, for example, adequate separation of duties, verification by a second person, access and approval procedures, and other steps. The internal control system helps us to achieve the objectives of our business policy by ensuring the effectiveness and efficiency of business processes, compliance with laws and regulations as well as sustainability aspects and the protection of business assets.

With the internal control system relating to the accounting process, we ensure, among other things, that the accounting and valuation regulations relevant to Siltronic are implemented. The focus of the control system is to ensure that business transactions are properly recorded and processed and that the data generated on the Group's net assets, financial position and results of operations is reliable. Responsibility for the accounting-related ICS lies with the Accounting & Tax & Finance Management Group function. The most important controls include a central consolidation system, automatic validations, approval levels, authorization concepts and deviation analyses. We monitor changes to accounting regulations, train employees and call-in external specialists in selected cases. We minimize the risk of data loss and the failure of accounting-related IT systems with regular system backups and maintenance measures.

We ensure the design and effectiveness of the controls over financial reporting by monitoring key performance indicators on an ongoing basis as part of the monthly management reporting. For financial year 2025, an auditing firm confirmed the adequacy of the accounting-related internal control system in accordance with the German auditing standard IdW PS 982. Reviews by the independent auditor take place for the first half of the year and external audits at the end of the financial year. Each quarter, the management teams of the subsidiaries confirm that all information relevant to the quarterly and annual financial statements has been reported. At least annually, the assessment of accounting-related risks and controls is reviewed and revised as necessary. On behalf of the Executive Board, the Corporate Auditing & Risk Management Group function performs process-related audits of the main business areas, focusing on internal control systems. The selection of audit topics is determined jointly with the Executive Board based on a risk-oriented approach.

Among other things, the Supervisory Board performs its statutory monitoring duties through the Audit Committee. The main aspects monitored by the Audit Committee are the accounting process, the effectiveness of the control system and risk management system, and the audit of the financial statements. It also reviews the documents pertaining to the separate financial statements of Siltronic AG, the consolidated financial statements, and the combined management report relating to these financial statements before discussing them with the Executive Board and the auditor. The financial auditor assesses the early risk warning system as part of the audit of the annual financial statements.

Material risks

The following overview reflects our assessment of material risks that could have a negative impact on our business, net assets, financial position, profit, and reputation. The statements refer to the multi-year planning horizon. The risks in the overview are assessed on a net basis, i.e. taking into account the control and risk mitigation measures taken.

Overall environment

Economic development

Our business is particularly dependent on the development of the global economy. The many current uncertainties such as political tensions around Taiwan, trade and customs disputes, high levels of sovereign debt in some countries and dwindling purchasing power due to inflation could have a greater negative impact on the global economic development than anticipated. An unexpected slowdown in economic development, both globally and in regions that are important for the semiconductor industry, could lead to a situation in which our sales revenues do not develop as expected. The demand for silicon wafers could decline due to a lack of market demand, or we could be forced to lower our prices as a result of increased competitive pressure. If production capacity utilization declines, unit manufacturing costs may increase and place an additional burden on earnings.

We monitor the economic performance of our main sales markets on an ongoing basis. When economic growth weakens, we make preparations early on in order to flexibly adjust our production capacities, resources, and inventories in line with customer demand.

Geopolitical tensions, wars and trade restrictions

Due to the geostrategic importance of the semiconductor industry, countries are increasingly intervening in the semiconductor value chain. Intervention takes the form of reciprocal export, customs and investment restrictions or extensive financial support for investments, for example. Increasing trade barriers and sanctions as well as protectionist and politically motivated other obstacles, particularly with regard to the tensions between China, Europe and the USA, pose increasing risks to our sales markets and may have a significant negative impact on our earnings, financial position and net assets. We are continuously monitoring geopolitical developments and have developed plans and measures to minimize the impact on our business processes. Our globally distributed production sites and balanced customer portfolio help limit the impact on our business operations. We make preparations at an early stage to flexibly adapt our production capacities, resources and inventories to the sales markets.

Based on the current situation, we do not expect the war in Ukraine or the conflicts in the Middle East to have any direct impact on our business. Depending on the development of the conflicts, however, the development of energy prices may burden our production with additional costs. We do not expect our sales to be directly affected by trade route restrictions resulting from existing military conflicts (for example, in the Persian Gulf).

Industry and market risks

Competition, buying power on the customer side and cycles in the wafer market

The wafer industry is characterized by phases of imbalance between supply and demand, which can regularly have an impact on prices. Due to potential fluctuations, the forecasts of sales volumes and prices can be subject to major uncertainty because of change in demand. Existing and new competitors from China may be able to expand production capacities earlier or more than expected and threaten our strategic goal of at least maintaining our market share. We may be forced to reduce our sales volumes and prices without being able to reduce our costs accordingly. We generate more than two-thirds of our sales with our top 10 customers. Should major customers significantly reduce or even terminate their orders with us, this could have a significant negative impact on our net assets, financial position and results of operations.

We lower the risks by increasing flexibility in production and by managing costs rigorously. We adjust our capacities to market conditions and are continuously improving the efficiency of manufacturing and business processes in order to reduce the cost base. We have entered into long-term purchase agreements with various customers with a term of several years, set minimum purchase quantities and prices or price ranges.

Investment risks

Changes in customer demand and/or to the original assumptions about the market might not be reflected in our capital expenditure quickly enough or may lead to poor investments. Possible delays in the start-up of production lines could result in our inability to fulfill supply contracts and lead to declining sales and earnings or loss of market share.

Unplanned expenditure increases may impact our liquidity and future operating earnings through higher depreciation expense. Possible misinvestments may lead to idle capacity costs or impairment losses on investments with negative effects on earnings. The market assumptions on which the investment decision was based may not be achieved and lead to negative effects on earnings, net assets and financial position.

With our experience in project planning for new production sites, in assembly and construction supervision, in project controlling and in commissioning, we ensure that projects are completed on time and on budget as far as possible. We have a wide range of measures in place to counter investment and liquidity risks. We release investments only in partial stages. Intensive project controlling serves to minimize or exclude time delays. We reduce our investment risk through long-term purchase and financing commitments with our customers.

A subdued market development combined with a decline in demand for technologically oldest products could necessitate the shutdown of production lines or parts thereof in the future. This could result in minor impairments of fixed assets and closure costs, such as severance payments for employees.

Product development risks

Rapid changes in our customers' preferences and demands require us to adapt to new and more advanced technologies as well as product specifications and wafer sizes. In addition, customers for silicon wafers have stringent product requirements. This creates a need for constant technological progress at Siltronic. As a result, Siltronic may not be able to respond quickly enough and/or customers may not accept our developments as well as manufacturing processes. This increases the risk that Siltronic will not be able to adequately support market developments. In addition, there is a generic risk that market trends will be misjudged, especially if different silicon-based semiconductor materials compete with each other or with non-silicon-based semiconductor materials for certain elec-tronic components in the market.

We minimize the risks arising from our development work by carrying out certain developments in cooperation with customers. At the same time, we keep a close eye on the market and our competitors, meet with customers and suppliers, and regularly attend conferences of significance to our business. We collaborate with universities and research institutions on our R&D projects and make targeted investments to evaluate and take into account the latest trends in technology and product development. We use systematic project management methods for our development projects. Specific project milestones and clear approval processes help us to detect project risks at an early stage and respond appropriately.

Procurement market risks

Raw materials, energy, other secondary materials, equipment and spare parts are only offered by a limited number of suppliers. Due to general cost pressure and complexity, cooperation will become increasingly intensive, and interdependencies will increase. High demand for semiconductor products can lead to price increases and supply problems at our suppliers. While energy prices have been trending downward, the resulting cost savings may be smaller than expected, potentially limiting their positive effect on our profitability.

To meet our Climate Action Plan, we need electricity from renewable sources. Since we will not be able to generate the electricity we need for our production, we are dependent on the energy markets. In Singapore, the availability of renewable energy from the state and from regional energy suppliers is still in its early stages. If this development is much slower than we expect in the coming years, there is a risk that we will be late in meeting the targets set out in the Climate Action Plan or that the expected costs for achieving the targets will be exceeded.

There is a risk that we will not be able to pass on the full impact of price increases to our customers. Delays and interruptions in the global supply chain as a result of economic and geopolitical developments, pandemics, extreme weather events, or cyber incidents, in addition to quality issues, supplier failures, and unexpected price increases, may lead to negative impacts on production, sales, and earnings, and necessary qualification of new suppliers may take a longer time.

We select our suppliers carefully and follow a stringent process of risk identification and reduction in order to limit the risk of supplier failures. We define systematic procurement strategies for strategic raw materials and resources, as well as critical equipment and services, each year – and on an ad-hoc basis if required – that include an assessment of procurement risk. In addition, we conduct risk-oriented audits of our suppliers. If procurement risk is considered to be significant, we implement appropriate countermeasures wherever possible, e.g. long-term supply agreements and the establishment of alternative suppliers or safety stocks. We counter electricity price risks with structured procurement. We have partially hedged electricity prices in Singapore with derivatives.

We procure supplies and services from Wacker Chemie AG at the Burghausen site, as well as polysilicon, a raw material that is important for us. If we had to build up corresponding capacities ourselves or commission alternative suppliers, this could lead to time delays and additional costs.

We have secured the supplies and services from Wacker Chemie AG based on long-term contracts. Suitable notice periods have been agreed. In particular we purchase polysilicon from Wacker Chemie AG under a long-term agreement. The price development of polysilicon depends on the economic development in the semiconductor and solar industries. There is a risk that we will not be able to pass on rising polysilicon prices to our customers. To minimize failures in the supply of polysilicon, several production facilities of Wacker Chemie AG and other suppliers were qualified.

Product liability, production and safety risks

Errors can occur during production, storage, and transportation, leading to product defects, personal injury, damage to property, or environmental damage. Our manufacturing process is highly complex and requires state-of-the-art facilities that are continually upgraded in order to meet customers' high demands in relation to specifications, quality (performance, stability, and continuous improvement), and price. The smallest variances in supplier performance can lead to considerable losses for customers, along with damages claims, a reduction in orders, and even the termination of customer relationships. In addition, they entail expensive product recalls and recertification processes. The possible resulting harm to our reputation may also adversely affect our future business performance.

Siltronic places particularly high importance on ensuring high quality standards in order to prevent defects in quality. The Company uses the integrated management system (IMS) along with process control and monitoring systems based on the IMS in order to manage its processes. It defines the processes and responsibilities and takes account of quality, adherence to customer specifications, safety, environmental protection, and health in equal measure. The IMS is founded not only on statutory requirements but also on national and international standards, such as IATF 16949, ISO 9001 (quality), ISO 14001 (environment), ISO 45001 (health and safety), ISO 50001 (energy), ISO/IEC27001 (information security), RBA (Responsible Business Alliance) and Global Compact, which go far beyond the standards required by law. To mitigate quality risks, we use Lean Six Sigma methodologies to prevent, problem-solve, and continuously improve our production processes.

Production interruptions can be caused by various internal and external factors, such as technical malfunctions, accidents, fire, problems in the local supply chain, pandemics, and natural disasters. In order to avoid such production interruptions, we take extensive precautions at the respective sites and have drawn up business continuity plans for each site in the event of disruptions. In some cases, specific customer products are qualified at several locations. Disruptions at our largest and most efficient production site, Singapore, are particularly critical. In the long term, physical climate risks could also negatively affect our production, such as an increased rise in temperature, water shortages or local extreme weather events that affect our production or lead to increased costs.

Through extensive maintenance controls, ongoing inspections and audits, we try to ensure the highest possible operational and occupational safety at our production sites. In order to ensure the safety of the sites, we carry out extensive safety and risk analyses from conception to commissioning and derive necessary improvement measures from this. In the event of damage, hazard response plans at each Siltronic site govern the cooperation of internal and external emergency services as well as with the authorities. We have adequately insured insurable risks.

Siltronic attaches great importance to the occupational safety and health of its employees. Detailed information on the strategy, responsibilities and measures for occupational safety can be found in the ESG report.

If, despite all precautions, our measures are not sufficient, this could have a negative impact on our earnings, net assets, financial position and reputation.

Legal and regulatory risks

General legal risks (see also ESG report)

Improper behavior by employees poses a risk that Siltronic will violate applicable laws and be exposed to protracted legal disputes. This could have a negative impact on our operations, leading to heavy fines, damages, legal fees and reputational damage. To counteract this, Siltronic bases its decisions on intensive research and legal advice. Siltronic has also implemented a comprehensive compliance management system that is based on the systematic recording of company-specific risks and is continuously being further developed. It is intended to prevent, detect and remedy compliance violations. Further information is contained in the ESG report.

As a technology company, Siltronic AG is particularly reliant on the protection of its intellectual property and thus pursues a patent strategy that supports this. If required, we call in external legal specialists. Our Intellectual Property department protects and monitors patents and trademarks. Before starting research and development projects, we investigate whether existing third-party patents and other third-party intellectual property rights could limit our ability to market newly developed products, technologies and methods.

Increasing, frequent and rapidly changing trade restrictions and economic sanctions, as well as the associated increasing complexity and conflicting regulations, also pose an increasing risk that these regulations will not be fully complied with. This could result in fines, reputational damage, or claims for damages. To effectively enforce export control measures and avoid sanctions and penalties, we have established a central export control department. Key organizational measures include the appointment of local responsible persons as well as global review processes and approval routines.

We limit legal risks with the support of our legal and subject departments. If necessary, we call in specialized external legal experts. To reduce the risk of violations of the law, we rely on comprehensive compliance programs and targeted compliance campaigns. The current Code of Conduct defines binding rules of conduct for all employees. Further information is contained in the ESG report.

Tax risks

We operate in various countries and are therefore subject to different tax systems. Tax risks arise in particular from divergent interpretations by tax authorities in the case of cross-border transactions (so called transfer prices). This may result in additional tax expense due to penalties and interest payments.

Tax risks are identified, regularly monitored and assessed by the tax department and necessary measures are taken.

Environment-related risks (see also ESG report)

Siltronic is subject to a number of local environmental laws and regulations, primarily relating to the storage, handling, disposal, emission and registration of hazardous substances. This could expose us to liability for environmental damage. If environmental laws are changed, this can lead to further burdens at our sites.

In its mission statement, Siltronic has formulated its responsibility for environmental protection, safety and health and communicated globally binding principles and strategies.

The most important measures Siltronic takes to counter environmental risks are:

- Processing of relevant topics by specialists. They are grouped together in the “Environment, Health and Safety” department. This ensures in particular the proper handling of hazardous waste. Further information is contained in the ESG report;
- Maintenance routines and ongoing inspections of equipment;
- Preparation of emergency plans, which are regularly reviewed, with employees trained accordingly;
- Compliance with administrative procedures in the U.S. in an area where Siltronic's U.S. site is located that has been used industrially for approximately 100 years. Further information is contained in the ESG report;
- Acquisition of insurance policies.

Energy, climate and water-related risks (see also ESG report)

Wafer production is water and energy intensive. More restrictive regulation with regard to water and energy supply can affect our production or increase the effort. The regulatory environment that is relevant to us has been characterized by stricter laws in recent years. We think it is possible that further burdens will follow, also supported by different public interest groups.

We are monitoring regulatory efforts very closely in order to be able to assess possible effects for us at an early stage. We consider the risk of civil lawsuits by private individuals or NGOs against Siltronic in the area of climate protection to be negligible.

Further information is contained in the ESG report.

Social risks in the supply chain (see also ESG report)

This heading summarizes potentially material negative impacts of working conditions for workers at companies in the upstream value chain. These effects may include violations of legal requirements or standards in working hours, remuneration, social dialogue and freedom of association, occupational health and safety, equal treatment and equal opportunities. Interest in such issues has increased among some stakeholders in recent years.

Siltronic counters these risks through supplier evaluations or audits. Our goals and activities are aimed at reducing potential impacts in this regard.

IT, data and cyber risks

Information security is highly threatened by attacks on IT systems supporting business and production processes as well as systems for communication and collaboration. Disruptions, defects, manipulations or delays in IT functions and communication systems as well as the loss of data would therefore have a considerable adverse impact on our financial performance, and reputation.

Siltronic checks its IT constantly and puts a high focus on ensuring that the IT-supported manufacturing and business processes run securely. Our IT security and risk management team has the task of controlling threats in a financially viable manner. Our information security management system covers all areas of the company and is certified annually in accordance with ISO/IEC 27001. Using a risk analysis, we define the requirements for our central systems with regard to the availability, confidentiality, and integrity of data. We have specified these requirements in service level agreements (SLAs) with our service providers. We monitor and verify compliance with the SLAs on an ongoing basis. We have taken appropriate precautions in case of emergencies. Our global information security service providers protect us from threats of data loss, integrity, and confidentiality, and escalate particularly critical incidents to the internal Siltronic Information Security team as part of firmly defined processes. Awareness programs are carried out by Siltronic's Information Security Team.

HR risks

The lack of committed and qualified specialists and managers can have a negative impact on the Company's further growth and technological leadership.

We limit personnel risks through various personnel policy measures. These include in particular our performance management process and the development plans derived from it. Increased HR marketing and recruitment activities, for example via social media, directly at educational institutions and at recruiting fairs, are further key tools to minimize HR risks and develop a sustainable HR strategy. In Germany, we train apprentices ourselves in technical and commercial professions. We also offer dual study places in Germany to cover our medium-term requirements for engineers and IT specialists internally. We also offer a wide range of training and development opportunities, good benefits and performance-based compensation. Succession planning for key positions is in place throughout the Group.

Pension risks

Our employees are sometimes granted pensions and occupational pensions after termination of employment. Pension obligations may increase due to the increasing life expectancy of eligible employees, additional obligations from salary and pension adjustments, and decreasing discount factors.

The majority of company pension commitments in Germany are covered by the Wacker Chemie VVaG pension fund. In addition, we have set up a trust fund to secure pension obligations from direct commitments, deferred compensation and pension adjustments from the basic pension on a pro rata basis. In the USA, protection is provided by pension funds. In order to ensure a sufficient return on assets and limit investment risks, the investment portfolio is diversified. As one of the pension fund's member companies, Siltronic makes needs-based financial contributions to the pension fund. There is a possibility that the interest on the capital employed will not be sufficient to finance all future payments. In this case, further special payments can be expected to weigh on our liquidity.

For further information relating to pension risks, please refer to [Note 11](#) Provisions for pensions and similar obligations.

Financial risks

Credit risks

Due to the use of financial instruments and investments and our large credit balances with banks, we are exposed to the risk of default on the part of financial institutions. We contain our counterparty risk by entering into financial instruments and investments only with investment-grade counterparties and by limiting the individual transaction volumes and terms to maturity.

Consolidation in the semiconductor industry is leading to increasing concentration on larger customers. We use various instruments to reduce the risk of default. Our receivables management team regularly assesses customers' credit standing. Default risk is contained using defined credit limits and in selected cases bank guarantees. We strive to make our customer base as diversified, balanced, and solid as possible.

Market price/currency- and energy price risks

The vast majority of our revenues are generated in US dollars. The Japanese yen also plays a role. Costs, on the other hand, are mainly incurred in euros and Singapore dollars. Exchange rate movements thus affect sales, earnings, liquidity, and the measurement of financial assets/liabilities and financial instruments used to hedge currency risk.

We use financial instruments to address and manage the financial requirements and risks that are a necessary part of our operating activities. Hedging is based both on operating activities that have already been posted and on future cash flows. The fact that we have production facilities outside the eurozone also helps us to counter currency risk. Valuation risks for balance sheet items arising from the translation of foreign currency positions (so-called translation risk) are not hedged.

To a small extent, we hedge electricity prices in Singapore against fluctuations using derivative financial instruments.

An overview of the derivative financial instruments held at the balance sheet date and supplementary descriptions of the management of financial risks are provided in [Note 16](#) to the consolidated financial statements.

Liquidity-, financing- and interest rate risks

For large investment projects, we require external financing. If the prices of important building materials, equipment and construction services rise, our liquidity can be put under considerable strain.

As a result of the financing we have raised, we are exposed to minor interest rate risks arising from floating-rate loan liabilities. A summary list of the financial resources existing as of the balance sheet date can be found in [Note 16](#) to the consolidated financial statements.

Some of the loan agreements stipulate compliance with financial covenants. Failure to comply with these covenants would mean that the lenders could demand repayment at short notice. The financial covenants have been always complied with.

The Executive Board expects that the ratio will also be complied with at the next review date. A noticeable deterioration in earnings compared with expectations could lead to a breach and possible acceleration for the year 2027. The development of earnings and their assessment are subject to uncertainties that are not entirely within Siltronic's control.

We closely monitor the development of the financial covenants and have an efficient cash and cost management system in place. This allows us to take timely measures to ensure compliance.

Opportunity report

We see a variety of opportunities for maintaining our successful growth over the coming years. We use various market observation and analysis instruments to identify opportunities at an early stage, such as tools for the continuous structured evaluation of market data, industry data, and competitor data. Close contact with our customers also helps us to assess future opportunities. KPIs (rolling forecasts and reporting of actual figures) enable us to ascertain whether, and to what extent, identified opportunities are being realized.

Strategic opportunities of significant importance – such as adjustments to the strategy or possible acquisitions, alliances, and partnerships – are dealt with at Executive Board level as part of the annual strategy development and planning process or, in the case of current matters, during the regular Executive Board meetings. Various scenarios and risk/reward profiles are prepared for these opportunities to provide a basis for decision-making.

Macroeconomic and industry-specific opportunities

Digitalization

Digitalization is permeating more and more areas of our lives. The focus is particularly on the automotive industry, industrial applications, smartphones, Artificial Intelligence, data centers and consumer electronics. We want to support this growth with innovative products. In addition to the rising volume of data, the increasingly complex and diverse requirements placed on electronic components and the resulting increase in area requirements per component are a key growth driver. Technical progress in the semiconductor industry is based on the ongoing development of components. This results in ever smaller, more powerful and more efficient components and lower costs per performance unit. To make this possible, the technological specifications for our wafers are increasing.

Transformation through climate change

Global climate change has increased the importance of renewable energies, electromobility has made its way from a niche existence to a wider range of private transport, and the energy efficiency of electronic devices is playing an increasingly important role (the latter can be seen, for example, in the use of screens, in the operation of computers in data centers or in lighting).

Semiconductors are used in the generation and distribution of renewable energies. They are part of electromobility and make a significant contribution to increasing the efficiency of electronic devices. Since the vast majority of these semiconductors are obtained from the transformation of silicon wafers, the transition to a low-carbon economy presents opportunities for Siltronic.

From discussions with our major customers, we know that they observe and evaluate the CO₂ footprint of their major suppliers in addition to their own CO₂ emissions. That is why we compare our CO₂ footprint with those of our competitors. We see ourselves very well positioned here.

More than a quarter of our sales are accounted for by wafers, from which customers produce chips to efficiently convert voltage or current. More than half of our sales are attributable to technologically advanced wafers, which are transformed into energy-efficient chips for Memory and computing applications.

We do not see our business model negatively affected by climate change. In order to achieve the global CO₂ targets, semiconductors are an important contribution to the efficient use of renewable energy sources and to increasing energy efficiency. Semiconductors, for example, optimize the generation and distribution of renewable energies, reduce power consumption in technical devices and support the transformation to electric cars. The demand for energy-efficient solutions is driving the industry to develop ever smaller and more powerful components.

Growth in Asia and other emerging markets

The increasing prosperity in Asia and in the emerging markets in other regions is driving demand for higher-value products in which semiconductors are used. The focus region for us remains Asia in order to secure our profitability in the long term and to grow further. With the investment decision for Singapore, our new fab is in close proximity to a large number of customers.

Long-term supply contracts

The main drivers of profitability are the prices achievable on the market and the utilization of existing capacities in the capital-intensive environment of wafer producers. In the short term, these are influenced by fluctuations in customer demand and their inventories, in the medium to long term by the investment decision of wafer producers and the generally increasing consumption of wafer area. We have entered into long-term supply contracts with several major customers with increasing purchase volumes over several years. This helps to finance the investment in Singapore and to secure the additional production.

Favorable exchange rates

Favorable exchange rates also have a positive effect on our earnings situation. The vast majority of our sales are generated in US dollars. The Japanese yen also plays a role. Costs, on the other hand, are mainly incurred in euros and Singapore dollars.

Presence with the leading wafer consumers

With our product portfolio, we serve the leading consumers of silicon wafers for the semiconductor industry. The growth in demand for silicon wafers for the semiconductor industry has been driven by a broad range of applications. We expect demand to remain solid in the traditional application areas of smartphones, PCs and consumer electronics. In addition, we expect demand for silicon wafers to increase disproportionately due to megatrends such as Artificial Intelligence, Digitalization and Electromobility. Our broad product portfolio positions us to support these global future topics. By diversifying our products into more and more applications and industries, we expect our business to be less affected by short-term cyclical demand fluctuations in the semiconductor market.

Strategic and business-performance opportunities

Investments in organic growth

The new 300 mm factory in Singapore is an important contribution to supporting the strong growth and expansion projects of our customers.

Stay positioned among the technology leaders

We firmly believe that we can successfully participate in the further chances and opportunities of our industry, as we continuously develop new technological solutions for our customers. Wafers are being used for increasingly smaller structures, also known as design rules, which are now in the range of a few nanometers. This enables the production of ever more powerful and energy-efficient generations of semiconductor chips. We are involved in joint development projects with a large number of customers in order to be a key partner in the introduction of new applications.

Continuous improvement to cost structures

We continuously implement cost-cutting programs and make targeted investments in the automation of existing systems and processes to further optimize our cost position. The capacity expansion with the new fab in Singapore, together with our two very modern and cost-efficient fabs in Singapore, will enable us to achieve additional economies of scale through operational synergies.

New applications and material properties

Due to the high availability of silicon and its special material properties, we assume that substitute materials will only be used in special applications. Based on the continuous development of technical possibilities and applications at our customers, we are constantly evaluating the market in order to identify and exploit new fields of application and opportunities at an early stage.

The Executive Board's assessment of overall risk

The Group's risk profile did not change significantly in the year under review. At the time this report was published, the Executive Board of Siltronic had not identified any individual or aggregate risks that could seriously jeopardize the Company's ability to continue as a going concern.

Risk Assessment for 2026

Risk	Risk Assessment			Changes compared to previous year
	Low	Medium	High	
Overall environment				
Economic development			•	→
Geopolitical tensions, wars and trade restrictions			•	→
Industry and market risks				
Competition, customer buying power, cycles in the wafer market			•	→
Investment risks			•	↑
Product development risks		•		→
Procurement risks		•		→
Product liability, production and safety risks		•		→
Legal and regulatory risks				
General legal risks		•		→
Tax risks	•			→
Environment related risks	•			→
Energy, climate and water-related regulations		•		→
Social risks in the supply chain	•			→
IT, data and cyber risks			•	→
HR risks		•		→
Pension risks		•		→
Financial risks				
Credit risks	•			→
Market price, currency and energy price risks			•	→
Liquidity, financing and interest rate risks			•	→

We assess the relevant risks according to the probability of occurrence and the degree of impact on business activities, net assets, financial position, results of operations and cash flow. For better readability, we have classified risks according to the following matrix:

Risk assessment		Probability of occurrence		
		< 25 percent	25 – 75 percent	> 75 percent
Effects on the development of the Group's net assets, financial position and result of operations	< EUR 10 mn	Low	Low	Medium
	EUR 10 – 50 mn	Low	Medium	High
	> EUR 50 mn	Medium	High	High

Outlook

Expected macroeconomic trends

The International Monetary Fund (IMF) expects global growth of again 3.3 percent for the year 2026 in its January 2026 report. This reflects steady growth since 2024.

A continued decline in global inflation with an overarching trend of softening demand is expected to continue. The global economic outlook remains subdued, as the resilience observed so far is driven largely by only a few sectors and often supported by monetary and fiscal measures, and may be impacted by sector-specific developments or longer-term factors. Geopolitical and trade tensions may weigh on growth, with the effects varying across economies.

In established economies, economic growth is expected to increase to an estimated 1.8 percent in 2026, according to the IMF. In the Eurozone, growth of 1.3 percent (2025: 1.4 percent) and in Germany, growth of 1.1 percent (2025: 0.2 percent) is forecast.

For Japan, the IMF expects weak growth of 0.7 percent in 2026, down from 1.1 percent growth in 2025. For China, the IMF forecasts growth of 4.5 percent in 2026, down from 5.0 percent in 2025. This decline reflects both the impact of U.S. tariffs on Chinese goods and the effect of additional economic stimulus measures.

For the global semiconductor market, growth of 26.3 percent is expected in 2026 (previous year: 22.5 percent). This will be driven by increasing sales in the Logic and Memory segments and further accelerated by rising demand for AI-related applications.

For the silicon wafer market for the semiconductor industry, growth of 5 percent is projected for 2026 (before inventory depletion).

Sources:
IMF (World Economic Outlook update, January, 2026)
Omdia Silicon Demand Forecast (January 16, 2026)

Siltronic's future performance

Siltronic pursues clear corporate objectives and continuously develops its implemented corporate strategy in response to market conditions. Our long-term ambition is to be one of the top three wafer manufacturers in the Leading Edge and Power segments and to continuously strengthen our position as one of the technology leaders. The foundation for this is our mission formulated last year to achieve profitable growth and continuous value creation through our innovative strength, our focus on quality, technology, and operational excellence. Increasing cost efficiency to strengthen profitability is just as important as improving cash flow.

The most important financial performance indicators are:

- EBITDA margin
- EBIT
- Net cash flow

The Megatrends in the semiconductor industry lead us to expect significantly increasing demand for wafers in the medium to long term. Despite ongoing end-market growth for 300 mm-Wafers, the overall market environment remains challenging. It is characterized by elevated inventory levels at customers in the Power segment, which will lead to a decline in 200 mm hyperpure silicon wafers at Siltronic. The closure of the SD line will impact sales over the full financial year for the first time. Expected negative FX effects and continued pricing pressure outside existing long term agreements are considered particularly burdensome for our business development.

The Executive Board expects the financial year to develop as follows:

Sales

Assuming a changed FX rate of EUR/USD: 1.18, sales in 2026 will be in the mid-single-digit percentage range below the previous year. We expect a subdued start to the year.

The sales guidance takes into account the discontinuation of the production of polished and epitaxial wafers with diameters up to 150 mm in Burghausen, which took place in 2025. This will have a slightly negative effect on sales compared to the previous year.

On a comparable basis, i.e., excluding FX effects and the closure of the SD line, sales are expected to be in line with the previous year.

EBITDA margin

The EBITDA margin is expected to be in the range of 20 to 24 percent.

Depreciation

Depreciation is expected to increase to a range between EUR 490 and 520 million in 2026. This is mainly due to the recent and ongoing capital expenditure in the 300 mm sector.

EBIT

Due to higher depreciation, we expect EBIT to decrease significantly in 2026 compared to the previous year.

Capex

In 2026, we again expect a significantly reduced capex including intangible assets of EUR 180 to 220 million.

Net cash flow

As net payments for capital expenditure will significantly exceed the level of capital expenditure, net cash flow in 2026 is expected to be in line with the previous year.

The actual development of the Group may deviate positively or negatively from our assumptions due to economic and geopolitical uncertainties.

Overall statement by the Executive Board on the expected performance

The Executive Board expects that Siltronic will continue to operate resiliently in the market in 2026 at the time of preparing the combined management report 2025.

We are convinced of the underlying medium- and long-term growth trends in the wafer industry, supported by a wide range of end applications. Megatrends such as Artificial Intelligence, Digitalization, and Electromobility are growth drivers for the semiconductor industry.

A positive development in AI-driven end markets is expected in 2026, which will be reflected in growth in the 300 mm wafer volume. However, capacity constraints on the customer side will limit growth in other end markets, such as smartphones and PCs. Increased inventory levels are also to be expected in the Power sector, which will negatively impact our 200 mm product range.

The market environment in 2026 will also be shaped by pricing pressure outside long term agreements as well as by negative FX effects. In addition, the impact from the closure of the SD line will affect sales for the first time over the full year. Based on these conditions, and assuming a subdued start to the year, we expect 2026 sales to decline by a mid-single-digit percentage range compared to the previous year. For the EBITDA margin, we anticipate a solid level between 20 and 24 percent.

Regardless of the underlying growth trend in our industry, geopolitical and global economic developments may weigh on the guidance for 2026.

Guidance for 2026

EBITDA margin	20 to 24 percent
EBIT	significant decrease compared to the previous year
Net cash flow	Approximately on par with the previous year
Sales	In the mid-single-digit percent range below the previous year (exchange rate assumption: EUR/USD 1.18)
Depreciation	EUR 490 to 520 million
Capital expenditure	EUR 180 to 220 million

Disclosures relevant to acquisitions

(pursuant to Section 289a and Section 315a German Commercial Code (HGB)) and explanatory report

Composition of subscribed capital

(Section 289a para. 1 no. 1, 315a para. 1 no. 1 HGB)

The subscribed capital of Siltronic AG amounts to EUR 120 million and is divided into 30 million no-par-value shares, each with an imputed share of capital amounting to EUR 4. The shares are registered shares. All the shares are of the same type; each share has the same rights attached to it and allows one vote at the Annual General Meeting.

Restrictions on voting rights or the transfer of shares

(Section 289a para.1 no. 2, 315a para. 1 no. 2 HGB)

The members of the Executive Board are obligated to purchase shares equivalent to 50 percent of their annual base salary (gross amount) and to hold them for the duration of their appointment to the Executive Board (Share Ownership Commitment). The value of the shares at the time of purchase is decisive. The current members of the Executive Board fulfill the shareholding obligation. The Executive Board members continue to be entitled to voting and dividend rights during the holding period.

We are not aware of any other contractual restrictions relating to voting rights or the transfer of shares.

The Articles of Association of Siltronic AG do not restrict the transferability of shares. However, there may be restrictions on the shares' voting rights imposed by the German Stock Corporation Act (e.g. Section 136 of the German Stock Corporation Act (AktG)) or as a consequence of the disclosure requirements pursuant to the German Securities Trading Act (WpHG) being violated. In accordance with Section 67 (2) of the German Stock Corporation Act (AktG), the parties deemed to be shareholders of Siltronic AG are those parties entered as such in the share register. Pursuant to Section 67 (4) of the German Stock Corporation Act (AktG), Siltronic AG is entitled to demand information from the persons entered in the register as to whether the shares that are entered as held by them in the register actually belong to them and, if this is not the case, to demand information on who the shares are held for, as required in order to maintain the register. Until this demand is met, the voting rights attached to the shares are suspended (Section 67 (2) of the German Stock Corporation Act (AktG)).

Shareholdings in the Company that represent more than 10 percent of the voting rights

(Section 289a para. 1 no. 3, 315a para. 1 no. 3 HGB)

The Company has been notified of the following direct and indirect shareholdings in the Company that represent more than 10 percent of the voting rights:

- Wacker-Chemie AG (Munich, Germany): 30.83 percent
 - Dr. Alexander Wacker Familiengesellschaft mit beschränkter Haftung (Munich, Germany): 30.83 percent (allocated via Wacker Chemie AG)
- HAL Trust (Hamilton/ Bermuda): 15,10 percent
- Sino-American Silicon Products Inc. (Hsinchu/Taiwan): 13.67 percent

Shares with special rights that confer authority to exert control over the Company

(Section 289a para. 1 no. 4, 315a para. 1 no. 4 HGB)

Shares with special rights conferring control powers were not issued.

Type of voting right controls in cases where employees hold shares in the Company and do not exercise their control rights directly (Section 289a para. 1 no. 5, 315a para. 1 no. 5 HGB)

In case employees hold shares in Siltronic AG, they exercise their resulting control rights directly in accordance with the statutory provisions and the Articles of Association.

Appointment and removal of members of the Executive Board and amendments to the Articles of Association

(Section 289a para. 1 no. 6, 315a para. 1 no. 6 HGB)

Pursuant to Section 5 of the Articles of Association, the Executive Board of Siltronic AG must consist of a minimum of two persons. In other respects, the Supervisory Board determines the number of Executive Board members. The Supervisory Board appoints one member of the Executive Board as President & Chief Executive Officer. The appointment and removal of members of the Executive Board are governed by Section 84 et seq. of the German Stock Corporation Act (AktG) and Section 31 German Co-Determination Act (MitbestG).

Changes to the Articles of Association are governed by Section 179 et seq. of the German Stock Corporation Act (AktG), which stipulates that all changes to the Articles of Association require a resolution to be adopted by the Annual General Meeting. However, the Supervisory Board is authorized in Section 9 (2) of the Articles of Association to make changes that relate solely to the wording.

The Supervisory Board is also authorized to amend Section 4 (6) of the Articles of Association accordingly after the Authorized Share Capital 2025 has been utilized or the period for the utilization of the Authorized Share Capital 2025 has elapsed. Furthermore, the Supervisory Board is authorized to amend Section 4 (7) of the Articles of Association in accordance with each utilization of the Conditional Capital 2025 and after all option and conversion periods have elapsed.

Pursuant to Section 179 (2) of the German Stock Corporation Act (AktG), resolutions to amend the Articles of Association adopted by the Annual General Meeting require a majority of at least three quarters of the share capital represented during the voting, unless the Articles of Association specify a different majority. In accordance with Section 18 (2) of the Articles of Association, resolutions at the Annual General Meeting are passed by simple majority of the votes cast and by simple majority of the share capital represented in the voting if a majority of the share capital is required, unless the law or the Articles of Association require otherwise. The law requires a greater majority of three quarters of the share capital represented in the voting in several cases, such as when changing the objects of the company (Section 179 (2) sentence 2 of the German Stock Corporation Act (AktG)), capital measures and the exclusion of subscription rights.

Authority of the Executive Board to issue and buy back shares (Section 289a para. 1 no. 7 Section 315a para. 1 no. 7 HGB)

On the basis of a resolution of the Annual General Meeting on May 12, 2025, the Executive Board is authorized, subject to the consent of the Supervisory Board, to increase the Company's share capital on one or more occasions in the period up to May 11, 2030 by up to a total of EUR 36 million by issuing new registered no-par-value shares for cash or non-cash contributions (Authorized Share Capital 2025). In general, the shareholders are to be granted a subscription right. The shares may also be subscribed in whole or in part by one or more credit institution(s) or companies within the meaning of Section 186 (5) sentence 1 of the German Stock Corporation Act (AktG) with the obligation to offer them to the shareholders of the Company for subscription (so called indirect subscription right). The Executive Board is authorized, with the consent of the Supervisory Board, to exclude the shareholders' subscription rights for one or several capital increases from the Authorized Share Capital 2025,

- to exclude fractional amounts from the subscription right;
- in case of capital increases in return for cash contributions, if the issue price of the new shares is not significantly below the stock exchange price for the shares of the same class already listed and the aggregate pro rata amount of the share capital attributable to the new shares issued with the exclusion of the subscription right does not exceed 10 percent of the share capital existing on the date on which this authorization takes effect or, if this amount is lower, on the date on which the authorization is being exercised. This limit of 10 percent of the share capital shall include shares that were issued or sold during the term of this authorization in direct or analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) (mutual offset);
- to the extent necessary to be able to grant new shares in the Company to holders or creditors of Bonds that were or will be issued by the Company or by its subordinate Group companies upon exercise of conversion or option rights or upon fulfillment of a conversion obligation, and insofar as necessary to grant a subscription right to new shares in the Company to holders of conversion or option rights or to creditors of conversion bonds with conversion obligations that were or will be issued by the Company or its subordinated Group companies, to the extent that they would be entitled to such rights as shareholders after exercising their option or conversion rights or after fulfilling conversion obligations; such shares shall also be counted toward this limit if they can be or have been issued by the Company to service conversion or option rights or to fulfill conversion or option obligations under bonds issued during the term of the Authorized Capital 2025 with exclusion of shareholders' subscription rights in corresponding application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) (mutual offsetting);
- in the event of a capital increase against contributions in kind, in particular in the context of corporate mergers or for the (also indirect) acquisition of businesses, operations, parts of businesses, equity interests, investments or other assets or claims to the acquisition of assets, including claims against the Company or its Group companies; and
- in order to implement a scrip dividend where shareholders are entitled to tender their dividend rights (in whole or in part) as a contribution in kind against issuance of new shares under the Authorized Share Capital 2025.

The sum total of shares issued on the basis of the Authorized Share Capital 2025 under exclusion of shareholders' subscription rights, taking into account other shares of the Company that are sold or issued during the term of the Authorized Share Capital 2025 under exclusion of subscription rights or are to be issued on the basis of Bonds issued during the term of the Authorized Share Capital 2025 under exclusion of subscription rights, may not exceed a calculated proportion of the share capital of 10 percent, neither at the time the Authorized Share Capital 2025 takes effect nor at the time it is utilized (mutual offset). Shares of the Company issued with the exclusion of subscription rights in direct or corresponding application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) shall also be counted toward this maximum limit (mutual offset). By resolution of the Annual General Meeting on May 12, 2025 and subject to the consent of the Supervisory Board, the Executive Board is authorized to issue once or several times on or before May 11, 2030 holder and/or registered convertible bonds and/or option bonds, (or a combination thereof) (hereinafter collectively also referred to as "Bonds") for a total nominal amount of up to EUR 500 million and to grant the holders or creditors of Bonds conversion and/or option rights or obligations of up to 3 million new no-par value ordinary registered shares of the Company with a proportionate amount of the share capital of up to EUR 12 million according to the more detailed terms and conditions of the Bonds ("Bond Terms and Conditions") ("2025 Authorization").

The sum total of the shares which are, may be or are to be issued to service conversion and/or option rights or to fulfill conversion or option obligations arising from the Bonds, and the shares issued during the term of this 2025 Authorization using the Authorized Share Capital 2025, shall not exceed an amount of the share capital of EUR 36 million (corresponding to 30 percent of the current share capital) (mutual offset). The shareholders are generally entitled to a subscription right to the Bonds. However, the Executive Board is authorized, with the consent of the Supervisory Board, to exclude the shareholders' statutory subscription right to the Bonds in the following cases:

- for fractional amounts resulting from the subscription ratio;
- if the Bonds with option or conversion rights or obligations are issued against cash payment and are equipped in such a way that their issue price is not significantly lower than their theoretical market value determined in accordance with recognized principles, in particular those of financial mathematics. However, this authorization to exclude subscription rights only applies to Bonds with option or conversion rights or option or conversion obligations for shares with a proportionate amount of the share capital that may not exceed 10 percent of the Company's share capital. For the purpose of calculating the 10 percent limit, the amount of the share capital at the time this authorization takes effect or – if this value is lower – at the time this authorization is exercised, shall be decisive. This limit of 10 percent of the share capital shall include shares which (i) are issued or sold during the term of this authorization in direct or analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) up to the time of its utilization, or (ii) which are issued to service subscription rights or to fulfill conversion obligations arising from Bonds, provided that the corresponding Bonds are issued after this authorization takes effect in analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), excluding shareholders' subscription rights;

- insofar as the Bonds are issued in return for a contribution in kind, in particular in the context of corporate mergers or for the (also indirect) acquisition of businesses or other assets, including receivables from the Company or its Group Companies, provided that the value of the contribution in kind is in reasonable proportion to the market value of the Bonds;
- insofar as this is necessary in order to grant the holders or creditors of previously issued Bonds a subscription right to the extent to which they would be entitled as shareholders after exercising an option or conversion right or after fulfilling an option or conversion obligation.

The total number of shares that can be issued on the basis of the utilization of the Authorization 2025 to issue Bonds with option or conversion rights or obligations with the exclusion of shareholders' subscription rights, taking into account other shares of the Company that are sold or issued during the term of the Authorization 2025 with the exclusion of subscription rights, may not exceed a calculated proportion of the share capital of 10 percent, either at the time the Authorization 2025 becomes effective or at the time it is utilized (mutual offset). Shares of the Company issued with the exclusion of subscription rights in direct or corresponding application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) shall be counted toward this maximum limit (mutual offset).

For the purpose of servicing the aforementioned Bonds by the Company, the Annual General Meeting on May 12, 2025 has increased the share capital of the Company by up to EUR 12 million by issuing up to 3 million new no-par value registered shares ("Conditional Capital 2025"). The new shares shall be issued at the conversion or option prices to be determined in the Bond Terms and Conditions in accordance with the authorization of the Annual General Meeting.

By resolution of the Annual General Meeting on May 13, 2024, the Executive Board is authorized until May 12, 2029, with the consent of the Supervisory Board and in accordance with the legal provisions of Section 71 (1) no. 8 of the German Stock Corporation Act (AktG), to purchase for any permissible purpose treasury shares in an amount of up to 10 percent of the share capital existing at the time of the resolution or – if this value is lower – of the share capital existing at the time of exercising this authorization. The shares acquired may, together with other treasury shares held by the Company or attributable to it pursuant to Sections 71d and 71e of the German Stock Corporation Act (AktG), at no time account for more than 10 percent of the share capital. The share capital at the time the resolution was passed amounted to EUR 120 million.

At the discretion of the Executive Board, the acquisition may be carried out through purchase on the stock exchange by means of a public invitation to submit offers of sale, by means of a public offer or by granting tender rights to shareholders. The authorization of the Annual General Meeting contains different requirements for the individual types of acquisition, in particular with regard to the purchase price. The authorization may be exercised once or several times, in full or in partial amounts. The Executive Board is authorized, with the approval of the Supervisory Board, to use the treasury shares acquired on the basis of the authorization for all legally

permissible purposes. In particular, they may be sold via the stock exchange or by means of a public offer to all shareholders in proportion to their shareholding (in the event of an offer to all shareholders, subscription rights for fractional amounts are excluded). In particular, they may be sold via the stock exchange or by means of a public offer to all shareholders in proportion to their shareholdings – in the case of an offer to all shareholders with the subscription right for fractional amounts excluded – and may be sold for cash consideration or for contributions in kind (including, in particular in the context of corporate mergers or for the acquisition of businesses, parts of businesses). The treasury shares may be used to fulfill or secure purchase rights or purchase obligations for shares in the Company (in connection with bonds, convertible bonds and/or option bonds). They may be used in connection with any share-based payment or employee share programs of the Company, however, the total of the treasury shares used for these purposes may not exceed a calculated proportion of the share capital of 1 percent. Treasury shares may be redeemed. The Supervisory Board is authorized to use the treasury shares to service purchase obligations or purchase rights to Siltronic shares agreed with members of the Executive Board of Siltronic AG as part of the compensation of the Executive Board. The total of the treasury shares used for this purpose together with treasury shares used for other share-based and employee share programs may not exceed a calculated proportion of the share capital of 1 percent. Except in case of a redemption, the shareholders' subscription rights to the acquired treasury shares are excluded to the extent that they are used in accordance with the above authorizations. The calculated proportion of the share capital, taking into account other shares of the Company which are sold or issued during the term of this authorization with the exclusion of subscription rights or which are to be issued on the basis of bonds issued during the term of this authorization with the exclusion of subscription rights, may not exceed a calculated proportion of the share capital of 10 percent (mutual offset).

Material agreements that are conditional upon a change of control resulting from a takeover bid (Section 289 a para. 1 no. 8, 315a para. 1 no. 8 HGB)

In May 2022, Siltronic AG and a consolidated Siltronic subsidiary entered into a guarantee facility agreement for SGD 465 million to secure a loan issued to the consolidated Siltronic subsidiary. The guarantee facility was utilized in full. In addition, Siltronic AG issued a promissory bill loan in the amount of EUR 300 million in June 2022. In September 2022, Siltronic AG concluded a EUR 200 million loan agreement, of which more than EUR 175 million is outstanding, and a further loan agreement in May 2023 for EUR 380 million, which was utilized in the amount of EUR 253 million. Siltronic AG also issued a promissory bill loan in the amount of EUR 369 million in September 2024.

The aforementioned agreements provide for a right of termination by the respective lenders in the event of a change of control.

Compensation agreements in the event of a takeover bid (Section 289a para. 1 no. 9, 315a para. 4 no. 9 HGB)

There are no agreements with the Executive Board or employees of the Company that provide for compensation in the event of a takeover bid.

Relevant information on corporate governance practice

The Company complies with the statutory requirements relating to corporate governance. With the exceptions mentioned in the Declaration of Conformity, Siltronic follows all the recommendations of the German Corporate Governance Code.

Principles of the compliance management system

Compliance with legal requirements, laws and in-house policies as well as their observance within the Group are part of the management and supervision responsibilities at Siltronic. The Supervisory Board, in particular the Audit Committee, addresses compliance topics in each meeting and reviews the compliance management system.

The Siltronic compliance management system was developed on the basis of a regular compliance risk analysis that examines company- and industry-specific risks. This compliance management system is designed to prevent, identify, and sanction violations in the corporate context. It is regularly reviewed and improved by the Siltronic compliance organization.

The Company has appointed compliance officers in Germany, the USA, South Korea, China, Japan, Singapore, and Taiwan. They coordinate compliance activities within the Group, provide advice on the subject of compliance and are contact persons for questions and training.

Siltronic has issued an internationally applicable corporate policy that defines responsibilities, value limits and reporting channels. Particular emphasis is placed on preventing corruption, bribery and anti-competitive behavior. A risk-oriented "Know Your Business Partner" process has been defined for the screening of business partners.

Employees who have contact to business partners are required to complete an e-learning course on compliance. Production employees receive a presence training tailored to their needs by managers. All employees in sales and marketing as well as employees in certain other functions must also undergo online training courses on antitrust law. All employees in sales and marketing and from selected other functions must also undergo online training on antitrust law. In addition, a global compliance awareness campaign was carried out in the financial year 2025. Over a period of one month, selected compliance topics such as the Code of Conduct, export controls, anti-corruption and anti-money laundering as well as reporting channels were highlighted and explained to employees. This format has been part of the compliance management system since the financial year 2024.

Employees are required to report any violations they observe to their managers, compliance officers, the works council, or the responsible members of staff in the human resources department. Siltronic investigates every reasonable suspicion, examines the case and defines measures to remedy any vulnerabilities identified. Siltronic also takes disciplinary measures when necessary. The compliance organization reports to the Executive Board of Siltronic AG on a monthly basis or as the need arises. In addition, the Chief Compliance Officer reports to the Supervisory Board as part of every Audit Committee meeting.

Employees and external parties have the opportunity to anonymously report violations of the law and (imminent) human rights violations via a digital whistleblower system. As a protected and additional reporting channel, Siltronic has appointed an external ombudsman to whom employees and third parties can anonymously report violations of statutory regulations.

Retaliation of any kind against persons who report compliance incidents in good faith is prohibited. The contact details of the ombudsman as well as the link to the digital whistleblower system are published on our homepage.

The Executive Board also appointed a Human Rights Officer who defines measures to ensure compliance with human rights and environmental due diligence obligations. The Human Rights Officer identifies the human rights and environmental risks faced by Siltronic and its direct suppliers. Based on the risk analysis, he supports the development of the Company's human rights strategy. The digital whistleblower system also enables individuals to report violations of relevant human rights or environmental risks that have arisen as a result of the economic activities of the Company or a direct supplier.

Code of Conduct

The Code of Conduct of Siltronic provides a binding framework for the legal and responsible conduct of the employees in their daily work. It applies to all companies of the Siltronic Group worldwide. The Code of Conduct is intended to raise awareness among the employees regarding legal risks and support them in ethical issues. The Code of Conduct also sets out rules of behavior that apply throughout the Group to fight corruption and protect free competition. Furthermore, our Code of Conduct emphasizes the significance of focusing on quality, customer benefit and safety, as well as health and environmental protection. With its Code of Conduct, Siltronic is also committed to responsible corporate governance and sustainable action. The Code of Conduct is available on the Company's intranet and website (<https://www.siltronic.com/en/our-company/compliance.html>).

As a supplier to the electronics industry, Siltronic is also guided by the code of conduct of the Responsible Business Alliance, with which leading companies in the electronics industry aim to promote social and ecological responsibility and ethical business practices worldwide. Further information on the initiative and its code of conduct can be found online at <http://www.responsiblebusiness.org>.

Siltronic furthermore implements the ten principles of the United Nations' Global Compact initiative to protect human rights, social and environmental standards and the fight against corruption. The ten principles of the UN Global Compact are available online at www.unglobalcompact.org.

Siltronic has also joined the "Charter of Diversity". Siltronic is committed to actively implementing and promoting equal opportunities and diversity. Information on the Charter can be found online at <https://www.charita-der-vielfalt.de/ueber-uns/ueber-die-initiative/uebersetzungen/>.

Furthermore, Siltronic has joined the RE100 initiative in 2023. This global corporate initiative is committed to the exclusive use of renewable energies. With its membership, Siltronic wants to make a contribution to advancing global decarbonization. As part of its membership of RE100, Siltronic has committed to gradually increasing the proportion of renewable energy to 60 percent by 2030 and to 100 percent by 2045. Information about the RE100 initiative can be found at (<https://www.there100.org/>).

Information on the working methods of the Executive Board and Supervisory Board and on the composition and working methods of the Supervisory Board's committees

Siltronic AG has a dual management system, as required by the German Stock Corporation Act (AktG). It consists of the Executive Board, which manages the Company, and the Supervisory Board, which monitors and advises the Executive Board.

Executive Board

Since June 1, 2024, the Executive Board comprises three members. The Executive Board conducts the Company's business in accordance with the law, the Articles of Association and its rules of procedure. The Executive Board manages the Company independently and represents Siltronic AG in all transactions with third parties. Its actions and decisions are determined by the interests of the Company and are geared towards creating sustainable growth in the corporate value. To this end, the Executive Board determines the Group's strategy and manages and monitors it by allocating financial and other resources and capacities as well as by supporting and supervising the operating business. The Executive Board ensures compliance with legal provisions and provides for an appropriate risk management and risk control.

The members of the Executive Board are jointly responsible for the executive management of the Company. Each member of the Executive Board is responsible for managing the areas of responsibility assigned to him or her. The Executive Board holds regular meetings which are convened and chaired by the CEO. Board meetings must be held whenever the interests of the Company so require. The Executive Board generally adopts its resolutions by simple majority.

Diversity concept for the Executive Board

The Supervisory Board adopted the following diversity concept for the Executive Board:

"When appointing members to the Executive Board, the Supervisory Board looks for appropriate qualifications and experience required for the best possible performance of the Executive Board duties of a technology company in the semiconductor industry, as well as personal integrity, reliability and assertiveness. In addition to the specific knowledge required for their respective areas of responsibility, the members of the Executive Board must have a broad range of management and leadership experience in order to effectively fulfill the overall responsibilities of this board. When appointing new members to the Executive Board, the Supervisory Board also takes into account the following diversity aspects, which are important but not exclusive appointment criteria. The Supervisory Board's decision on filling a specific Executive Board position is always based on the interests of Siltronic AG, taking into account all circumstances of the individual case.

Professional diversity

The Executive Board as a whole should have many years of experience in the fields of production, sales, technology, finance (in particular controlling, accounting, taxes and risk management), law and compliance. Educational and professional backgrounds should also be taken into account.

International experience

In light of the global activities of the Siltronic Group, particular attention should be paid to international experience (for example, through longer professional experience abroad or supervision of international business activities).

Gender

The Supervisory Board has set a target, that at least one female and at least one male should represent the Executive Board.

Age

The Supervisory Board has defined a standard age limit for members of the Executive Board in its Rules of Procedure. Other than that, the Supervisory Board does not aim for a specific age structure for the Executive Board.

The purpose of the diversity concept is to ensure that Siltronic AG is managed with a view to its long-term success and that the Executive Board and Supervisory Board work together in a targeted and efficient manner.

The Supervisory Board and the Executive Committee of the Supervisory Board take the diversity concept into account – in addition to the requirements of the German Stock Corporation Act (AktG), the German Corporate Governance Code and the rules of procedure for the Supervisory Board – in the long-term succession planning and appointment of Executive Board members."

Method of implementing the diversity concept

The diversity concept for the Executive Board is implemented as part of the Executive Board appointment process. The Supervisory Board and the Executive Committee of the Supervisory Board take into account the requirements set out in the diversity concept when selecting candidates and appointing Executive Board members.

Close collaboration between the Executive Board and the Supervisory Board

The Executive Board and Supervisory Board work closely together to ensure the long-term and sustainable success of the Company. Their common goal is the sustainable development of the Company and its value. The Executive Board reports to the Supervisory Board regularly, promptly and comprehensively on all matters of strategy, planning, business performance, risk position, risk management and compliance that are relevant to the Company. The Chairman of the Supervisory Board also maintains close contact with the Executive Board between meetings, in particular with the CEO of the Executive Board, and discusses issues of importance. The Executive Board explains to the Supervisory Board if the business performance deviates from its intended plans and targets.

Certain transactions specified in the rules of procedure for Siltronic AG's Executive Board require the approval of the Supervisory Board. These include the adoption of the annual budget, including financial and investment planning, the acquisition and disposal of equity investments, the commencement of new and the discontinuation of existing production and business activities, and the raising of major long-term loans.

Supervisory Board

In accordance with the Articles of Association, the Supervisory Board consists of twelve members. Pursuant to the German Co-Determination Act (MitbestG), it is composed of equal numbers of shareholder and employee representatives. The term of office of the members is generally four years. They can be re-elected. An overview of the members of the Supervisory Board in office during the reporting period and their other mandates on supervisory boards or comparable bodies required to be formed by law is available on [page 11](#). The regular term of office of the current Supervisory Board members ends at the end of the 2027 Annual General Meeting. The Supervisory Board appoints, monitors and advises the Executive Board and is directly involved in decisions of material importance to the Company. Fundamental decisions on the further development of the Company require the approval of the Supervisory Board. The rules of procedure of the Supervisory Board are published on the Company's website.

Diversity concept, objectives for the composition, competence profile of the Supervisory Board and qualification matrix

On July 26, 2022, the Supervisory Board adopted the following diversity concept (including objectives for its composition and a competence profile):

"The Supervisory Board shall be composed in such a way that its members in their entirety have the necessary knowledge, skills, and professional experience to perform their duties in a proper manner and that the statutory gender quota is met. Against the background of the recommendations of the German Corporate Governance Code, the Supervisory Board has decided on the following specific objectives for its composition and the following competence profile, which together also form the diversity concept for the Supervisory Board:

I. Objectives for the composition

1. International expertise

In view of the Company's international strategy, at least one member of the Supervisory Board should have relevant experience.

2. Independence and potential conflicts of interest

At least four shareholder representatives should be independent within the meaning of the German Corporate Governance Code. The rules of procedure set out by the Supervisory Board for dealing with conflicts of interest must be observed. Major conflicts of interest not only of a temporary nature, such as those involving board functions or advisory tasks at major competitors of the Company, must be avoided.

3. Age limit for members of the Supervisory Board and standard length of service

The age limit regulations set out by the Supervisory Board in the rules of procedure must be observed.

4. Diversity

With regard to diversity, the Supervisory Board strives to ensure that its composition takes into account a wide range of professional experience, educational backgrounds and, in particular, the appropriate participation of both genders. Pursuant to Section 96 (2) of the German Stock Corporation Act, the Supervisory Board must be composed of at least 30 percent women and at least 30 percent men. The shareholder and employee representatives on the Supervisory Board objected to the overall fulfillment of the gender quota. For this reason, the Supervisory Board of the Company must be composed of at least two women and two men on both the shareholder and the employee side.

II. Competence profile

In view of Siltronic's sphere of activity, the Supervisory Board as a whole must be competent in all areas of significance. These include, in particular, in-depth experience and knowledge of:

- Management roles at listed or international companies;
- Science or research;
- Technological fields relevant to the Company;
- Strategy and corporate development;
- Production, sales, and markets in which Siltronic operates;
- Finance, in particular financial reporting, taxation, and controlling;
- Risk management and compliance;
- Human resources and co-determination;
- in sustainability issues or ESG topics that are significant for the Company.

Furthermore, pursuant to Section 100 (5) of the German Stock Corporation Act (AktG), at least one member of the Supervisory Board must have expertise in financial controlling and at least one other member of the Supervisory Board must have expertise in the area of auditing. The Supervisory Board in its entirety must be familiar with the semiconductor industry."

Composition and competence profile

The Supervisory Board and the Supervisory Board's Nomination Committee consider the diversity concept (including the objectives for the composition and the competence profile) in the selection process and the nomination of candidates for the Supervisory Board as shareholder representatives to the Annual General Meeting. Prior to the Annual General Meeting, the curricula vitae of the candidates, including their pertinent knowledge, skills and experience, are published on Siltronic's website (<https://www.siltronic.com/en/investors/annual-general-meeting.html>). The résumés are also permanently made available on the Company's website (*Management – Siltronic/perfect silicon solutions*).

In its view, the Supervisory Board in its current composition meets the diversity concept as well as the compositional objectives and covers the competence profile. The Supervisory Board members have all the qualifications deemed necessary. The members of the Supervisory Board in their entirety are familiar with the sector in which the Company operates, i.e. the semiconductor industry, and possess the skills, experience and knowledge relevant for Siltronic's activities. Several members of the Supervisory Board have relevant experience with regard to the international strategy of the Company. Diversity is appropriately reflected in the Supervisory Board. In the financial year 2025, the Supervisory Board had five female members, two of whom were shareholder representatives and three of whom were employee representatives. The statutory minimum quota is therefore fulfilled. In the opinion of the shareholder representatives of the Supervisory Board, at least four shareholder representatives are currently independent within the meaning of the German Corporate Governance Code, namely Ms. Röhm-Kottmann, Mr. Pecher, Dr. Benschop and Mr. Hankel.

According to the German Stock Corporation Act, at least one member of the Supervisory Board must have expertise in accounting and at least one other member of the Supervisory Board must have expertise in auditing. According to the German Corporate Governance Code, the expertise in the field of accounting should consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the field of auditing should consist of special knowledge and experience in the auditing of financial statements, whereby accounting and auditing also include sustainability reporting and its auditing. As the long-standing Chief Financial Officer of the listed company Wacker Chemie AG, Dr. Tobias Ohler has corresponding expertise in the field of accounting. As a former partner at the auditing firm KPMG, the current Audit Committee Chairwoman Ms. Röhm-Kottmann has extensive experience in auditing the financial statements of DAX and M-DAX companies. Owing to her extensive tenure as Chief Financial Officer (serving as CFO of Sunlight Energy Storage Systems Industrial and Commercial Société Anonyme until the end of 2025 and, since 2026, as CFO of Constantia Flexibles GmbH) she possesses comprehensive knowledge and expertise across all areas of finance.

Qualification matrix

The status of implementation of the competence profile is disclosed below in the form of a qualification matrix based on a self-assessment by the members of the Supervisory Board and adopted by the Supervisory Board.

	Dr. Tobias Ohler	Daniela Berer	Dr. Jos Benschop	Mandy Breyer	Klaus-Peter Estermaier	Sieglinde Feist	Dr. Hermann Gerlinger*	Michael Hankel	Lina Ohlmann	Andreas Pecher°	Mariella Röhm-Kottmann	Volker Stapfer	Günter Zellner
Independence		n/a	•	n/a	n/a		•	•	n/a	•	•	n/a	n/a
Relevant International Experience	•	•	•		•	•	•	•	•	•	•		
Leading Position in another Enterprise	•		•		•	•	•	•		•	•	•	
Research & Development			•				•	•		•			
Relevant Technological Areas	•	•	•		•		•	•		•			
Strategy and Corporate Development	•	•	•		•	•	•	•		•			•
Production and/or Sales; relevant Markets	•	•		•	•	•	•	•		•			•
Finance	•						•					•	
Risk Management and Compliance	•						•					•	
Human Resources and Co-Determination	•	•		•	•		•	•	•	•			•
Sustainability/ESG	•	•					•	•	•	•		•	•

* = Supervisory Board Member until May 12, 2025

° = Supervisory Board Member since May 12, 2025

Committees enhance Supervisory Board efficiency

In order to perform its duties efficiently, the Supervisory Board has established four professionally qualified committees. Reports on the work of the committees are regularly presented to the Supervisory Board plenum.

Executive Committee

Chair:

Michael Hankel

Members:

Mariella Röhm-Kottmann

Daniela Berer

Dr. Tobias Ohler

Responsibilities:

The Executive Committee consists of three shareholder representatives and one employee representative. The Executive Committee prepares personnel decisions for the Supervisory Board, in particular those concerning the appointment and removal of members of the Executive Board. It also deals with the service contracts of the Executive Board and the Executive Board compensation system as well as suggestions for the target setting and target achievement, on the basis of which the Supervisory Board plenum determines the compensation of the Executive Board members. The Executive Committee regularly discusses the long-term succession planning for the Executive Board.

Nomination Committee

Chair:

Dr. Tobias Ohler

Member:

Michael Hankel

Responsibilities:

The Nomination Committee consists of two members of the shareholder representatives. The Nomination Committee is responsible for proposing suitable candidates to be elected as shareholder representatives on the Supervisory Board to the Supervisory Board for its election proposals to the Annual General Meeting. In doing so, it considers the diversity concept including objectives regarding the composition and the competence profile.

Audit Committee

Chair:

Mariella Röhm-Kottmann

Members:

Dr. Tobias Ohler

Volker Stapfer

Responsibilities:

The Audit Committee consists of three members. The Audit Committee must include at least one member of the Supervisory Board with expertise in the fields of accounting and at least one member with expertise in the field of auditing; the members in their entirety must be familiar with the sector in which the Company operates. The Audit Committee prepares the Supervisory Board's decisions on the adoption of the annual financial statements of Siltronic AG and the approval of the consolidated financial statements, as well as the proposal for a resolution by the Executive Board on the appropriation of profits. For this purpose, it is responsible for a preliminary review of the annual financial statements of Siltronic AG, the consolidated financial statements, the management reports or the combined management report, the non-financial report and the proposal for the appropriation of profits. It also deals with the review of the half-yearly interim consolidated financial statements and the discussion of the quarterly reports, as well as with issues concerning risk management and compliance. In particular, it monitors accounting processes, compliance and the effectiveness of internal control, risk management and auditing systems. The Audit Committee also monitors the external audit of the financial statements including its quality. The Audit Committee discusses the assessment of the audit risk, the audit strategy and audit planning, and the audit results with the auditor. The Chairwoman of the Committee regularly discusses the progress of the audit with the auditor and reports to the Audit Committee. The Audit Committee takes appropriate measures to determine and monitor the independence of the external auditor and to monitor the additional services provided by the auditor. Together with the auditor, the Audit Committee discusses the risks to the auditors' independence and the protective measures taken to mitigate these risks. Contracts may only be awarded to the auditor or companies with which it is associated legally, financially or in terms of personnel, to the extent these contracts do not involve prohibited non-audit services. Such contracts also require the prior approval of the Audit Committee which duly assesses the risk to independence and the protective measures applied. The Audit Committee prepares a recommendation for the Supervisory Board's proposal to the Annual General Meeting on the selection of the auditor and sustainability auditor. Before submitting the nomination proposal, the Audit Committee obtains a declaration from the designated auditor that the statutory independence requirements are being met. Following the resolution of the Annual General Meeting, it issues the audit engagement letter to the auditor. The Audit Committee agrees the fees with the auditor – in compliance with the statutory provisions on audit fees – and determines the main points of the audit. The Audit Committee also engages an auditor in order to issue a "Limited Assurance" for the ESG report. The Chairwoman of the Audit Committee has expertise in the field of auditing and a further member has expertise in the field of accounting.

Conciliation Committee

Chair:

Dr. Tobias Ohler

Members:

Sieglinde Feist

Daniela Berer

Mandy Breyer

Responsibilities:

The Conciliation Committee to be formed pursuant to Section 27 (3) of the German Co-Determination Act (MitbestG) comprises the Chairman of the Supervisory Board, his deputy and two further members elected with a majority of the votes cast. One of the two members is elected by the Supervisory Board members representing the employees and the other is elected by those Supervisory Board members representing the shareholders. The Conciliation Committee has the task assigned to it by law, i.e. submitting proposals for the appointment or removal of members of the Executive Board if the required two-thirds majority of the votes of the Supervisory Board members is not obtained in the first ballot.

Targets for the proportion of women on the Executive Board and at the first two management levels below the Executive Board; information on compliance with minimum quotas in the composition of the Supervisory Board

The target for the proportion of women at Executive Board level was already achieved as of December 31, 2024.

As of December 31, 2025, 2 out of 17 positions at the first management level (equivalent to 12 percent) and 5 out of 30 positions at the second management level (equivalent to 17 percent) were held by women. This means that the self-imposed target for the proportion of women was achieved at the Executive Board level and was missed at the second management level by only a narrow margin. Diversity, including increasing the proportion of women throughout the Company, is of great importance to us. At the same time, the recruitment of new employees and managers is based on qualifications in the best interests of the Company. Due to a lack of suitable female candidates, we were unable to meet the self-imposed quota at the first and second management levels.

	Starting base as of June 30, 2023	Target as of December 31, 2026	New target as of December 31, 2025
Supervisory Board	Statutory 30% quota, therefore no target required		
Executive Board	0% (0/2)	33.33% (1/3)	33.33% (1/3)
1st management level	20% (3/15)	min. 25% (4/16)	12% (2/17)
2nd management level	15.15% (5/33)	min. 17.24% (5/29)	17% (5/30)

In accordance with statutory requirements, the Supervisory Board of Siltronic AG must be composed of at least 30 percent women and at least 30 percent men. The Supervisory Board of Siltronic AG consists of five female members – two on the shareholder and three on the employee side – and seven male members. The shareholder representatives and the employee representatives objected to the overall fulfillment of the gender quota. With a share of 41.67 percent women and 58.33 percent men, the Supervisory Board in its current composition meets the legal requirements for minimum quotas.

Further information on corporate governance

Transparent information for shareholders and the general public

Siltronic strives to provide all of the Company's target groups, whether shareholders, shareholder representatives, analysts, the media, employees or the interested public, with equal and timely information. Siltronic reports quarterly on the development of its business and the situation of the Company in accordance with the financial calendar available on our website. Our investor relations team keeps capital market participants informed about current and future business developments in video/telephone conferences and in-person meetings on the respective quarterly reports.

Where legally required, information in the form of ad hoc announcements is published. For this purpose, an ad hoc committee has been formed, on which all members of the Executive Board, the Head of Investor Relations & Communications and the Head of Legal & Compliance are represented to examine matters for their ad hoc relevance. This way it is ensured that possible insider information is handled in accordance with the law.

Key presentations can be viewed without restriction and downloaded online. All press releases and financial reports such as voting rights notifications, information on proprietary transactions and ad hoc announcements in German and English can also be found there as well as annual reports and all interim reports and quarterly announcements. Further information can be found at <http://www.siltronic.com>.

Annual General Meeting

The shareholders exercise their rights at the Annual General Meeting. Among other things, the Annual General Meeting resolves on the appropriation of profits, the discharge of the members of the Executive Board and the Supervisory Board and the appointment of the auditor. Amendments to the Articles of Association and measures to change the capital are resolved by the Annual General Meeting and implemented by the Executive Board. The Annual General Meeting also serves to inform all shareholders efficiently and comprehensively about the situation of the Company. Even before the Annual General Meeting, shareholders receive important information about the past financial year in the annual report. In the invitation to the Annual General Meeting, the items on the agenda and the conditions of participation are explained. The convening notice and all reports and documents required by law, including the annual report (which includes the consolidated financial statements and the combined management report) as well as the annual financial statements of Siltronic AG, are also available on the website. When shareholder representatives are elected to the Supervisory Board, a detailed curriculum vitae is published for each candidate. Following the Annual General Meeting, the attendance and voting results are published online. Siltronic facilitates the personal exercising of shareholders' rights and voting by proxy. Company proxies are available to exercise shareholders' voting rights in accordance with instructions. There is also the option of electronic postal voting via the shareholder portal.

In the financial year 2025, the Annual General Meeting was held virtually.

Reporting obligations for managers

Executives of the Company (in the case of Siltronic, members of the Executive Board and the Supervisory Board) and persons closely related to them are obliged to notify the Company and the competent authority of any proprietary transactions in shares or debt instruments of the Company or related derivatives or other related financial instruments without delay, at the latest three business days after the date of the transaction, provided that these proprietary transactions have reached a total amount of EUR 20,000 at the end of the calendar year. Siltronic is obliged to publish the notifications it receives immediately, at the latest two business days after receipt of the notification, and to transmit them to the Company register. We will also notify the German Federal Financial Supervisory Authority (BaFin) of the publication.

Responsible approach to opportunities and risks

The responsible handling of risks by the Company is a key component of good corporate governance. Siltronic uses a systematic opportunity and risk management approach to regularly identify and monitor significant risks and opportunities. The aim is to identify risks at an early stage and mitigate them through rigorous risk management. The Executive Board regularly informs the Supervisory Board on existing risks and their development. The Audit Committee regularly addresses the financial reporting process and the effectiveness of the internal control, risk management and audit system. The opportunities and risk management system are continuously developed and adapted to changing conditions. Details are available in the Risk and Opportunity Report on [page 37](#).

Financial reporting and auditing of financial statements

Siltronic's consolidated financial statements for 2025 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. The 2025 financial statements of Siltronic AG were prepared in accordance with the provisions of the German Commercial Code (HGB). The accounts for 2025 were audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich. In accordance with the provisions of the Corporate Governance Code, the Audit Committee agreed with the auditor that the auditor shall inform the Audit Committee immediately about all findings and circumstances that the auditor becomes aware of during their audit and that are significant for the Audit Committee's work. Should the auditor identify any facts during the audit of the financial statements that indicate an inaccuracy in the Declaration of Conformity with the German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (AktG) issued by the Executive Board and the Supervisory Board, the auditor will inform the Audit Committee accordingly and note the finding in the audit report.

The Audit Committee regularly reviews the quality of the audit.

D&O insurance and criminal law insurance coverage

A pecuniary damage liability insurance policy is in place that covers the activities of the members of the Executive Board and the Supervisory Board (D&O insurance). The insurance policy provides for the statutory deductible for the members of the Executive Board. There is no deductible for members of the Supervisory Board. Furthermore, the members of the executive bodies are also covered by the criminal law insurance policy that Siltronic has taken out for its employees. The insurance covers any lawyers' and court costs that may be incurred for defense in criminal or misdemeanor proceedings.

Conflicts of interest

The members of the Executive Board and Supervisory Board are committed solely to the interests of the Company. In making their decisions, they may not pursue personal interests or exploit business opportunities to which the Company is entitled. The rules of procedure for the Executive Board and the Supervisory Board stipulate that any conflicts of interest must be disclosed immediately. In the event of material and not only temporary conflicts of interest, the affected Supervisory Board member is required to resign from office.

All transactions between the Company on the one hand and a member of the Executive Board or a relative of that member on the other hand must be conducted on an arm's length basis. Insofar as the participation of the Supervisory Board is not required anyway pursuant to Section 112 of the German Stock Corporation Act (AktG), such transactions require the approval of the Supervisory Board if the value of the individual transaction exceeds EUR 5,000.

Self-evaluation

At its meeting on November 25, 2025 the Supervisory Board conducted a self-evaluation of the effectiveness of the Supervisory Board and its committees in accordance with the German Corporate Governance Code. The individual views were collected and processed anonymously through a digital survey and the insights gained were subsequently discussed in the plenum. No significant deficiencies were identified. Further optimization opportunities are to be implemented in the future.

Age limit for board members

According to the rules of procedure for the Supervisory Board, when preparing personnel decisions of the Supervisory Board, the Executive Committee shall take into account that the members of the Executive Board may in general not be older than 67 years.

According to the rules of procedure for the Supervisory Board, Supervisory Board members who have reached the age of 75 shall resign from office at the end of the Annual General Meeting following the 75th birthday of the respective Supervisory Board member. Any deviation from this rule shall be discussed with the members of the Executive Committee and – if a member of the Executive Committee is affected – additionally with the members of the Audit Committee.

Long-term succession planning

Long-term succession planning is the subject of regular consultations of the Executive Committee. In particular, the Chairman of the Supervisory Board is in regular dialogue with the Executive Board on this subject.

Related party transactions

With the approval of the Supervisory Board, the Company has established an internal procedure pursuant to Section 111a (2) sentence 2 of the German Stock Corporation Act (AktG) that applies to the evaluation of related party transactions and implemented corresponding processes. Only Supervisory Board members who are not concerned about a conflict of interest due to their relationship with the related party participate in the resolution on the approval of related party transactions in accordance with Section 111b of the German Stock Corporation Act (AktG). Further information on related party transactions is published on [page 152](#).

Bylaws for the Executive Board and the Supervisory Board

The bylaws for the Supervisory Board and the Executive Board can be viewed on the Company's website (<https://www.siltronic.com/en/investors/corporate-governance.html>).

Combined Non-Financial Statement and ESG Report¹

General Information

The framework for this non-financial statement and this ESG report

GRI 2-1, GRI 2-2, GRI 2-3, GRI 2-5

Siltronic assumes responsibility for the environmental, social and economic impacts of its business activities and pursues a holistic ESG management approach (Environment, Social and Governance).

We understand sustainability as positively influencing future environmental, economic and societal spheres through our actions today. This report is therefore based on the question of how our actions impact the environment, the economy and society at both local and global levels.

We believe that positive and sustainable action also brings advantages for Siltronic. By increasing the efficiency of our use of raw materials and energy, and by fostering a motivated workforce, we secure our profitability in the medium and long term. Profitability is essential in order to provide employees with attractive social benefits and to offer a broad range of training and development measures. An engaged and well-trained workforce is better equipped to make new discoveries in research and development as well as in production. Our sustainability activities also help us to maintain our competitiveness: we pass on to our suppliers the expectations our customers place on us to demonstrate social and environmental responsibility and to apply ethical business practices. This creates a cycle that is not only positive for stakeholders and the environment, but also for Siltronic.

This non-financial statement is a combined statement. The combination relates to the non-financial statement of Siltronic AG and the non-financial statement of the Group. The combined statement is hereinafter referred to as the “non-financial statement” or the “ESG report”. In accordance with Section 315c in conjunction with Section 289c of the German Commercial Code (HGB), the combined non-financial Group statement includes the information required for the Group that is material to its business activities with respect to the mandated aspects of environmental matters, employee matters, social matters, respect for human rights, and the fight against corruption and bribery.

The Group entities included in the non-financial statement or ESG report correspond to those included in the consolidated financial statements. In line with the consolidated financial statements, the reporting period covers one calendar year. As in the preparation of the consolidated financial statements, similar matters are treated uniformly across the Group. The report is not limited solely to the activities of Siltronic, as it also takes into account the material impacts of our activities along upstream and downstream value chains.

In the reporting year, there were no divestments, acquisitions or mergers of Group entities. The business model remains unchanged compared with the previous year, and there were no significant changes in the value chain. For information on our financial position and financial performance please refer to the relevant disclosures on [page 26](#).

The non-financial statement or ESG report is made publicly available in German and English by publication online at www.siltronic.com/en/sustainability.html and as part of the Annual Report at www.siltronic.com/en/investors/reports-and-presentations.html. Questions may be addressed to the Investor Relations department of Siltronic AG.

The reporting has been prepared with reference to the Global Reporting Initiative (GRI) and, in certain areas, is guided by the European Sustainability Reporting Standards (ESRS). In addition, the report takes into account the United Nations Sustainable Development Goals (SDGs), covers topics addressed in the Responsible Business Alliance (RBA) Code of Conduct, and includes information on social, environmental and economic responsibility where relevant for reporting on progress in implementing the United Nations Global Compact (the current Communication on Progress for 2025 is available at [Siltronic AG | UN Global Compact](#)).

¹ This section was not subject to a substantive audit as part of the statutory annual audit. In order to obtain limited assurance, an independent business assurance engagement on the non-financial statement was performed by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft.

This non-financial statement was reviewed by the Supervisory Board of Siltronic AG. In addition, the Supervisory Board of Siltronic AG engaged PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (hereinafter also referred to as the auditing firm PwC) to perform a corresponding engagement. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft conducted a limited assurance engagement on the non-financial statement or ESG report in accordance with the assurance standard ISAE 3000 (Revised) ("Limited Assurance"). The subject matter of the assurance engagement comprised the disclosures pursuant to Section 315c in conjunction with Sections 289c to 289e of the German Commercial Code (HGB) as well as Article 8 of the EU Taxonomy Regulation. PwC was also engaged to audit the consolidated financial statements, including the Group management report, of Siltronic.

Risks and opportunities from our business model with regard to ESG

Characteristics of our product GRI 2-6

The Siltronic Group is a single-product company; we generate our revenue from the sale of wafers produced in-house for the semiconductor industry. The regional distribution of sales and further information are presented in the notes to the consolidated financial statements under "Segment Reporting".

Our wafers form the basis for the manufacture of semiconductor chips. Our customers – manufacturers of chips or semiconductors – transform a wafer into chips in their highly sophisticated physical and chemical production processes. In the semiconductor industry, wafers are regarded as a raw material.

The most important end markets driving demand for the raw material wafer are smartphones, computers, servers, consumer electronics including household appliances, industrial applications and automotive. Almost all of our wafers are supplied to these six end markets, all of which are material for our business.

There is no direct relationship between Siltronic and private consumers or end customers, as we neither maintain business relationships with them nor manufacture products for end users (between the end customer and us there are one or more companies with significant value creation and generally at least one distribution stage). The raw material wafer would have no significant economic value for a private consumer.

Wafers are not harmful to humans.

The impact of climate change on our business model GRI 3-3, GRI 201-2

Global warming, energy consumption and Siltronic's position

In December 2015, at the United Nations Climate Change Conference in Paris, 195 countries and the European Union agreed to limit human-caused global warming to well below 2 degrees Celsius compared with the average temperature of the years 1850 to 1900. In addition, efforts should be made to limit the increase to 1.5 degrees Celsius. Subsequent United Nations climate conferences have reinforced the importance of these climate targets.

In addition to already high CO₂ emissions, the world's population is growing. The United Nations expects the number of people to increase by about 20 percent from the current level of just under 8 billion over the next 25 years. This will significantly increase energy demand and thus CO₂ emissions. These developments will have far-reaching consequences for people and the environment, for example in terms of biodiversity, water cycles, and social justice. As a large manufacturing company, Siltronic contributes to these consequences, especially as long as the energy we purchase does not come exclusively from renewable sources. Against this backdrop, we are aware that reducing CO₂ emissions, transitioning to renewable energies, and increasing energy efficiency are of utmost importance to society.

Siltronic's analysis of the impact of climate change

We do not believe that our business model will be negatively impacted by climate change. Our market resilience analysis, which is part of our materiality analysis, showed the opposite: without wafers, electromobility would not be possible, increasing the energy efficiency of electronic devices would be more difficult to achieve, and feeding electricity from solar and wind farms into the grid would also be difficult to achieve.

From discussions with our major customers, we know that they monitor and evaluate the carbon footprint of their major suppliers in addition to their own CO₂ emissions. That is why we compare our carbon footprint with that of our competitors. We believe we are very well positioned in this regard.

As demand for wafers is rising due to other megatrends in addition to the growing interest in energy-efficient products, we cannot provide a quantitative analysis or time frames for opportunities for our product resulting from climate change.

Eco-design of wafers

GRI 2-22, GRI 2-23, GRI 3-3, GRI 301-1, GRI 301-2

Environmental policy statement

Siltronic's Executive Board has published several policy statements that underpin the company's position on specific sustainability issues (current versions are available at www.siltronic.com/en/sustainability/commitments). The Environmental Policy Statement states: "We commit to promoting environmental protection throughout the value chain of our products. This involves focusing on creating products that enable our customers to contribute to climate protection and collaborating with our suppliers to reduce the environmental footprint of our products."

There are five focus areas through which we positively influence our ecological footprint: first, the recycling of the raw material silicon; second, the product design of our wafers; third, the further development of wafers to increase the energy efficiency of chips; fourth, the design of new wafer types – a result of our research and development activities – and fifth, the product life cycle of our wafers. A portfolio of around 1,900 registered and active patents and patent applications underpins our high level of innovation and secures our technological position as one of the leaders in the global market.

Recycling the raw material silicon

Since wafers consist of more than 99.0 percent silicon atoms, silicon is by far our most important raw material. The remaining atoms in wafers that are not silicon are used to adapt to various functions that the semiconductor chips are required to fulfill. These atoms are added in a targeted manner and do not represent impurities.

Silicon is extracted from sand, is non-toxic, and is the second most abundant element on earth after oxygen. Our annual silicon requirement is in the mid four-digit thousand-ton range (we do not disclose the exact figure for competitive reasons). Given the abundance of silicon and sand, this requirement is negligible for our planet. Due to its availability, we consider silicon to be an unrivaled raw material for our product in the long term. Despite high availability of silicon and sand, some of the silicon we use is recycled.

Recycling is important because a large amount of energy is required to remove foreign atoms and arrange silicon atoms correctly in our product. Recycling silicon residues can significantly reduce the energy required to manufacture chips.

Recognizing the critical importance of recycling, Siltronic has developed, built, and commissioned its own recycling plant for silicon residues. The plant enables us to recover a low double-digit percentage of the silicon used (we do not disclose the exact figure for competitive reasons). The recycled silicon is fed directly into production as a raw material. In order to be able to use recycled silicon residues in production, we have adapted our production process over the years.

It is not possible to extract silicon in the high-purity form we require from end-user products such as smartphones or computers, as the silicon bound in wafers becomes heavily contaminated downstream in the value chain. For our production, we require silicon with a purity of over 99.99 percent as a raw material. It is the purest material on Earth that is produced on a mass scale (and significantly purer than silicon used in the solar industry).

Product design of our wafers

We estimate that in 2025, chip manufacturers' plants worldwide produced an average of around 12 million chips per hour (or around 130 million semiconductor units). The manufacture of chips from wafers at customers' sites is extremely energy- and water-intensive, and the use of hazardous chemicals plays an important role in the customers' production process.

Since the transformation of wafers into chips is a mass business, reducing waste is extremely important. The more chips a customer can obtain from a wafer, the lower their waste and thus their need for water, energy, and hazardous chemicals. Reduced waste is therefore beneficial for Siltronic, its customers, and the general public.

That is why we work together with technologically leading customers in development projects to increase the yield per wafer and further reduce waste at our customers' sites. In these complex projects, which can take several years, we further develop the product design of our wafers so that it meets the physical and chemical requirements of our customers as closely as possible. A significant portion of our research and development expenses is spent on continuously improving the product design of our wafers in order to reduce scrap.

Further development of wafers increases the energy efficiency of chips

Our innovations in wafer production have a significant impact on increasing the energy efficiency of chips. This is particularly evident in smartphones, computers, servers, household appliances, and electric vehicles. There are two reasons for this:

- First, power consumption is significantly reduced when our customers can incorporate smaller transistors and shorter circuits into wafers. The resulting increase in the chip's energy efficiency is usually so high that a new chip operates with more power than its predecessor while consuming less energy. This means that more computing power can be achieved per watt. To achieve this, wafers must meet constantly and significantly increasing physical and chemical requirements. Meeting these increasing requirements also offers our customers the advantage of being able to obtain more chips from a single wafer. Since chip production on the customer side is very energy- and water-intensive, these wafers reduce customers' electricity and water demand.

To this end, we spend many millions of euros on research and development every year and typically invest a two- to three-digit million euro amount in new machinery. Only with state-of-the-art machinery is it possible to produce technologically advanced wafer types. More than half of our sales come from these wafer types.

- Certain types of wafers are used to manufacture chips that control the flow of electricity. These chips are also known as Power chips or Power semiconductors. Without Power chips, modern household appliances, for example, would be unthinkable, and LED lighting as we know it would not exist, nor would small power supplies or chargers. A quarter of our sales comes from wafers that are classified as Power wafers.

To make Power semiconductors more energy-efficient, we have developed special types of wafers with low oxygen content. Chips produced from such wafers save energy in devices in which high direct and alternating currents are converted. Examples include the flow of electricity between the electric motor and battery in a fully electric car, between a charging station and an electric vehicle, or between the power grid and the generation of electricity from renewable energies (primarily wind turbines and photovoltaics). Without the provision of special types of wafers, the energy efficiency of many electrical products, including electric vehicles, would be significantly lower. Slightly more than 15 percent of our consolidated sales are attributable to such low-oxygen wafer types.

Siltronic's goal is to increase the proportion of these wafer types that are transformed by customers into energy-efficient chips disproportionately in the coming years.

New wafer type as a result of research activities

We are developing a new wafer type using gallium nitride. This is the result of several years of research activities.

The new wafer type is expected to make the charging process for electric vehicles and other devices significantly more energy-efficient and faster. It would also increase the range of electric vehicles.

In 2025, we spent EUR 78.3 million on research and development (R&D), which corresponds to around 6 percent of sales. Most of our research and development activities relate to wafer types for chips with increasingly smaller transistors and shorter conductor paths, or wafer types for Power semiconductors or gallium nitride. This breakdown is based on projects and budgets approved by the Executive Board. We expect that the allocation of resources to research and development will have a positive impact on the environmental impact of future product sales. Employees conduct research and development in our R&D departments, which are located at all Siltronic production sites. The Burghausen site is the Group's central research and development location. Tasks include research into future products, testing and evaluating new processes and plant modifications, evaluating new auxiliary and operating materials, continuous improvement and integration into production lines, and qualifying wafers for our customers' latest technologies.

In the reporting year, development costs of EUR 13.8 million were capitalized.

	2022	2023	2024	2025
R&D expenditure (EUR million)	89.5	87.6	83.1	78.3
R&D expenditure as a percentage of sales	5.0	5.8	5.9	5.8
R&D grants and subsidies received (EUR million)	0.8	2.0	1.5	2.8

Product life cycle of our wafers

The life cycle of a wafer ends when it is transformed into multiple chips at the customer's site. Our wafers are designed so that their quality or quantity does not diminish over time when stored properly. In principle, they can be processed into chips even after years of storage and, if necessary, re-cleaning.

Determining the content of this report

Management of ESG-relevant impacts

For an explanation of our business model, please refer to the section “Business and economic conditions”; for the most important organizational elements of our business model, please refer to the sections under “Business activities and group structure”; and for the main risks of our business model, please refer to the Risk and opportunity report. From a sustainability perspective, the most important resource inflows for the manufacture of our product are energy, water, polysilicon, and property, plant, and equipment. The quantitative resource inflows and outflows reported in the following chapters are measured values.

The key management measures for steering ESG topics in the areas of environmental and social matters consist of defining performance indicators for the topics identified as material and then setting targets. To achieve these targets, appropriate measures are initiated.

Like the financial performance indicators, the non-financial performance indicators are also structured hierarchically according to their materiality. In 2025, we analyzed the ESG topics relevant to Siltronic and the Executive Board defined a non-financial performance indicator for each of the most important topics. These performance indicators reflect the highest level of non-financial performance indicators.

Materiality analysis to determine the content of the report GRI 2-12, GRI 2-14, GRI 2-29, GRI 3-1, GRI 3-2

As part of its due diligence, Siltronic assesses the ESG topics relevant to the company by means of a materiality analysis. This was carried out in 2025 in accordance with the European Sustainability Reporting Standards (ESRS). According to these standards, the topics to be assessed are defined as material if they have a material impact on the company’s stakeholders or the environment, or if such an impact cannot be ruled out, and/or if they represent a material financial risk/opportunity for Siltronic.

The topics defined as material as a result are included in this report. The requirements of the GRI were also taken into account when conducting the materiality analysis.

As part of the materiality analysis, the topics to be assessed were first compiled (step 1) and then assessed for materiality from two perspectives (‘inside-out’ and ‘outside-in’) (steps 2 and 3). The results were then combined and reviewed in their entirety (step 4). The assessments were based on the assumption that our business model and corporate strategy will not change significantly in the long term. Within these parameters, foreseeable future developments were taken into account.

Step 1: Collection of topics

In the first step, the sustainability topics identified for Siltronic were compared with the sustainability aspects defined in the ESRS. The result is a list of 28 sustainability aspects to be assessed in terms of impact, risks, and opportunities. Experience gained from exchanges with Siltronic stakeholders was taken into account.

Step 2: Assessing the impacts (‘inside-out’)

The sustainability aspects from step 1 were assessed for positive and negative impacts. The impacts of our business activities are taken into account, as are impacts resulting from business relationships. Impacts are determined using numerous sources. These include relevant key figures collected by Siltronic, scientific findings, and knowledge from other organizations. The level of detail of the information varies depending on the aspect and its relevance to Siltronic. Specific activities, business relationships, geographical conditions, and other factors are also taken into account.

The assessment system differentiates between four categories of impact defined by the ESRS: (a) actual negative impacts, (b) potential negative impacts, (c) actual positive impacts, and (d) potential positive impacts, and assesses them based on the criteria defined by the ESRS: scale, scope, irremediable character, and likelihood. The assessment of negative and positive impacts is based on the status in the reporting year and therefore does not take future preventive measures into account.

Impacts are assessed based on scale, scope, irremediable character, and likelihood and are ranked on a scale of 0 to 15. As part of this assessment step, managers from various departments are asked to review the preliminary assessment results, incorporating their experience from discussions with stakeholders on ESG issues. In addition, a threshold value has been defined above which materiality is given.

If the identified impacts simultaneously result in risks or opportunities for Siltronic, such as reputational risks or business opportunities, these are taken into account in the following step 3.

Step 3: Assessing financial materiality (‘outside-in’)

The objective of this step is to identify the risks and opportunities that have a material financial impact on Siltronic. The requirements for identifying material risks and opportunities are derived from Siltronic’s risk management system (ESG risks are prioritized in the same way as other types of risks at Siltronic).

For an issue to be considered material in this materiality analysis, the risk or opportunity or its impact must be classified as ‘high’. (The assessment logic differs from the risk and opportunity report, where the residual risk is decisive. In contrast to the materiality analysis according to ESRS, the analysis for the risk and opportunity report takes future measures into account to an appropriate extent).

Step 4: Consolidation of results

In the final step, the results are consolidated and approved in their entirety by each member of Siltronic's Executive Board. The results are reviewed again in light of the feedback received from stakeholders.

Based on the impact assessment (step 2), the following topics were identified as material:

- **Climate change/energy/product and climate protection:** Siltronic's energy consumption and the CO₂ emissions caused in the upstream and downstream value chain, most of which are related to this but also go beyond it, were identified as material actual negative impacts in the short and medium term. This is linked to Siltronic's indirect contribution to climate change and the associated impacts on people and the environment, as predicted by scientists for the coming decades. The already effective contribution of products to mitigating climate change through their use by customers (downstream value chain) was defined as an actual positive impact in this area, which will have an even greater impact in the medium and long term. In the report, we follow ESRS E1 as a reference.
- **Water demand:** Material actual negative impacts (short-, medium-, and long-term) have been identified in connection with the use of water in production (own business activities), through which Siltronic contributes indirectly to a certain extent to the scientifically proven global social and environmental impacts of water scarcity (including poverty, biodiversity), which are expected to intensify in the coming decades. In this report, we follow ESRS E3 as a reference. Aspects related to marine resources are not relevant to our business activities.
- **Waste:** Material actual negative impacts have been identified in connection with the waste generated by Siltronic, particularly with regard to the short-, medium- and long-term impacts of our own business activities, which indirectly affect the environment. In this report, we follow ESRS E5 as a reference.
- **Occupational safety:** Material actual negative impacts have been identified in the area of safety. These relate primarily to the safety of Siltronic employees and temporary workers in production in the short, medium, and long term. In this report, we follow ESRS S1 as a reference (with reference to health and safety).
- **Human rights and labor standards in the supply chain:** Material actual negative impacts were associated with this topic. This concerns the working conditions for workers at companies in the upstream value chain. The impacts can be short-, medium-, and long-term. In the report, we therefore address workers in the upstream value chain with ESRS S2 as a reference.

- **Corporate culture:** Siltronic's corporate culture has an actual positive impact on people and the environment in the short, medium, and long term. Sustainability is an integral part of the corporate culture, which is reflected in particular in the Code of Conduct and is one of the pillars of the corporate strategy. The aim is to create a safe and pleasant working environment for employees.

The material negative impacts of our business activities on people and the environment described above do not currently have any material impact on our business model, our value chain, our fundamental business strategy, or our decision-making, nor are any such impacts foreseeable in the future. However, they are inherent in our business model. Business relationships with suppliers are also significant in the areas of 'human rights and labor standards in the supply chain', 'climate change', and 'energy'. We have therefore defined strategies for reducing these impacts.

The identified positive impacts in the areas of 'corporate culture' and 'products' have no material impact on our business model or value chain (currently and, as far as can be foreseen, in the future). They are partly determined by our business model and are also based on our business relationships with our customers and their requirements.

As part of the assessment of financial materiality (step 3), the materiality of two topics that had already been identified as material in step 2 was confirmed:

Climate change/energy/product and climate protection: Rising demand for wafers that customers can transform into energy-efficient chips or that have applications that contribute to global decarbonization was assessed as a material opportunity that actually exists today and will have an impact in the medium and long term (downstream value chain).

Corporate culture: The topic of corporate culture was classified as both a material risk and a material opportunity – in each case in the short, medium, and long term: A strongly ESG-oriented corporate culture represents an opportunity for Siltronic, both in its own business activities and along the upstream and downstream value chain. The implementation of and compliance with ESG standards strengthens the trust of key stakeholders – in particular employees, customers, investors, and lenders. This can improve Siltronic's rating, which can lead to competitive advantages and increased sales. The absence of an ESG-oriented corporate culture, on the other hand, harbors significant risks, especially in the company's own business activities. Without a culture focused on compliance and integrity, there is an increased risk of legal violations, sanctions, fines, or legal disputes, which can lead to significant costs and a decline in stakeholder confidence.

In October 2025, the ESG topics relevant to Siltronic were approved by the Executive Board, and the Supervisory Board was informed about the results and their effects at a meeting.

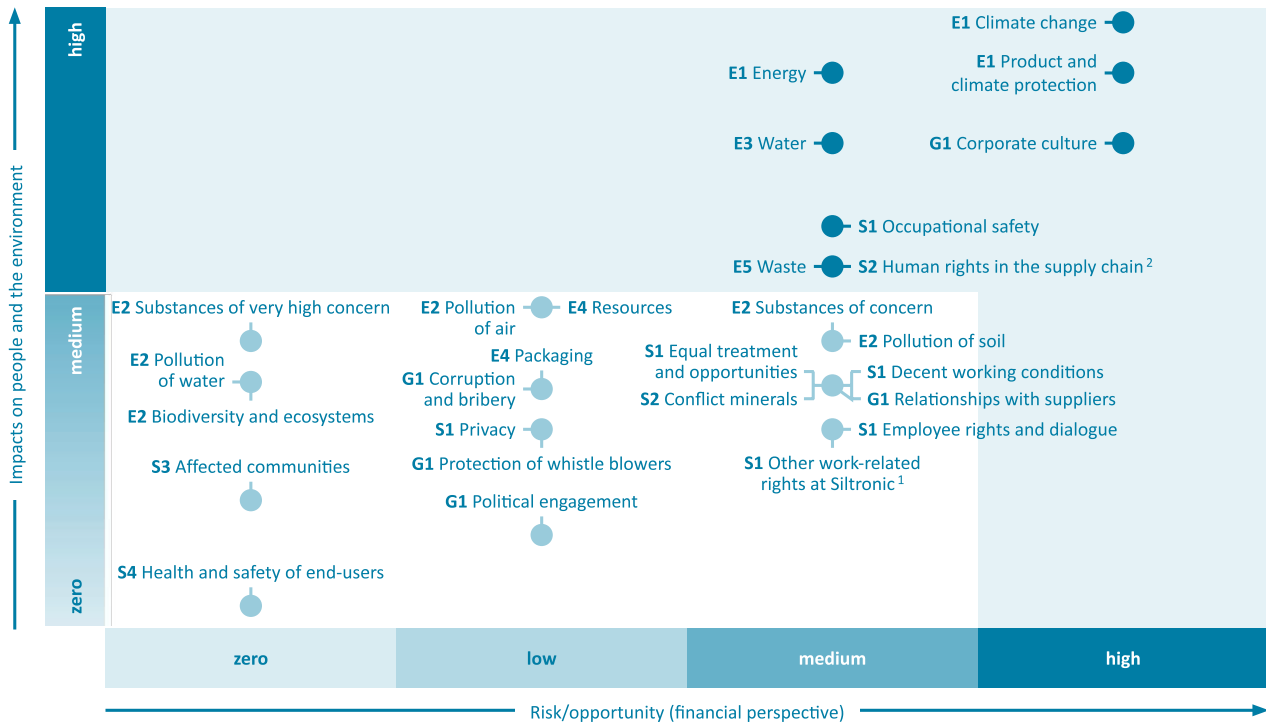
We plan to update the materiality analysis annually.

The impact of ESG ratings on the scope of our reporting

Beyond the topics classified as material, this report also includes information on sustainability aspects that were deemed non-material in the materiality analysis. We also report on these topics because

ESG ratings related to Siltronic are based on our report. The rating agencies routinely populate their assessment programs with a large amount of information taken from our ESG report. The absence of information in the input has a significant negative impact on the rating outcome.

Result of Materiality Analysis



(1) refers to forced labor; (2) refers to human rights and labor standards for workers in the supply chain

Material topics

Performance indicators and targets

GRI 3-3

The ESG topics covered with non-financial performance indicators at the highest level can be found in the following overview.

Performance indicators and targets

Overview of non-financial performance indicators at the highest level (Basis: materiality analysis in accordance with ESRS and with reference to GRI)		
Topic evaluated as high Background Performance indicator Time horizon for targets	Climate protection/energy consumption Climate change Emissions (Scope 1 and 2) in relation to sales Annual target and long-term target	Water demand Resources/circular economy Water recycling rate Annual target and long-term target
Topic evaluated as high Background Performance indicator Time horizon for targets	Waste Resources/circular economy Waste recycling rate Annual target and long-term target	Occupational safety Prevention of accidents Number of occupational accidents in relation to working hours Annual target and long-term target
Topic evaluated as high Background Performance indicator Time horizon for targets	Human rights and labor standards in the supply chain Supply chain due diligence Coverage of audited key suppliers Annual target and long-term target	

External stakeholders were not directly involved in setting the targets for the non-financial performance indicators, but their perspectives were taken into account when identifying the material topics. The performance indicators thus reflect topics that are highly relevant to our stakeholders.

The development of the indicators at the highest ESG level is monitored throughout the year and reported to the Executive Board on a quarterly basis. In the event of negative deviations, the causes are analyzed in order to initiate measures for improvement. Indicators at the highest ESG level are not key indicators used to manage the company. Management is carried out using financial performance indicators.

Climate protection targets and target achievement in the reporting year

Our long-term target is to reduce Scope 1 and 2 (market-based) CO₂ emissions by 42 percent by 2030 compared to the base year 2021. According to scientifically based approaches, this target corresponds to a level of ambition that contributes to the target defined in the Paris Climate Agreement of limiting climate change to 1.5 degrees Celsius, as defined, for example, by the Science Based Target initiative 'SBTi'. On average, Scope 1 and 2 emissions are to be reduced by 5 percent per EUR 1 million in sales per year.

The interim target for 2025 was to emit no more than 185.6 t CO₂ eq per million EUR in sales (market based). This annual target was achieved, with emissions of 167.2 t CO₂ eq per million EUR in sales.

The target value for 2026 is 174.0 t CO₂ eq per million EUR in sales.

Targets for water demand (circular economy) and target achievement in the reporting year

The most important water-related performance indicator is the recycling rate for processing and cooling water. It is to increase by an average of 1.7 percent per year compared to the base year 2021. The long-term target for the water recycling rate by 2030 is to achieve an increase of 15 percent compared to the base year 2021.

The interim target for 2025 was to achieve a recycling rate of 9.8 percent. The annual target was achieved at 13 percent.

The target value for 2026 is 10.0 percent.

Targets for waste (circular economy) and target achievement in the reporting year

Regarding waste, our long-term target is to increase the percentage of waste that is directed to recycling processes. The aim is to increase this percentage by an average of 1.1 percent per year between 2021 and 2030. This would result in a recycling rate of 80 percent in 2030. (The unit of measurement for waste is weight.)

The interim target for 2025 was 75.6 percent. This target was not achieved, with a result of 64.8 percent.

The target for 2026 is 76.4 percent.

Occupational safety targets and target achievement in the reporting year

The long-term goal in the area of occupational safety is to reduce the number of occupational accidents with lost working days per million working hours to 0.5 by 2030. Occupational accidents with lost working days per million working hours describe the accident frequency. Interim targets have been set for the years 2025 to 2030.

The target value for accident frequency in 2025 was 1.5. The target was achieved with a result of 1.25.

The target value for 2026 is 1.2.

Target for human rights and labor standards in the supply chain and target achievement in the reporting year

By 2030, the proportion of key suppliers with human rights audits is to be continuously increased to over 90 percent. Key suppliers account for more than 50 percent of our purchasing volume (excluding peaks from investments). Targets have been set for the years 2025 to 2030.

A coverage rate of 80 percent was to be reached in 2025. The target was achieved, with 89 percent achieved in 2025.

The target value for 2026 is 85 percent.

The most important stakeholders of Siltronic

GRI 2-29, GRI 3-1

Due to its extensive activities, Siltronic has a wide-ranging impact on individuals and groups within and outside the company, on the environment, and on other companies and public authorities. The stakeholders assessed as most relevant were identified based in particular on the number and scope of interactions with these groups, their influence on Siltronic, and possible mutual impacts and risk exposure.

Dialogue with stakeholders enables us to understand the interests and views of key stakeholders in relation to our strategy and business model, as well as any potential impacts on stakeholders. The findings are incorporated into the materiality analysis. The results of the materiality analysis determine the key topics of our ESG strategy, which in turn is part of our holistic corporate strategy. In this way, we take the interests and views of our stakeholders into account in our corporate strategy. The following table shows the flow of information between Siltronic and its key stakeholders.

Regular direct exchange	Further sources for determining requirements
Siltronic workforce	
Discussions with employees	Reports via Integrity Line
Company meetings and news on the intranet	Reports via ombudsman
Meetings on ESG-relevant topics	Reports via compliance officers
Meetings with works councils	
Meetings with employee supervisory boards	
Customers	
Product-related joint development projects	Analysis of customers' ESG reports
Issuance of ESG-related declarations	Topics covered by Responsible Business Alliance
Discussions on ESG priorities and Siltronic's performance	Reports via Integrity Line
Evaluation of our ESG performance through questionnaires and audits	
Supplier days at customers'	
Suppliers	
Contract negotiations on ESG-related clauses	Topics covered by Responsible Business Alliance
Evaluation of the ESG performance of suppliers (audit, assessment)	Analysis of suppliers' ESG reports
Exchange on ESG aspects in the context of discussions	Topics covered by Responsible Business Alliance
Joint commitment to the Responsible Business Alliance	Reports via Integrity Line
Workers in the upstream supply chain	
Direct exchange not possible as Siltronic has no access to contact details of employees in the upstream supply chain	Risk analyses of the supply chain with regard to employee concerns Evaluation of ESG performance of suppliers in the "Labor" area Participation in initiatives of Responsible Business Alliance Reports via Integrity Line
Shareholders, analysts, lenders, insurance companies	
Annual general meeting with annual report	Evaluation of ESG ratings on Siltronic
Meetings (individual, roadshows)	Questionnaires from banks and insurance companies
Talks with lenders and insurance companies	
Government authorities and multinational associations	
Exchange in the context of applications and reviews	Analysis of new and existing ESG-relevant regulations
Monthly payment of social security contributions and taxes	UN Global Compact and Sustainable Development Goals
Interested parties of the public (including local residents)	
Individual inquiries from media representatives	Reporting on Siltronic in the media / social media
Press releases, annual report, homepage	Information from NGOs on ESG topics relevant to Siltronic
Emergency telephone (residents)	Reports via Integrity Line
Environment / nature	
No direct exchange, as 'silent stakeholder'	Survey of key indicators on environmental impacts Scientific opinion, especially on climate change

Environmental information

SDGs 6 to 8, 12 and 13; UN Global Compact Principles 7 to 9; Responsible Business Alliance Code of Conduct Topic C

Relevance of energy

GRI 3-3, GRI 302-1, GRI 302-3

A substantial part of the process of transforming the purchased raw material silicon into a wafer takes place at high temperatures and in air-conditioned cleanrooms. Since this requires a lot of energy, wafer production is energy intensive. In 2025, energy consumption was around 881.7 GWh, which represents an increase of 2.4 percent compared to the previous year. Electricity is by far the most important source of energy.

Energy consumption

in GWh	2021	2023	2024	2025
Electricity	648.9	680.9	749.3	772.8
Steam, heat	70.9	63.3	59.0	59.2
Natural gas	48.6	46.6	50.9	47.8
Diesel and heating oil	0.7	1.4	1.7	1.8
Total	769.1	792.2	860.9	881.7

The share of energy demand covered by renewable energy sources was 35.1 percent or 309.1 GWh, and the share from fossil sources was 64.9 percent or 572.6 GWh. In 2025, energy demand was covered by self-generated electricity amounting to 1.4 GWh or 0.2 percent.

Rising electricity costs at our production sites have a noticeable negative financial impact on us. An important driver of rising electricity costs are taxes or levies related to greenhouse gases.

The ratio of sales according to the consolidated financial statements to energy consumption is as follows: On average in 2025, sales of EUR 1.0 million were accompanied by an energy consumption of 655 MWh (previous year: 609 MWh). When comparing the figures over time, it should first be noted that sales are subject to considerable exchange rate and price fluctuations. Siltronic reports in EUR, but the invoicing currency is predominantly USD. The change in the EUR to USD only affects sales, not energy consumption. Secondly,

a large part of wafer production takes place in cleanrooms, where energy demand does not correlate with the quantity produced for physical reasons. Thirdly, when comparing years, it should be noted that the manufacture of products that have not yet been sold affects energy demand but not sales. The opposite is true when products manufactured in the subsequent period are sold – in this case, there is no energy consumption, but the sales are fully generated. Such effects can balance each other out or add up. In the reporting year, energy consumption also arose from the ramp of the new factory in Singapore.

Due to the high energy consumption, the greenhouse gas emissions associated with our production are not insignificant. For this reason, energy requirements and climate protection have been classified as high in the materiality analysis. Against the backdrop of climate change, there is a trend toward increasing the energy efficiency of electronic devices, electrifying transportation, and increasing the use of renewable energies. This strengthens demand among our customers and, as a result, demand for wafers (see “Risks and opportunities from our business model with regard to ESG”).

Greenhouse gas emissions and Siltronic’s climate action plan

Scope 1, 2 and 3 emissions

GRI 3-3, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4

The Group-wide CO₂ balance is an essential element in improving climate protection, because energy consumption has an impact on greenhouse gas emissions unless the energy is obtained from renewable sources.

We determine direct greenhouse gas emissions and report them as ‘Scope 1’ in accordance with international practice, indirect emissions from the purchase of energy as ‘Scope 2’, and emissions in the value chain as ‘Scope 3’. The values are part of the annual assessment by CDP.

Greenhouse gas emissions

in t CO ₂ eq.	2023	2024	2025
GHG Scope 1	11,601	12,998	14,708
GHG Scope 2 (location-based emissions)	260,942	289,205	288,226
GHG Scope 2 (market-based emissions)	243,390	224,053	210,477
GHG Scope 3.U (upstream emissions)	1,275,642	823,688	659,568
GHG Scope 3.D (downstream emissions)	1,927,176	1,723,293	1,831,212
Total GHG Scope 1, 2 (location-based) and 3	3,475,361	2,849,184	2,793,714
Total GHG Scope 1, 2 (market-based) and 3	3,457,809	2,784,032	2,715,965

The methodology used for recording emissions complies with the GHG Protocol reporting guidelines for Scope 1 and 2 as well as Scope 3. We use current emission factors from the IEA, DEFRA, and the IPCC report to calculate greenhouse gas emissions.

Scope 1: Direct greenhouse gas emissions at our sites are mainly caused by the stationary combustion of natural gas and diesel, as well as the use of climate-relevant gases as coolants. In 2025, direct emissions rose by 13.2 percent year-on-year to 14,708 t CO₂eq. Proportionally, CO₂ emissions from combustion processes decreased by 5.4 percent and CO₂ emissions from other climate-relevant gases increased by 68.4 percent. The increase is due to scheduled maintenance work. We are continuously working on more effective use and substitution with gases that have a lower greenhouse gas impact.

Scope 2: Indirect emissions arise from the generation and provision of energy (electricity, heat) by our energy suppliers. The 'location-based' approach means that emissions are based on the factors of the respective country. In the 'market-based' approach, the factors are based on those of our energy suppliers.

Market-based Scope 2 emissions amounted to 210,477 t CO₂eq in the reporting year, a decrease of 6.1 percent compared to the previous year.

Scope 3: These emissions were determined for all relevant categories of the GHG Protocol for the year 2025, using hybrid approaches, average data methods, and expenditure-based, supplier-specific, and customer-specific methods for the individual categories. Simplified assumptions are also used for non-material categories. We use currently available data (some of which refer to the previous year) for the calculation. Due to the nature of the process, the quantitative data is subject to a high degree of uncertainty.

For Scope 3, categories 3.1, 3.2, 3.10, and 3.11 are particularly relevant for us. The other categories, upstream and downstream, together account for less than 10 percent of total Scope 3 emissions.

Scope 3 emissions

in t CO ₂ eq.	2024	2025
Upstream		
3.1 Purchased goods and services	431,094	495,048
3.2 Capital goods	315,811	91,459
3.3 Energy/fuel related activities	38,726	58,917
3.4 Upstream transportation and distribution	25,842	3,893
3.5 Waste	4,697	4,943
3.6 Business travel	3,311	1,841
3.7 Employee commuting	3,649	3,020
3.8 Upstream leased assets	558	447
Downstream		
3.9 Downstream transportation and distribution	29,001	26,298
3.10 Processing of sold products	657,929	467,317
3.11 Use of sold products	1,027,369	1,327,603
3.12 End-of-life treatment of sold products	8,994	9,994
3.13 Downstream leased assets	0	0
3.14 Franchises	0	0
3.15 Investments	0	0

The change in emissions in categories 3.1, 3.4, 3.10 and 3.11 results from the processing of supplier- and customer-specific data. The decline in category 3.2 reflects lower capital expenditures compared with the previous year. The main driver here is the stage of completion of the new fab in Singapore. Emissions in category 3.3 increased due to energy consumption and emission factors.

The following table shows the ratio of sales to the sum of greenhouse gas emissions from Scope 1 and Scope 2 as well as Scope 3, whereby sales correspond to the figure reported in the statement of profit or loss of the consolidated statements.

Sales related CO₂ intensities

in t CO ₂ eq/EUR mn sales	2024	2025
Scope 1+2 market-based	167.4	167.2
Scope 1+2 location-based	213.9	224.9
Scope 3 upstream and downstream	1,803	1,850

We have defined CO₂ emissions under Scope 1 and 2 (market-based) per EUR 1 million of sales as Siltronic's non-financial performance indicator at the highest level for climate protection. Starting from 231.9 t CO₂eq in the base year 2021, this figure is to be reduced by 42 percent by 2030. The interim target for 2025 was to limit emissions to a maximum of 185.6 t CO₂eq. The annual target was achieved with a value of 167.2 t CO₂eq.

Development of greenhouse gas emissions in the reporting year

GRI 3-3, GRI 305-5

Our internal activities to reduce these emissions focus on increasing energy efficiency. This is referred to as lever 1. It is supplemented by lever 2, which records the renewable energy we generate ourselves in the form of solar power. Lever 3 concerns the purchase of electricity from renewable energies. To this end, we use the recognized market instruments of coupled and uncoupled green electricity certificates as guarantees of origin. No additional voluntary compensation mechanisms were used in 2025.

Lever 1 – Energy efficiency: In 2025, we were able to implement savings projects with a sustainable reduction in energy consumption of 10.5 GWh (previous year: 15.8 GWh). These measures thus contribute to a sustainable reduction of 3,823 t CO₂eq (previous year: 5,111 t CO₂eq).

Lever 2 – Own production of renewable energy: In the reporting year, 1,416 MWh of electricity was generated by our own photovoltaic system at the Portland plant and consumed on site. This corresponds to a total share of 0.2 percent of (group-wide) electricity consumption.

Lever 3 – Procurement of renewable energy: For our Portland site, we purchased renewable energy certificates amounting to 2,017 MWh (previous year: 2,902 MWh). A long-term electricity procurement contract was used to procure 59.8 GWh of green electricity for the Burghausen and Freiberg sites in 2025. In addition, renewable energy certificates were purchased for a total of 173,500 MWh of electricity for 2025 (previous year: 76,000 MWh).

This enabled us to reduce our CO₂ emissions (Scope 1 and 2, market-based) per sales by a total of 27.9 percent (target: 20 percent) compared to the base year 2021. We have been able to reduce the absolute amount of CO₂ emissions by a total of 30.9 percent (annual average 8 percent) or a total of 100,785 t CO₂eq since 2021.

Climate action plan of Siltronic GRI 2-23, GRI 2-24, GRI 3-3, GRI 201-2, GRI 305-5

In the environmental policy statement adopted by Siltronic's Executive Board, we have set out our commitment to climate protection and defined our ambition to contribute to the Paris Climate Agreement.

To this end, Siltronic is aiming for "net zero" greenhouse gas emissions caused directly (Scope 1) and indirectly through the purchase of energy (Scope 2) by 2045 at the latest. To achieve this, these emissions are to be reduced to near zero by 2045. Once the potential for reducing Scope 1 and 2 emissions has been largely exhausted, other measures will be considered (e.g., savings elsewhere, capture from the atmosphere) in order to achieve our net zero target.

Despite planned growth and the associated significant increase in energy demand, greenhouse gas emissions are to be reduced by 42 percent in absolute terms by 2030 compared to the base year 2021.

Beyond these performance indicators and targets at the highest ESG level, we have set ourselves further targets. With regard to Scope 3 emissions caused in the value chain, Siltronic's target is for 80 percent of our key suppliers to have set scientifically based climate targets that contribute to the Paris Climate Agreement by 2030 and for us to report annually on their achievement. A target value of 95 percent applies for the year 2045. We have set an interim target of 75 percent for 2028. Key suppliers account for more than 50 percent of our procurement volume (excluding peaks from investments) and 80 percent of our greenhouse gas emissions caused by purchased goods and services. With this target, we are focusing on the part of Scope 3 emissions that is relevant and that we can best influence.

To further reduce our Scope 3 emissions, we motivate and support our workforce to commute to work in the most environmentally friendly and safe way possible. To this end, Siltronic provides financial support to employees for bicycle leasing and operates shuttle buses for the workforce at its Burghausen site. At our Portland site, we provide our employees with subsidies for public transportation tickets, and in Singapore, Siltronic offers shuttle buses from the plant to various regions.

With these targets, Siltronic is contributing to the climate agreement adopted in Paris in 2015 to limit global warming to a maximum of 1.5 degrees Celsius: The 1.5-degree target is the central reference point for Siltronic in terms of the depth of reduction of Scope 1 and

2 emissions for the target years 2030 and 2045. To this end, CO₂ intensity, measured in terms of CO₂ emissions in relation to sales, is to be reduced by an average of at least 5.0 percent per year between 2021 and 2030.

To achieve its climate targets, Siltronic has committed to gradually increasing the share of renewable energies to 60 percent by 2030 and 100 percent by 2045. To underline our commitment to renewable energies, Siltronic joined the RE100 initiative in November 2023. RE100 is a global corporate initiative that promotes the exclusive use of renewable energies. With this membership, we want to contribute to removing one of the biggest obstacles to global decarbonization: the still insufficient amount of green electricity available in many energy markets.

Overall, Siltronic plans to achieve the above climate targets for its Scope 1 and 2 emissions through the following measures:

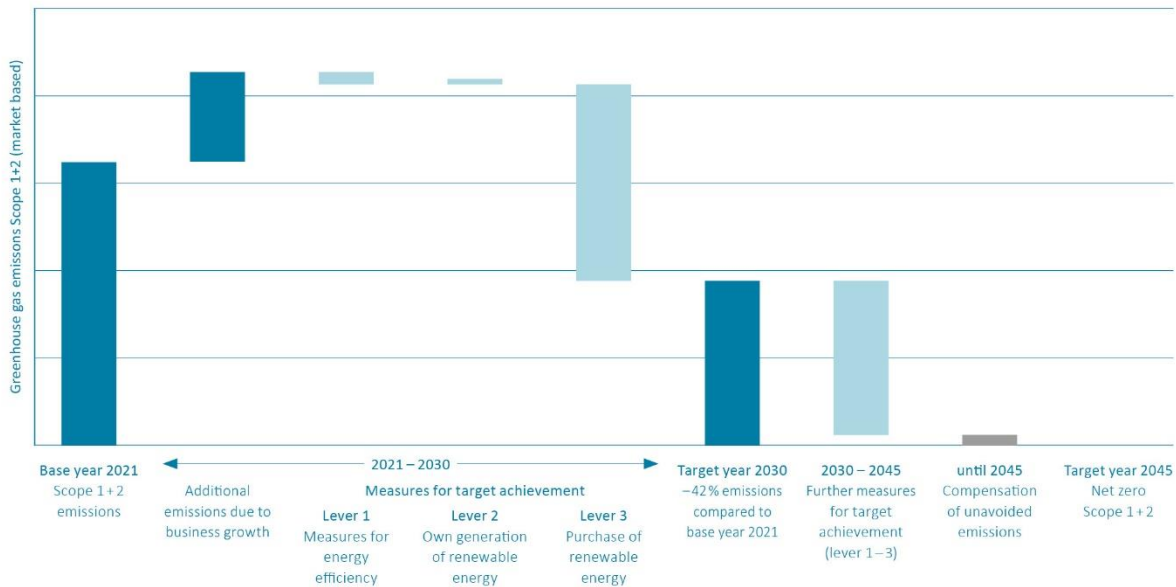
- **Lever 1 or increasing energy efficiency:** Less than 5 percent of the necessary greenhouse gas emission savings in 2030 are to be achieved by increasing energy efficiency and reducing energy intensity, for example through optimized production processes or the use of more efficient machines.
- **Lever 2: In-house generation of electricity from renewable energies:** We generate a small amount of electricity from renewable energies ourselves. This is expected to contribute around one percent to the achievement of the 2030 targets.
- **Lever 3: Promotion of projects and procurement of electricity from renewable energies:** The purchase of electricity from renewable energies via market instruments such as renewable electricity certificates or via power purchase agreements (PPA) for the supply of electricity from renewable energies is expected to contribute around 95 percent to the reduction of CO₂ emissions in 2030.

Our climate action plan has a target for CO₂ intensity per million euros of sales. The intensity is to be reduced by an average of at least 5.0 percent per year. For 2025, this resulted in an upper limit of 185.6 t CO₂eq per EUR 1 million of sales. With a result of 167.2 t CO₂eq per EUR 1 million of sales, the target was achieved.

The achievement of the targets for reducing Scope 1 and 2 emissions and increasing the share of electricity from renewable energy sources by 2030 and 2045, respectively, is subject to the proviso that the framework conditions regarding the availability of renewable energies for our Singapore site improve significantly by 2030 and beyond.

The following diagram shows the magnitude of the decarbonization levers Siltronic intends to use to achieve its reduction targets for Scope 1 and 2 emissions by 2030.

Climate Action Plan



Capture of CO₂ from the ambient air or through reforestation projects will not be used by Siltronic initially. From 2045 at the latest, when the potential for reducing Scope 1 and 2 emissions has been largely exhausted, we plan to implement these measures in order to subsequently achieve our net-zero target.

The implementation of the climate action plan in the reporting year consisted of consciously purchasing significant amounts of electricity from energy suppliers that are associated with lower CO₂ emissions. In addition, we invested EUR 0.8 million in projects to reduce greenhouse gas emissions in the reporting year.

The costs of implementing the climate action plan depend on two factors. On the one hand, the speed at which electricity from renewable energies will be available for our production sites in the coming years is a decisive factor. Secondly, the future price of eligible green electricity certificates is also significant. We do not expect this to have any material negative impact in the short or medium term. As we do not see any negative impact on our business model, we also consider the long-term impact to be immaterial.

The implementation of the climate action plan is the responsibility of the Corporate Responsibility department. The head of the department reports directly to the Chief Financial Officer. The target achievement of the climate action plan and the relevant measures are regularly reviewed at the Executive Board level.

Our resilience analysis of our assets showed that they are not significantly affected by climate change. As in the previous year, we analyzed in 2025 whether the assets would lose a significant amount of value during their planned useful life as a result of significant climate change. Physical risks and transition risks were taken into account. In our opinion, the greenhouse gas emissions associated with Siltronic's most important assets and products are not significant.

The material risk resulting from climate change relates to transition risk and not to physical risk.

Measures to reduce energy intensity GRI 3-3, GRI 302-4

Siltronic uses a performance indicator to manage energy consumption with regard to CO₂ emissions. The 'energy efficiency' indicator compares energy consumption with production volume, which in Siltronic's case is wafer area.

Siltronic has set itself the energy target of achieving an average annual reduction of 1.5 percent in specific energy consumption (base year 2015). Annual target values are defined, and based on the planned production volume, we derive absolute energy-saving targets in MWh for the individual sites as well as absolute targets for the production areas.

To reduce energy intensity, projects are initiated and implemented to reduce specific energy consumption. Sustainable reductions have been achieved in recent years, in particular through improvement projects in the areas of air conditioning, cooling, ventilation, adjustment of cooling water demand, and optimization of production processes.

Numerous measures were implemented in 2025 with the aim of increasing energy efficiency. In total, the measures correspond to a sustainable reduction in energy consumption of 10.5 GWh per year (previous year: 15.8 GWh) and an equivalent value of around EUR 1.2 million (previous year: EUR 2.6 million) or 3,823 t CO₂eq (previous year: 5,111 t CO₂eq). The target of an average reduction in energy intensity of 1.5 percent was not achieved in 2025 due to the ramp of production at the new factory in Singapore.

EUR 0.5 million was spent on energy-saving measures. For relevant investments, please also refer to the information on the EU taxonomy. The company-wide energy management system at the Burghausen, Freiberg, and Munich sites is certified according to the ISO 50001:2018 standard.

Electricity from renewable energy sources

GRI 3-3, GRI 302-1

In 2025, renewable energies accounted for 40.0 percent of our total electricity consumption, measured in accordance with the Greenhouse Gas Protocol (previous year: 37.4 percent). Applying the stricter criteria of RE100, according to which the share of green electricity reported in standard supply contracts may only be counted if it is additionally verified by renewable energy certificates, the share of renewable energies in electricity consumption in the reporting year was 26.0 percent (previous year: 18.5 percent). RE100 is a global corporate initiative that promotes the exclusive use of renewable energies.

Electricity from renewable energies was procured for 2025 via unbundled renewable energy certificates. In the fiscal year 2023, Siltronic also concluded negotiations on a power purchase agreement (PPA) for the supply of electricity from renewable energy sources, including the associated renewable energy certificates for the Burghausen and Freiberg sites. This agreement is expected to result in deliveries of electricity from renewable energies amounting to approximately 60 GWh per year in the years 2024 to 2033.

In 2025, a total of 235,305 green electricity certificates were purchased, of which 59,788 certificates were purchased through the aforementioned PPA and 175,517 were unbundled certificates.

In 2025, we were able to use 1,416 MWh of self-generated electricity for production. None of this electricity was fed into the public grid.

Looking ahead, further PPAs are to be concluded, and existing contracts are to be switched to green electricity tariffs in order to achieve the CO₂ reduction targets by 2030. We have reviewed the installation of a second solar power system and will commission it in 2026.

As part of its membership in RE100, Siltronic has committed to gradually increasing the share of renewable energies to 60 percent by 2030 and 100 percent by 2045.

Other climate-related information

We apply an internal pricing system for CO₂, which we use for an initial assessment of climate-relevant measures. The internal CO₂ price is used as a shadow price with no influence on economic results.

Management of water

Importance of water for Siltronic

GRI 3-3, GRI 303-1, GRI 303-3, GRI 303-4, GRI 303-5

In our materiality analysis, we identified our water demand as a topic of high importance. There are several reasons for this.

The industry in which we operate is considered to be very water-intensive. Our customers, i.e., chip manufacturers, have very high water requirements. When our customers operate large plants in areas with a high water risk, public supply systems can be placed under considerable strain. However, the demand for water is not a consequence of our product or our deliveries, but rather of the production process on the customer side. Siltronic's customer profile does not show any particular exposure to customers with significantly above-average water risk. This leaves the question of whether the high water demand typical of our industry is also relevant for Siltronic. We consider our production to be very water-intensive.

According to scientific knowledge, water is considered an increasingly precious ecological resource. Through its use of water in its own production, Siltronic contributes indirectly to a certain extent to the scientifically proven global social and ecological effects of water scarcity. We cannot quantify Siltronic's contribution to the extent of these indirect effects.

At the corporate level, water does not currently pose a significant financial risk for Siltronic (the materiality analysis also incorporates the above-mentioned risk analyses). The costs of water, including infrastructure and treatment, account for only a small portion of manufacturing costs. Even a significant increase in the cost of water in the medium or long term—which we do not anticipate—would not pose a significant financial risk.

In the reporting year, water demand amounted to 21.0 million m³ (previous year: 23.8 million m³). We use water to cool our equipment and in the wafer manufacturing process.

Cooling water: We use cooling water in our production facilities as flow-through coolers or evaporative coolers. For both types, safety concepts are in place to ensure that the cooling water discharged into wastewater systems is not contaminated. Since cooling water is not exposed to contamination as it is in the manufacturing areas, Siltronic attaches considerably greater importance to the water used in manufacturing. In the reporting year, cooling water demand was 13.5 million m³ (previous year: 16.7 million m³).

Process water: Demand for the production of wafers and wafer material amounted to 7.5 million m³ in the reporting year (previous year: 7.1 million m³). Most of this water is used in cleaning steps and involves ultrapure water of the highest quality. This type of water is necessary to meet the extreme requirements for the purity of wafer surfaces. In 2025, we used 6.6 million m³ (previous year: 5.7 million m³) of ultrapure water. The total amount of water used for production per EUR 1.0 million in sales was 5,595 m³ in the reporting year (previous year: 5,007 m³).

Water storage had no significant impact on the above and below figures relating to water (water demand does not differ significantly from water withdrawal); estimates also play no significant role.

Commitment and targets for water stewardship

GRI 2-23, GRI 2-24, GRI 2-29, GRI 3-3, GRI 303-1

We address the high water demand through our commitment to protecting water as an ecologically and socially valuable resource ('water stewardship'), which the Siltronic Executive Board has enshrined in its publicly available environmental policy statement. In accordance with this, we are committed to the responsible use of water and take effective measures to reduce emissions into water.

First, we conduct an annual assessment of our production sites with regard to water risks. This assessment evaluates physical, legal, and reputational risks. The most important elements in the assessment are the WWF's water risk filter, analyses by CDP, the assessment of insurance experts, and a differentiation between water catchment areas and production. The physical risks are based on the aspects of water scarcity and water quality. Although our risk analysis for the production sites did not result in a high risk rating overall, the high water demand meant that the importance of water was rated as high in the materiality analysis:

Water risk assessment – operational water risk

Water risk assessment per site	Burghausen	Freiberg	Portland	Singapore
Physical	medium	medium	medium	medium
Legal	medium	low	very low	very low
Reputation	very low	very low	very low	very low
Total risk	medium	low	low	low

According to the current assessment using the water risk filter, no site is located in a water catchment area with a high physical risk. The analysis includes water availability. The sites are located in industrial areas with modern public water supply and disposal systems.

As we have not been approached by residents, communities, other companies, or public authorities at any of our sites in the past regarding water scarcity, we have not conducted any stakeholder consultations in relation to water.

We have underpinned our commitment with long- and short-term targets. The entire Executive Board receives regular reports on the achievement of these targets, discusses the background and takes action where necessary. We also report annually on the achievement of these targets.

Measures and target achievement for water stewardship

GRI 3-3, GRI 303-1

The target value addressing water stewardship is water recycling. The recycling rate for process and cooling water is to increase by an average of 1.7 percent per year compared to the base year 2021. This water recycling rate is thus to be increased by 15 percent by 2030 compared to the base year 2021. (The targets are voluntary; there is no legally or similar regulatory prescribed value at any site.)

Recycling ratio of process water

in %	2021	2023	2024	2025
Water recycling ratio	9.2	10.0	10.5	13.1

The increase in the recycling rate compared to the previous year is attributable to the new factory in Singapore.

The implementation of the strategy for water stewardship is primarily based on optimization projects. The relevant activities within the Group are the responsibility of the Environment, Health and Safety (EHS) department. The department reports to the CEO. The Corporate Responsibility department measures changes in the water recycling rate. Its head reports directly to the entire Executive Board on the development of the recycling rate.

In 2025, improvement projects to increase the water recycling rate were implemented at two production sites. In the reporting year, a volume of 3.2 million m³ of water was reused or recycled by transferring it from one process to another (previous year: 2.8 million m³). The recycling rate for process water across the Group was 13.1 percent in 2025 (previous year: 10.5 percent).

Another cornerstone of our strategy for water stewardship is to review investments for their potential to contribute to the responsible use of water. For example, we equipped our factory in Singapore, which opened in 2024, with state-of-the-art water systems.

Of the EUR 32.1 million invested in environmental improvement measures in 2025 (previous year: EUR 5.9 million), EUR 15.0 million (previous year: EUR 2.6 million) was allocated to water. This included projects for water recycling and wastewater treatment, among other things. Water treatment projects were implemented and completed in the reporting year. The costs of implementing the projects that affected earnings were not material.

Wastewater

GRI 303-2

In order to keep the impact of wastewater as low as possible, we have separate systems for cooling water and process water. Since cooling water is not exposed to contamination, the separate water systems ensure that only process water needs to be treated. Process water accounts for around 36 percent of water use and cooling water for 64 percent. The above-mentioned water recycling projects not only reduce water demand but also the volume of wastewater.

In 2025, we forwarded 8.1 million m³ (previous year: 7.4 million m³) of operational wastewater to external wastewater treatment plants. We monitor chemical oxygen demand (COD) as a relevant wastewater parameter. In the reporting year, the COD value totaled 778 t. We forward contaminated process wastewater to treatment plants for purification. The water is then discharged into receiving waters or made available again as process water.

Wastewater parameters

	2021	2023	2024	2025
Indirect discharge in million m ³	6.5	6.3	7.4	8.1
COD total in t	725	657	770	778

Regular monitoring through COD (chemical oxygen demand) measurements ensures prompt assessments of wastewater quality. These measurements also detect substances that are difficult to degrade. As a result, we are able to take corrective action quickly in the event of contamination.

Waste management

Significance of waste (circular economy)

GRI 2-23, GRI 2-29, GRI 3-3, GRI 306-1, GRI 306-2

In our materiality analysis, we identified waste as a topic of high importance due to the short-, medium-, and long-term effects of waste generation in our (own) business activities. The waste generated at Siltronic can have indirect impacts on the environment, including excessive resource consumption, the release of greenhouse gases and pollutants, soil and water contamination, energy consumption during disposal, and the loss of valuable recyclable materials. These indirect impacts of our business activities are difficult to quantify.

Against this background, we want to avoid unnecessary waste. Accordingly, we have laid down the following in the publicly available environmental policy statement with regard to waste management, which has been approved by the Executive Board:

- We reduce, reuse, and recycle materials wherever possible to minimize waste generation
- We pay special attention to the appropriate handling and the reduction of hazardous waste.

To put these voluntary commitments into practice, appropriate projects are initiated.

Of the capital expenditures in environmental improvement measures in 2025 amounting to EUR 32.1 million (previous year: EUR 5.9 million), EUR 0.5 million (previous year: EUR 0.6 million) was attributable to waste. We do not expect any reportable financial impacts arising from material risks and opportunities associated with impacts related to waste and the circular economy.

The largest amount of waste is sawing sludge. This is produced when the ingot formed after melting the polysilicon is cut into wafers by sawing. The sawing sludge is processed at the end of its useful life. Silicon particles and used sawing additives are separated from the sludge. Liquid medium and sawing additives are reused and the dirt particles are disposed of.

As we have not been approached by residents, communities, other companies, or the public sector about the issue of waste at any of our sites in the past, we have not conducted any stakeholder consultations on the subject of waste.

Waste reduction

GRI 2-24, GRI 3-3, GRI 306-3, GRI 306-4, GRI 306-5

The performance indicator for the area of waste is the increase in the recycling rate. The target is to achieve an average annual improvement of 1.1 percent from the base year 2021 until 2030. We are therefore aiming for a 10 percent increase in the recycling rate during this period. The target value for the reporting year was 75.6 percent. At 64.8 percent, the target was not achieved. The Executive Board receives regular reports on the achievement of targets, discusses the background and takes action where necessary. As the assessment basis includes hazardous waste, the target value also motivates the annual reduction of hazardous waste. Our waste recycling program covers all significant waste generated in production and beyond.

Waste recycling ratio

in % of waste volume	2021	2023	2024	2025
Recycling ratio	72.4	71.2	67.0	64.8

We classify waste according to treatment methods and hazard-ousness, with the disposal of hazardous waste being particularly important. Disposal methods and the classification of waste into "hazardous" and "non-hazardous" categories are based on local legal or quasi-legal regulations. The following table shows the composition of waste in 2025.

in t	Non-hazardous	Hazardous	Total
Recycling	5,579	5,762	11,341
	49%	51%	100%
Disposal	571	5,585	6,156
	9%	91%	100%
Total	6,150	11,347	17,497
	35%	65%	100%

Outgoing product packaging

GRI 301-3

Since our production process is limited to converting the raw material silicon into the raw material wafer and as we ship many millions of wafers per year to customers in packaging, the significant waste-related impact can be achieved in waste prevention from outgoing packaging. Packaging waste from the procurement of raw and auxiliary materials is much lower, as these materials are significantly less sensitive to surface contamination, physical damage to the surface, moisture, and temperature differences than wafers.

To avoid packaging waste, we have been using a reusable packaging system for shipping wafers to our customers for around 20 years. This reusable system is mainly used for shipping 300 mm wafers. The packaging system consists of the reusable FOSB product packaging, in which the wafers are placed, and the reusable Hybox transport container. One Hybox can hold twelve FOSBs. Since FOSB and Hybox have an impact on the customer's production process, the customer must agree to the use of this reusable system.

Regarding the reusable Hybox transport container: In 2025, 95 percent of our 300 mm wafers were shipped to our customers in Hyboxes. Thanks to the reusable concept, we were able to avoid 2,121 tons of waste from disposable packaging in the reporting year (previous year: 1,814 tons). The Hybox consists of the box and inserts.

A Hybox and its inserts are easily recyclable. The box is made entirely of polypropylene, which, according to the US Environmental Protection Agency, is one of the most frequently recycled materials. As long as the Hyboxes are not damaged, there is no limit to their useful life. The inserts are made entirely of expanded polypropylene foam, which consists of 96 percent air and is produced without CFCs or other greenhouse gases. This material is also durable and fully recyclable.

Regarding the reusable product packaging FOSB: We are striving to increase the proportion of wafer deliveries in FOSB. As this product packaging is also used in clean rooms, the requirements for reuse are very high from a quality perspective.

Further waste-related information GRI 306-2

The Environment, Health and Safety (EHS) department is responsible for implementing measures to increase the waste recycling rate. EHS is responsible for the relevant activities across the Group. The department reports to the CEO. The Corporate Responsibility department measures changes in the waste recycling rate. Its head reports directly to the entire Executive Board on developments.

The investments and profit impacting expenses incurred to achieve improvements in waste management do not have a material impact on Siltronic's financial position or results of operations.

Legal requirements for the reuse of product packaging are not relevant to us.

Management of raw materials and supplies

Importance of raw materials and supplies for Siltronic GRI 301-1, GRI 301-2

Since wafers consist of more than 99.0 percent silicon atoms, silicon is by far the most important raw material for us. Silicon is extracted from sand, is non-toxic, and is the second most abundant element on Earth after oxygen. Given the availability of silicon and sand, our demand is insignificant for the Earth. Despite the very good availability of silicon and sand, some of the silicon used is recycled. Recycling reduces energy consumption and thus CO₂ emissions.

The increasing physical and chemical demands on wafer specifications have a positive effect on the energy efficiency of electronic devices, but a negative effect on the efficiency of silicon use, as more silicon is needed to produce wafers that meet the stricter specifications. Not all wafer types are affected by the increasingly demanding specifications, but many are. In addition, the product mix resulting from customer orders has an impact on silicon efficiency.

The consumption of silicon, by far the most important raw material, is analyzed monthly with regard to its efficient use. Efficiency is monitored by the Executive Board. The efficient use of silicon also reduces the amount of waste (silicon is non-toxic).

Circular economy: Measures to reduce the use of raw materials, including recycling GRI 301-2, GRI 306-2

The will and motivation to achieve targets leads to new ideas being developed and tested. If their use in production proves promising, investments are made to implement them. As in previous years, we will provide personnel and financial support for projects in the areas of research, development, and manufacturing at all locations that are aimed at increasing silicon yield.

In a recycling plant for silicon residues developed and operated by Siltronic, we can recover a low double-digit percentage of the silicon used. The recycled silicon is fed directly into production as a raw material. To this end, we have adapted our production process over the years.

Since investments to improve the efficiency of silicon use are usually accompanied by other improvements in the production process, it is not possible to give an isolated figure for investments that relate directly and solely to silicon efficiency. For the same reason, the expense-related costs cannot be reported separately; they are included in personnel and material costs within the R&D function.

The recovery of silicon from the recycling of chips is currently neither feasible nor foreseeable for physical reasons, due to the extremely high purity requirements for silicon in our production process.

In addition to silicon as a raw material, auxiliary materials such as chemicals, gases, and polishing agents also play a role in our production process. The individual auxiliary materials are of less importance compared to silicon. We are working to improve the production steps with the aim of reducing the specific consumption of auxiliary materials. The specific reduction is usually achieved through recycling (for example, reductions in polishing agents and cleaning baths).

There are no legal targets that are relevant to us regarding the reuse of silicon. No significant by-products are generated during the manufacture of wafers.

Substances of concern

GRI 2-27

Substances of concern is a general term for chemical substances that may have potentially harmful effects on health or the environment. In practice, such substances are assigned to different categories of hazard or concern.

The European Union identifies substances that are considered to be of particular concern in the REACH Regulation. They are listed in the SVHC list (SVHC stands for Substances of Very High Concern). SVHCs meet strict criteria, such as being carcinogenic, mutagenic, toxic, or very persistent. The substances contained in our products are not included in the SVHC list.

The chemical substances we use are subject to the applicable regional chemical regulations. In order to meet these requirements, we have formulated specific regulations. Compliance with these regulations is the responsibility of the managers who have been assigned the relevant duties. They are supported by the Environment, Health and Safety department, which reports to the CEO.

In addition, the Compliance Management System established throughout the Group is designed to promote the proper handling of substances of concern and to prevent, identify, and sanction compliance violations.

The Group-wide analysis of our compliance risks has not revealed any indications that the chemical substances we use pose risks that exceed the usual level for these substances.

Environmental pollution, biodiversity and ecosystems

GRI 2-25, GRI 2-27, GRI 101-2, GRI 305-7

We assess our environmental aspects annually using an ABC analysis and set targets and improvement programs for the relevant aspects at site level. For the reporting year, we identified air emissions and soil contamination as relevant environmental aspects in addition to those described above.

Nitrogen oxides are the most important issue for us in terms of air emissions. Reduction projects have been planned and implemented to address this. NOx emissions amounted to 65 tons in 2025 (previous year: 64 tons). Compared to the previous year, NOx emissions rose by

1.4 percent. To minimize our NOx emissions, we use suitable extraction and scrubber systems at all sites. Of the investments in environmental improvement measures in 2025 totaling EUR 32.1 million (previous year: EUR 5.9 million), EUR 15.6 million (previous year: EUR 1.0 million) was attributable to air.

NM VOC and dust were not classified as relevant environmental aspects, but continue to be monitored internally. In 2025, we emitted 58 tons of NM VOC and 4.3 tons of dust.

Emissions into the air

in t	2021	2023	2024	2025
NO _x	92	67	64	65
NM VOC	58	48	59	57
Dust	2.3	2.1	1.9	4.3

We operate four highly compact production sites located in industrial areas in Burghausen/Germany, Freiberg/Germany, Singapore, and Portland/USA (Oregon). We do not anticipate any material impact on our business model in terms of biodiversity and ecosystems.

The site of our subsidiary Siltronic Corp. in Portland is located in an area that has been used for industrial purposes for around 100 years. Due to the recognized contamination in the area, the authorities imposed requirements for the monitoring and the remediation of the environmental pollution many years ago. The existing environmental pollution was not caused by Siltronic, but by previous owners and neighbors of the property. Siltronic Corp. is involved because, as the owner of the property, it is liable for the environmental damage. In order to fully comply with these requirements, an employee has been appointed who is responsible for coordinating and managing Siltronic Corp.'s environmental measures. This measure is designed to ensure that the necessary consultations with the authorities are carried out, formalities are fulfilled, qualified environmental experts are engaged, and remediation work is coordinated. The relevant developments do not differ significantly from our expectations. We are also in contact with neighboring companies and other parties that have to meet the same or similar requirements in the relevant area. Siltronic Corp. had concluded several insurance policies covering environmental risks. Based on the policies, two insurance companies paid a total of EUR 45 million to Siltronic Corp. in 2019. The company uses these funds to finance running costs associated with local environmental pollution. There are also claims against other insurance companies. We assume that the payments received, together with the additional insurance coverage, will be sufficient to cover future costs.

Information on social aspects

SDGs 3 to 5, 8 and 10; UN Global Compact Principles 1 to 6 and 10; Responsible Business Alliance Code of Conduct Topic A and B

Workforce and personnel planning strategy

The statements in this section of the report refer to employees and temporary employees. Together, they form the workforce.

Statistical information on employees

GRI 2-7, GRI 401-1, GRI 405-1

As of December 31, 2025, the Siltronic Group had 4,249 employees (previous year: 4,357), broken down by country as shown below. (The average number of employees stated in the notes to the consolidated financial statements was calculated using the same principles.)

Number of employees (headcount) on the balance sheet date

	Men	Women	Total	Share of total
Germany	1,937	496	2,433	57%
of which on permanent contracts	1,854	468	2,322	
of which on temporary contracts	83	28	111	
Singapore	1,079	373	1,452	34%
of which on permanent contracts	1,078	371	1,449	
of which on temporary contracts	1	2	3	
USA	211	99	310	7%
of which on permanent contracts	211	99	310	
of which on temporary contracts	–	–	–	
Other countries	35	19	54	1%
Employees in the Group	3,262	987	4,249	100%

3,801 employees worked full-time and 448 part-time (previous year: 3,825 and 532, respectively). Of the part-time employees, 47 percent were women and 98 percent had permanent employment contracts. The part-time employees were almost exclusively employed in Germany. Zero-hour contracts or comparable arrangements do not play a role at Siltronic.

In the reporting year, 322 employees were hired, 79 of whom in Germany and 243 abroad. These hires represented 7 percent of the workforce on an annual average. During the same period, around

5 percent of employees resigned and Siltronic terminated the employment of less than 1 percent of employees. This results in a turnover rate of 6 percent due to resignations. There was no significant seasonality in the number of resignations. The remaining additions and departures were due to retirement, parental leave or return from parental leave, and changes due to illness.

At the end of 2025, the average age of the workforce was approximately 44. The following table shows the age structure of Siltronic's employees worldwide.

	Male	Female	Total
up to 29 years of age	9%	3%	12%
30 to 50 years of age	41%	13%	54%
over 50 years of age	26%	8%	34%
Total	76%	24%	100%

Importance of temporary employees

GRI 2-8

Since the semiconductor industry has historically experienced pronounced ups and downs, and we have to cope with such changes, we pursue a flexible strategy in our personnel planning. This strategy includes covering a certain demand for personnel in Germany with temporary employees. If production peaks due to a pronounced upturn, temporary employees are deployed in production. Conversely, if a downturn necessitates savings in personnel expenses after reducing overtime and flexitime, we first reduce the number of temporary employees. For this reason, the use of temporary employees has a protective effect on the jobs of employees. If this is not sufficient, internal transfer options are examined in a next step and fixed-term employment contracts are not extended. In a third step, we examine the introduction of short-time work in areas that are particularly affected by a downturn.

In order to respond in a timely manner to significant changes in the order situation, the personnel requirements resulting from incoming orders are continuously compared with current and future staffing levels. Planned measures to significantly increase or reduce the number of employees are discussed by employer and employee representatives in a structured process. The last time short-time work had to be resorted to was in 2012.

On December 31, 2025, Siltronic employed 146 temporary employees (headcount), compared with 183 in the previous year, of whom 96 were men and 50 were women (previous year: 117 and 66, respectively). The temporary employees are provided by temporary employment agencies. At Siltronic, temporary employees are predominantly employed in production in Germany. The number of temporary employees was reduced in the reporting year mainly due to the closure of the SD production line.

Temporary employees are the only significant group of non-permanent personnel, and only in Germany is the number of temporary employees employed by Siltronic noteworthy. We pay at least the wage stipulated in the collective agreement on industry bonuses for temporary agency workers in the chemical industry. In addition, workplace, shift and other voluntary allowances are granted, which may vary depending on the operation and location. Furthermore, Siltronic complies with the requirements for equal pay under the German Temporary Employment Act ('Arbeitnehmerüberlassungsgesetz'). Like Siltronic AG employees at the German sites, temporary workers employed at these locations also received a profit-sharing payment in 2025 for their contribution to the Company's business success in 2024.

Closure of the SD production line, Germany

GRI 2-29, GRI 402-1

In March 2024, Siltronic decided to gradually phase out the production of small diameter (SD) wafers at its Burghausen site. The implementation will be completed in the first quarter of 2026. Approximately 400 employees were affected by the termination, about half of whom were on fixed-term contracts and temporary employment contracts. The workforce was reduced through socially acceptable measures without termination for operational reasons. This was achieved through internal transfers at the site, demographics, and partial retirement.

The Executive Board is committed to fulfilling its responsibilities as an employer and to taking all possible measures to ensure that any workforce reductions are implemented as socially responsibly as possible.

Prior to the decision to close the plant, the issue was discussed constructively on several occasions with the local works council and the co-determined Supervisory Board. The implementation of the closure was supported jointly by the employer and the employee representatives. A reconciliation of interest was signed in June 2024 for this purpose.

To implement the reconciliation of interests, regular constructive dialogue is maintained between the local works council and Siltronic's management in Germany. This allows the Executive Board to stay informed about the effectiveness of the measures and evaluate the results. In addition, the implementation of the reconciliation of interests is discussed in the co-determined Supervisory Board.

Provision of appropriate remuneration and social insurance for employees

GRI 2-30

In order to attract new employees and retain existing talents, both critical for future success, we must offer competitive remuneration. We believe that the employees in the Group receive appropriate remuneration. This assessment is based on relevant benchmark data.

99 percent of employment relationships with employees relate to sites in Germany, Singapore and the United States. These are modern industrialized countries with functioning labor markets and modern labor legislation enforced by the state. The remaining one percent of employees work at sales offices in major modern cities in Korea, Taiwan, Japan and China. All employees working there have qualified professional training, which we remunerate appropriately (in Germany, collective bargaining agreements apply; abroad, we have benchmarked the remuneration granted against national averages).

Our workforce has always been strongly unionized, especially in Germany. Since employees are not required to disclose union membership and employers are not permitted to ask about it, we do not know the exact number of union members. Regardless of union membership, all employees in Germany are represented by elected works councils.

Under the collective bargaining agreements applicable to Siltronic in Germany, employees are treated as if the respective collective bargaining agreement applies, regardless of their union membership. This procedure ensures that employees at the German locations receive appropriate remuneration.

All Siltronic employees in Germany are subject to a collectively agreed minimum standard (around 77 percent of employees are covered by collective bargaining agreements and around 23 percent receive compensation above the collectively agreed level), and all employees in Germany are covered by social dialogue between employer and employee representatives. At Siltronic in Singapore and Portland, there is no collective bargaining coverage and no social dialogue through employee representatives. Including temporary agency workers, 59 percent of the Group's employees are covered by collective agreements and social dialogue through employee representatives.

In addition to their fixed remuneration, employees receive a variable remuneration if specified financial targets are achieved. The variable remuneration in Germany is the result of a social dialogue with employee representatives.

In Singapore, we support our employees' participation in the trade union relevant to our industry. To the best of our knowledge, around 300 Siltronic employees in Singapore are union members.

In Singapore, in line with the Responsible Business Alliance industry initiative, we apply regulations on working hours and agency fees that go well beyond the local legal standard. We are committed to covering all expenses incurred in hiring foreign workers. These include, in particular, costs for travel, medical examinations, visas, and other official travel documents.

All Siltronic employees were entitled to social protection (health insurance, parental leave, and other forms of social insurance, where applicable) in the reporting year and the previous year.

Further development and training courses

GRI 404-1, GRI 404-2, GRI 404-3

Competent employees keep Siltronic innovative and competitive. We encourage our workforce to engage in lifelong learning and remain flexible to change because we believe that we all need to adapt to longer working lives in order to cope with demographic change. We offer extensive opportunities for further development so that our workforce can realize their full potential. The training measures cover personal, management, social, and technical skills.

At least once a year, as part of the performance reviews, all employees and their managers discuss development measures (for a breakdown of employees by gender, please refer to the information under "Statistical information on employees"). This applies to every level of employees and every location.

Professional development opportunities range from leadership seminars in the production area to multi-day modular project management courses. In addition to training on the Code of Conduct, employees must complete selected mandatory training courses depending on their role.

In 2025, training courses were held with a total of 4,767 participating employees, comprising a total of 115,700 hours, divided into 97,382 hours for mandatory training and a further 18,318 hours for further training measures. On average, each participant received 24 hours of training. Of all participants, women received an average of 23 hours of training and men 25 hours. On average, a typical male employee and a typical female employee each received working days of training just under 3.4.

A total of 1,060 participants from our partner companies took part in the training courses offered or required in 2025.

Annual feedback meetings with employees

GRI 2-29, GRI 404-3

We have implemented formalized individual performance reviews in which employees receive feedback from their managers on how their development is viewed and how their skills and potential are assessed. Another part of the employee review concerns the employee's feedback to the manager. This feedback is important for gaining an understanding of employee satisfaction, identifying widespread concerns among employees, and obtaining a broad range of opinions on important topics (e.g., organizational measures, strategic decisions, or the provision of information to the workforce). staff).

To ensure the sustainability of our success, we have had a process in place for many years to promote potential candidates ('performance management'). In an annual performance cycle, all non-tariff employees and senior managers are discussed according to uniform criteria in internal and cross-departmental conferences. In the subsequent Siltronic conference, all potential candidates are presented to the Executive Board in order to initiate individual development paths. On this basis, concrete development measures are discussed in the annual review between employees and managers. Our aim is to fill demanding positions with internal candidates. Individual development paths also promote employee loyalty to Siltronic.

Behavior among employees and communication between the workforce and the company

Behavior towards one another, leading by example, and compliance with local laws are laid down in Siltronic's Code of Conduct, which applies throughout the Group. The Code of Conduct is publicly available online.

Siltronic regularly informs its workforce about current developments that could have an impact on business performance. Employees receive timely and comprehensive information about significant operational changes. Thereby we comply with the relevant national and international disclosure requirements.

Another feature of open communication at Siltronic AG is that employees can submit questions to management in advance of staff meetings using a form on the intranet. These questions can also be submitted anonymously. Temporary employees can participate in the meetings just as permanent employees. At the meetings, the Executive Board explains current issues, discusses the Company's strategy, and outlines impacts, opportunities, and risks. All participants in the staff meetings can ask questions and express their views. We consider the meetings to be valuable events.

In accordance with the legal regulations of the ultimate parent company, the Executive Board is supervised and advised by the Supervisory Board. The employees delegate six representatives to this Supervisory Board. Through the Supervisory Board, employees and trade unions can contribute their views and influence corporate decisions. For information on the nature, scope, and frequency of the Supervisory Board's involvement in the Group's business, please refer to the Supervisory Board report and the Declaration on Corporate Governance.

In addition, members of the Executive Board of the ultimate parent company meet with elected employee representatives at least once a quarter outside of Supervisory Board meetings. This also gives the Executive Board insight into the views of the workforce. At foreign locations without statutory employee representation, employees are appointed to act as contact persons for workforce issues. They can contact local management. Negative effects on the workforce can thus be addressed in order to initiate measures to remedy the situation.

In addition to the various feedback channels, we hold regular meetings with selected employees at our foreign production companies, where they have the opportunity to provide feedback (e.g., on the working environment, personal development, or occupational safety).

We consider the exchange of information and the cooperation with employee representatives to be constructive and based on trust. This is reflected not least in the fact that there have been no strikes or work stoppages in the Group in the last 20 years.

Diversity

GRI 2-23, GRI 2-24

The Siltronic Executive Board assumes responsibility for diversity at Siltronic. This is demonstrated by the fact that the Group's Executive Board has signed the Diversity Charter and the Equality Charter of IG BCE on behalf of Siltronic. In addition, the Executive Board actively promotes diversity initiatives such as 'Klischeefrei' and 'Zusammenland'. The Executive Board also promotes relevant issues in internal communications, in particular through articles featuring members of the Executive Board on the intranet. This forms the basis for a corporate culture characterized by mutual respect and appreciation for each and every individual.

Equal opportunities

GRI 401-2

We reject unequal treatment or disparagement based on gender, ethnic origin, religion or belief, skin color, disability, sexual orientation, age, or similar forms of discrimination. These principles apply throughout the Group and are enshrined in writing as part of our corporate culture. The strategy for implementing equal opportunities and preventing discrimination consists of implementing reporting systems and training courses.

In line with equal opportunities, we advocate equal pay. Accordingly, we reject any unequal treatment in remuneration based on gender, ethnic origin, religion, etc. In addition to a fixed salary and variable remuneration, remuneration includes various company benefits that exceed the minimum legal requirements and may vary from region to region. These benefits are granted regardless of whether an employee works full-time or part-time.

Implementing diversity

GRI 2-26, GRI 2-29, GRI 405-1

Siltronic operates in Europe, the US, and Asia, and thus in an environment of diverse cultures. Employees of many different nationalities work together every day in each production company and across locations. One focus of our efforts is to create an environment that leverages the advantages of a diverse society. The diversity of the workforce, with its different skills and talents, opens up opportunities for innovative and creative solutions. Diversity includes characteristics such as gender, nationality, ethnic origin, religion, and disability. We also address the issue of diversity at our locations abroad.

Siltronic AG has appointed a diversity officer for its German locations. In addition, employees at all locations in Germany and in Portland can contact a central email address with questions and concerns about diversity. In Portland, there is a diversity officer who leads efforts to promote equality and integration at this location. The location offers ongoing training on diversity, equality, and inclusion (DEI). By joining "Portland Means Progress", Siltronic in the US is committed to continuing to promote a diverse workforce and corporate culture. In Singapore, we have a program that covers topics such as valuing diversity, treating colleagues with respect, and non-discrimination. In addition, we launched a mentoring program in the reporting year with the aim of promoting diversity, a culture of feedback, and knowledge management within the Company and among its employees.

In the countries where Siltronic has employees, there are no political obligations regarding inclusion or support measures for groups that would be particularly vulnerable in our workforce.

The strategy on equal opportunity and diversity is also applied in our recruiting processes.

Employees can report possible discrimination to their supervisors, as well as to the compliance officers, the works council, the Human Resources department, the Ombudsman, or via the digital whistleblower system. The content of the complaint is reviewed and the complainant is informed of the outcome. All employees at the German sites are required to familiarize themselves with the German General Equal Treatment Act through training.

Proportion of women and men at management level

Our medium- and long-term target is to improve the diversity of the workforce at Siltronic, including by increasing the proportion of women in management positions.

As part of the performance management process, the target was set to achieve a 15 percent share of women with potential in the group of senior managers and non-tariff employees. This target was exceeded in 2025 with 25 percent.

On the balance sheet date, the Executive Board consisted of two men and one woman. At the first management level below the Executive Board, 19 people were employed across the Group, of whom 89 percent were men and 11 percent were women.

At the parent company Siltronic AG, the positions in the first two management levels below the Executive Board were filled by men and women as follows at the end of 2025:

	Men	Women	Total
Employees in the Group at management level	40	7	47
<i>in percent</i>	85%	15%	100%
of which first level below Executive Board	15	2	17
<i>in percent</i>	88%	12%	100%
of which second level below Executive Board	25	5	30
<i>in percent</i>	83%	17%	100%

The Corporate Governance Report contains additional information on the proportion of women in Germany.

Compliance with the guidelines on equality and diversity is regularly reviewed as part of audits conducted by the Responsible Business Alliance.

People with disabilities

We support and promote people with severe disabilities. Supervisors, employees, the Human Resources department, representatives for people with disabilities, and the health service work closely together to ensure that employees with health impairments can remain in their jobs or transfer to a suitable position. In Germany, an average of 150 persons with severe disabilities or equivalent status (previous year: 155) were employed in 2025, corresponding to an employment rate of around 5 percent. If applicants indicate that they have a severe disability, the representative for severely disabled persons is involved in the entire application process.

For years, Siltronic has employed more severely disabled people in Germany than required by law. Consequently, no compensation levy was payable.

We also work with workshops for the disabled. At its Burghausen site, for example, Siltronic purchases packaging from the Ruperti Werkstätten.

Further information regarding employees GRI 401-3, GRI 405-2

The maximum permissible working hours per employee depend on the laws applicable in the country of operation and existing collective and individual agreements. In accordance with our Code of Conduct, we do not tolerate any violations. In order to achieve a very high level of certainty that working hours are not exceeded,

we have implemented automated reports and controls. These are designed to prevent and detect violations of working hours.

Leave for family reasons includes maternity, paternity, and parental leave, as well as time off to care for relatives. The right to maternity, paternity, and parental leave is an employee right at all locations. Employees in Germany and abroad also exercise this right. On December 31, 2025, 46 employees were on parental leave, 21 of whom were women and 25 men. The proportion of eligible employees who have exercised this right cannot be determined due to legal data protection regulations. (Employees in Germany are not required to report their entitlement to family leave, and legal privacy protections do not allow us to ask employees about new fatherhood or relatives in need of care, for example.)

Siltronic supports its workforce in Germany with childcare costs by providing a one-time subsidy. In addition, our employees can apply for family leave until their child reaches the age of eight, which entitles them to up to five days of additional vacation. In the event of illness or a relative requiring care, we offer support in Germany in the form of release from work options or part-time models.

The gender pay gap according to the formula 'average gross hourly pay level of male employees minus average gross hourly pay level of female employees in relation to the average gross hourly pay level of male employees', is 9 percent. This difference does not mean that men and women are paid differently for the same work; rather, this is due to structural reasons:

Firstly, more men than women work in higher-paid technical professions at Siltronic in Germany. Salary structures and developments for technical and other occupational groups are essentially laid down in collective agreements. Since technical professions are more often pursued by men than by women, the average gross hourly earnings of men are higher than those of women. Secondly, in many cases, women experience delayed career development during family-oriented phases of their lives. This also contributes to the fact that, thirdly, the proportion of women in management positions is significantly lower or their membership in the management circle is shorter. Fourthly, the regional distribution of women and men at Siltronic locations reinforces the gender-specific earnings gap. A higher proportion of women in Singapore, where the general income level is lower, reduces the average gross earnings of women compared to men. At the same time, Siltronic's international management positions are mainly located in Germany, where the income level and the proportion of men in management positions are high, as explained above.

To reduce the pay gap, we are working, among other things, to recruit more women into technical professions and make these professions more attractive. For example, we offer a "Girls' Day" at our German locations, where we specifically introduce women to our technical professions. In addition, we have set ambitious targets for women in management positions and want to promote them specifically. Siltronic places a clear focus on this in its annual performance reviews and succession planning. Siltronic wants to attract and retain the best talent available. For this reason, attractive, market-oriented compensation and an appropriate participation in the company's success are a matter of course. We pay our employees based on job-related criteria and in line with local market requirements.

The criteria for job evaluation and the associated compensation are independent of gender.

Information on the highest-paid individual and the average compensation per full-time employee excluding the Executive Board (these are the highest-paid individuals) is included in the Compensation report. A comparison of the average compensation of employees with average compensation in Germany, Singapore, and the US revealed no evidence of below-average compensation. Germany, Singapore, and the US are home to 99% of all employees of the Group. The average earned income per country is based on statistics published by authorities and other publicly available data points.

Occupational safety

Importance of occupational safety and evaluation of accident trends

GRI 2-24, GRI 3-3, GRI 403-2, GRI 403-9, GRI 403-10

In our materiality analysis, we identified occupational safety as a topic of high importance, even though we do not consider the number or severity of accidents to be cause for concern. Responsibility toward employees, temporary workers, and partner companies operating on our premises in the area of safety plays a major role at Siltronic because we want to identify problems early and take timely action. This is reflected in preventive measures that apply to all group companies.

The Executive Board receives regular reports on the accident frequency and other accident-related information, including the results of root cause analyses and corrective measures. This includes temporary employees and partner companies.

The Environment, Health and Safety (EHS) department is responsible for implementing occupational safety measures, including plant safety, across the Group. The department reports to the CEO.

The target for accident frequency for 2025 was 1.5. The following table shows the development of the performance indicator that the Executive Board has set for these strategic targets.

Occupational accidents

	2021	2023	2024	2025
Injury frequency rate (LTIR) ¹	4.5	2.4	2.3	1.3

¹ Injury frequency: number of injuries (employees and temporary workers) with lost time per 1 million working hours

The accident frequency rate (LTIR) for 2025 has fallen by 56 percent compared to the average for the previous three years 2022, 2023, and 2024 (three-year trend).

We achieved our target for accident frequency in the reporting year. There were 10 workplace accidents resulting in lost working days, which led to a calculated accident frequency rate of 1.25 in 2025. The target value for 2025 was less than 1.5.

We are not aware of any reportable work-related illnesses or deaths resulting from work-related illnesses.

There have been no fatal accidents at work in Siltronic's area of responsibility in the last three years, and we are not aware of any deaths resulting from work-related illnesses. The figures include employees of Siltronic and partner companies.

Measures to reduce accidents

GRI 2-24, GRI 3-3, GRI 403-1, GRI 403-2, GRI 403-4, GRI 403-8

With our comprehensive safety program, we are continuously working to improve the safety of the working environment. This includes, in particular, the appointment of safety officers, safety inspections, training courses, discussions with the operating team, and emergency drills. The aim is to identify and prevent unsafe practices at all sites – whether when operating equipment, handling chemicals, in the factory, in the office, or on the way to work. Despite these measures, accidents do occur. The occupational health and safety standard ISO 45001 has been established as a Group-wide standard and is certified at our sites. The safety program covers all employees, temporary workers, and external personnel at production sites.

The main causes of accidents continue to be behavior-related. We are therefore continuing initiatives that specifically address these causes and are designed to support our workforce in preventing accidents. These include the Safety Plus program and the reporting of safety-critical situations and measures during the induction of new employees, as our internal statistics show that this group has a higher risk of accidents in the first few months.

The number of accidents resulting in lost working days has decreased significantly compared to the previous year. At the request of the CEO, a comprehensive occupational safety campaign was launched in 2023 and continued in 2025. The campaign includes on-site management inspections and other preventative measures. As part of these inspections, teams of managers and accompanying persons from the quality or EHS departments visit selected areas of production, shipping, workshops, and laboratories. This is supplemented by moderated discussions on selected safety topics in the Total Quality Management rounds on site. The aim is to identify potential for improvement in discussions with employees and to strengthen the shared awareness of quality and safety.

The 'Safety Officer Workshop' implemented at the German sites in 2019 was continued in 2025 with four workshops. The elements of our established Safety Plus program, such as tours, on-site discussions with employees, and Total Quality Management rounds in the plants, were also implemented without restrictions.

In order to minimize accidents, we have set up a system for reporting near misses worldwide. By systematically processing these incidents, we aim to avoid actual workplace accidents. In 2025, 2,618 near misses (previous year: 2,041) were recorded and analyzed. This represents a 28.3 percent increase in reported near misses compared to the previous year.

In accordance with our Code of Conduct, our suppliers are bound to comply with applicable laws and the essential principles set out in the Code of Conduct, which include health and safety.

In order to reduce the risk of accidents at our suppliers' and contractors' sites, we have created a guideline in the form of a safety manual. It includes the rules of conduct, the names of contact persons, and a description of site-specific conditions. In their contracts with Siltronic, suppliers and contractors undertake to ensure that any subcontractors they employ also comply with the requirements of Siltronic's safety manual. For this reason, the successful completion of local site training is a prerequisite for commencing work at Siltronic. Subcontractors must confirm in writing that their on-site employees have understood the content of the safety training and that they will instruct and supervise them. This means that the same safety measures apply to suppliers, subcontractors, and contractors as to Siltronic employees and temporary employees. Suppliers, contractors, and subcontractors must report any accidents that occur on Siltronic premises. The reports are recorded by Siltronic and thus become part of the reporting to the Siltronic Executive Board.

Plant safety

GRI 403-1, GRI 403-2

The safe operation of our production facilities in all regions is an essential element of our EHS management system. Despite a high level of due care, plant incidents cannot be ruled out.

We have set a target of a maximum of two safety-related plant incidents (process safety incidents, PSI, as defined by CEFIC and ICCA). We achieved this target with one incident in 2025 (previous year: 0).

Our management of change process aims to ensure that safety requirements are met and the relevant safety experts are involved in all new plant construction or modifications. We use systematic safety analyses to identify risks. We analyze the impact that individual errors could have on a chain of events leading to a major incident or accident, and define protective measures.

The investments and profit impacting expenses related to occupational and plant safety do not have a significant impact on Siltronic's financial position and results of operations.

Further health protection measures

GRI 403-3, GRI 403-6

Siltronic supports health care programs for our workforce. These include health check-ups, participation in the "Fit at Work" prevention program, a health week, and on-site flu vaccinations.

Value chain

SDGs 7 to 9; UN Global Compact Principles 1 to 10; Responsible Business Alliance Code of Conduct Topic E.1

Procurement and supplier management

GRI 2-6

Our procurement volume in 2025 amounted to around EUR 1.0 billion (previous year: EUR 1.3 billion). We work with around 3,600 suppliers worldwide, with 7 percent of our suppliers already accounting for around 90 percent of our procurement volume. The volume is distributed with just under 40 percent attributable to Asia and around 60 percent to Europe together with North America. The most significant areas of procurement relate to capital goods, the raw material polysilicon, services, and consumables and supplies.

The key objectives of Procurement are the continuous improvement of procurement costs, the enhancement of the quality of supplies and services, the reduction of risks in the supply chain, the development of alternative suppliers, and the promotion of sustainability, including social responsibility in the supply chain. Compliance with the objectives and the measures necessary for their implementation is the responsibility of the Chief Financial Officer at the Executive Board level.

Our impact on workers in the supply chain

In our materiality analysis, we identified potential violations of human rights and labor standards among workers in the upstream value chain as a topic of high importance. The decisive factor here is the actual negative impact identified in supplier evaluations or audits. The following areas are examined: working hours, remuneration, social dialogue and freedom of association, occupational health and safety, equal treatment and equal opportunities, and other labor-related rights such as child labor, forced labor, accommodation, and data protection. We anticipate short-, medium-, and long-term impacts.

Beyond the deviations identified and remedied in supplier assessments or audits, we are not aware of any actual negative impacts of our business activities on workers in our supply chain in the area of human rights or incidents in this area. Our targets and activities are aimed at reducing these impacts. We are also not aware of any significant negative impacts on workers in the supply chain that would be caused by our business practices.

There are increased risks of violations in the areas of child and forced labor in countries with legal systems that offer less protection than those in industrialized nations. In addition, certain groups of workers are inherently more vulnerable to certain potential impacts than others. For example, women are more affected by gender-based discrimination than men, and safety risks are more significant for workers employed in production than in other business areas. In addition, employees in countries with weak labor legislation and low wages often have less protection against poor working conditions and violations of labor rights. We address these increased risks through our measures.

The limitation of materiality to our upstream value chain results from the fact that the management systems in the area of human rights and labor standards at suppliers are in some cases not yet as developed as they are at Siltronic and at customers. In addition, Siltronic has less transparency regarding working conditions in its supply chain, as it can be more complex than on the customer side.

The risks arising for Siltronic from human rights and labor standards in the supply chain are classified as medium, and the associated opportunities as low. This topic is therefore not material in terms of opportunity and risk in the materiality analysis. Materiality is based on the potential impact, which was classified as high.

Strategy to mitigate impacts on workers in the supply chain

GRI 2-23, GRI 2-24, GRI 2-26, GRI 3-3, GRI 414-2

We have developed a strategy to prevent potential negative impacts on workers in the supply chain. The strategy described below has three points of reference. Firstly, we require our suppliers to comply with our Code of Conduct and that of the Responsible Business Alliance. Secondly, we conduct risk analyses of key suppliers and randomly check compliance with our requirements. Thirdly, workers in the value chain can contact us via the complaint channels set up by Siltronic.

The targets listed below support the expansion of our measures across our supplier base.

Collective action through industry approach

Siltronic has been a member of the Responsible Business Alliance since 2019. This world's largest industry association aims to further promote and embed social responsibility in global supply chains in a better and more structured way. Through the Responsible Business Alliance, we exert collective influence on industry practices. This enables us to bring about far-reaching improvements in working conditions in the upstream value chain, in particular through higher standards across the entire industry.

Commitment of suppliers

We require our suppliers to adhere to our Code of Conduct and that of the Responsible Business Alliance: In our Code of Conduct, we document our fundamental expectations of our suppliers regarding respectful treatment of their workforce and the environment, based on the principles of the UN Global Compact and Responsible Business Alliance initiatives. This includes the prevention of forced labor and child labor, maximum weekly working hours, fair wages, responsible treatment of the environment, and impeccable business ethics (for example, the Code of Conduct prohibits suppliers from tolerating corruption). We require our business partners to comply with these guidelines in our general terms and conditions. We communicate our objectives and measures in the area of sustainability and corporate responsibility to our suppliers, for example at supplier days.

Evaluation and review of suppliers

Siltronic has had a comprehensive supplier management system in place for many years. The system is designed to ensure that suppliers continuously improve in the areas of quality, service, delivery risks, and costs, and that they act responsibly in terms of sustainability with regard to working conditions, ethical standards, safety standards, and the use of local resources. Corrective or improvement measures are developed and followed up with suppliers as necessary.

For the continuous evaluation of the performance of the suppliers we use various rating systems to assess the potential risks and performance of our partners.

In accordance with the rules of our supplier management system, we also regularly conduct comprehensive assessments of the ESG risks of our supplier base. In doing so, we take into account the geographical location, the type of business activity, and the volume of business we conduct with suppliers. The risks considered are divided into categories. Employment practices (including forced labor), health and safety, environmental aspects, business ethics, and the maturity of management systems are taken into account. In 2025, the ESG risk potential of nearly all suppliers was assessed in this way.

Based on the results of this risk analysis, we select focus suppliers for a more detailed evaluation. In addition to suppliers with high procurement volumes or high risk potential, service providers whose employees work alongside our own staff at our global production sites are particularly important to us. To accurately assess the risks of these focus suppliers, we primarily use the comprehensive self-assessments of the Responsible Business Alliance. By the end of 2025, we have received and evaluated self-assessments from over 95 percent of our focus suppliers. On average, our suppliers achieve 84 out of a possible 100 points. We regularly monitor and report on the progress of the evaluation of our supplier portfolio, both within the procurement management team and at the level of the Executive Board, and reflect this in our targets.

In addition to our own risk analyses of our supplier portfolio, we use reports of human rights violations and changes in legislation as an opportunity to specifically examine our supply chain and check compliance. Since 2022, we have analyzed polysilicon, our most important supply material, along its supply chain. Our goal was to achieve transparency across all stages of polysilicon production and to ensure that none of these stages involve a subcontractor who is involved in publicly known human rights violations. We have not found any evidence of violations.

In 2025, we again conducted ESG audits with our own qualified auditors at our suppliers. We distinguish between dedicated ESG audits, based on a comprehensive set of criteria, and an ESG assessment as part of supplier audits, which examine compliance with the most important requirements of our own Code of Conduct and the Responsible Business Alliance Code. In 2025, we conducted six dedicated ESG audits (previous year: ten) and carried out ESG assessments as part of 20 supplier audits (previous year: 24). Isolated deviations were identified, but no significant issues were found. Improvement measures were defined and implemented together with the suppliers or are currently being implemented.

We also draw on the expertise of independent third parties in audits conducted by the Responsible Business Alliance. Three such audits were carried out at suppliers that are important to us in 2025 (previous year: three audits). No significant findings were made. We also participate in the Responsible Business Alliance's Audit Cooperation Program, in which various customers join forces and initiate joint audits. We were able to include six suppliers in the program.

In addition, we attach great importance to our suppliers obtaining certificates that provide external confirmation of the suitability of their management systems for social and environmental aspects. These also have a relevant influence on the evaluation of our suppliers. We take into account certificates for standards such as ISO 14001, ISO 45001, and ISO 50001, as well as participation or membership in the Responsible Business Alliance and comparable industry initiatives, and certifications in the area of diversity, such as the Women's Business Enterprise National Council or WEConnect. We conclude contracts with important suppliers in which we agree on the acquisition and maintenance of these certificates, and we can evaluate the coverage of our supplier portfolio with the standards in our supplier portal at any time.

Whistleblower system for suspected cases GRI 2-25, GRI 2-26

We have installed a publicly accessible digital whistleblower system that enables individuals to report violations resulting from the economic activities of Siltronic or a direct supplier. Siltronic's human rights officer is also available to our suppliers' employees as a point of contact for reporting actual or anticipated human rights violations. Initial contact can also be made via our local compliance officers.

In 2025, no related violations by our Group were reported by employees of our contractual partners. Through the Responsible Business Alliance Code of Conduct, we also require our suppliers to set up a confidential channel for their employees to report grievances, which we verify through audits.

Dealing with deviations

In the event that our review system identifies, or our whistleblower system receives, indications of deviations or deficiencies regarding the requirements of our Code of Conduct or the Code of Conduct of the Responsible Business Alliance, we follow up on these matters with the suppliers and review the implementation of appropriate corrective and remedial actions.

Targets and responsibilities

The high importance we place on this issue is reflected in the performance indicator “Percentage of key suppliers with human rights audits”. This key figure is one of the five most important performance indicators in the ESG area and is monitored quarterly at the Executive Board level together with the target value: We aim to increase the proportion of key suppliers with human rights audits in the coming years, targeting 90 percent by 2030.

Key suppliers account for more than 50 percent of our procurement volume (excluding peaks from investments). Interim targets have been set for the years 2025 to 2029, with the target for the coming year set at 85 percent.

At Group level, overall responsibility for implementing measures to ensure compliance with human rights and labor standards in the supply chain lies with the member of the Executive Board responsible for Procurement.

Involvement of stakeholders

The views of workers in the supply chain and their representatives were indirectly incorporated into the definition of the targets and are also relevant to related activities in this area. They are largely based on the approaches and instruments of the Responsible Business Alliance, which takes the perspectives of employees into account as an important aspect in their development and updating (for example, in the development of the Responsible Business Alliance Code of Conduct or in the established procedures for audits in which employees are interviewed). Siltronic is also a member of the Responsible Business Alliance's Responsible Labor Initiative, which integrates the perspectives of employees into its work.

When monitoring the achievement of targets, workers in the supply chain are involved by being interviewed during ESG audits.

Disregarding the views of workers in the value chain is not a significant risk area in our value chain in our opinion. This assessment is consistent with the findings we have gained in recent years through the Responsible Business Alliance, audits, and complaint channels. We have therefore not implemented any procedures beyond the whistleblower system that would allow workers in the value chain or their representatives to discuss our corporate strategy or current issues with us.

Further information on ESG in the supply chain

The investments and profit impacting expenses related to human rights in the supply chain do not have a significant impact on Siltronic's financial position and results of operations.

In addition, we are committed to promoting equality and diversity in our supply chain. Our target of further increasing procurement from and with diverse-owned businesses is communicated on our website. There, diverse-owned businesses have a direct contact and quotation channel available to offer their products or services.

Sustainability in relation to customers

GRI 2-6, GRI 2-23, GRI 2-24

In addition to Memory chips and processors, a large proportion of our customers are engaged in the field of power management. These customers are either directly involved in the development and commercialization of sustainable products (electric cars, wind turbines) or aim to actively save electricity in industrial production. This is at the end-use level.

At the same time, technical progress and innovation are extremely important in Siltronic's interactions with many customers because they are advancing more rapidly in the semiconductor industry than in many other industries. One example of technical progress among semiconductor manufacturers is the shortening of circuits. Shorter circuits require further development of wafers, as wafers are transformed into chips. Further details are provided in the chapter Characteristics of our product.

With regard to customers and social aspects, customer audits and cooperation in CDP assessments play an important role in addition to our Code of Conduct, our voluntary commitments (United Nations Global Compact Initiative, Diversity Charter and Equality Charter, Responsible Business Alliance Code of Conduct, RE100), the Legal & Compliance Policy, the Rules of Procedure for Compliance Notifications, the Conflict Minerals Procedure, and the Know Your Business Partner process, customer audits and cooperation in CDP assessments. The Head of Corporate Responsibility, who is also Siltronic's human rights officer, participates in the assessments conducted by our customers.

Our major customers evaluate ESG aspects as part of customer audits. In annual supplier evaluations by our customers, we have been recognized for outstanding performance in the area of sustainability in 2025.

Our customers are increasingly focusing on improving the sustainability performance of their suppliers. We work with several major customers as part of the CDP assessments for climate change and water security. We participate in multi-year sustainability programs with two customers.

Based on the requirements of the Responsible Business Alliance, we share and, if necessary, discuss the results of our self-assessments and external audits with our customers. If audits identify weaknesses, measures are taken to remedy them.

Beyond sustainability audits, the sales teams typically engage with customers on multiple occasions. These discussions are not restricted to specific topics and may cover key issues related to environmental performance, social responsibility, and corporate governance. For customers with a development partnership, sustainability matters are discussed in the context of R&D activities.

The results of customer assessments, CDP ratings and audits conducted by the Responsible Business Alliance are discussed at Executive Board level.

Cyber security, data security and data protection

Cyber and data security as well as data protection concern the reliability and security of our information systems and data. This is a very important issue for us, as increasing digitalization brings not only opportunities but also risks.

Cyberattacks

Cyberattacks pose a risk. The number of cyberattacks on individuals, companies, and other organizations is increasing worldwide. A cyberattack usually affects companies' IT systems and data that support business and production processes, as well as communication systems.

There is also the risk of cyber industrial espionage. This involves the potential loss of intellectual property or the unwanted disclosure of knowledge gained in research and development. A successful attack can impair competitiveness.

We take organizational and technical protective measures to minimize the risks of serious disruptions to IT systems in terms of confidentiality, availability, and reliability. The most important measures include:

- the classification, identification, and encryption of information;
- the use of up-to-date security software, infrastructure, and processes;
- regular internal assessment of cyber security risks, including vulnerability management and penetration testing;
- regular mandatory training covering cyber security risks and raising awareness through awareness campaigns, particularly on phishing;

- central IT security monitoring and incident management through the interaction of the Siltronic cybersecurity organization with the external Security Operations Center;
- a centralized system for user rights and access management for the most important applications;
- the performance of external audits on IT security (including cybersecurity) and emergency management.

These measures are key components of the implemented information security management system, which includes policies, procedures and technical measures to manage and mitigate risks to our information security. These include procedures for dealing with cyber security incidents and data security problems as well as a plan and procedure for disaster recovery. The system is certified according to ISO/IEC 27001.

Siltronic's Chief Information Security Officer reports directly to the Chairman of the Executive Board on a monthly basis. In the reporting year, the Executive Board informed the Supervisory Board's Audit Committee about cyber risks and how to defend against them.

Data protection GRI 2-26, GRI 2-27

Individuals as end customers do not play a role in our business model. Therefore, our data protection focuses on the processing of personal data of employees and business partners. The most significant data protection measures are:

- the appointment of a data protection officer and the definition of responsibilities for the Group;
- a data protection guideline applicable to the Group;
- ensuring that data protection laws are complied with when selecting suppliers and service providers;
- training employees on data privacy;
- the inclusion of contractual clauses whereby Siltronic, customers, and suppliers or service providers undertake to comply with the relevant data protection laws;
- conducting external and internal audits on data protection;
- regular trainings on data protection.

As part of Siltronic's risk management, those responsible for data security and data protection report relevant risks to the local data protection officers. In addition, the global compliance officer can be informed via the external Ombudsman or the digital whistleblower system. The compliance officer reports to the Executive Board and the Audit Committee of the Supervisory Board.

Further information

Charitable purposes and corporate volunteering

The workforce at the German sites participates in a cents donation program of a relief fund. Employees consent to round down their monthly salary payment to the next lower full euro amount. The remaining cents are donated.

Dialogue at regional level

GRI 2-25, GRI 2-29, GRI 413-1

Our four production sites are located in industrial areas that have been developed over decades. We have been manufacturing at these locations for many years and maintain a relationship of trust with the neighboring community and other potential stakeholder groups. At our sites, we engage in regular dialogue with the authorities on the subject of environmental protection. No significant issues arose in this regard in the reporting year or in previous years. Due to a lack of issues, there is no dialogue at the regional level on social issues and corporate governance. All Siltronic sites are located in highly developed regions. Should any issues arise, the site manager is the designated contact for complaints.

The Freiberg site is committed to “cosmopolitanism” and has been a member since 2019 of the association “Wirtschaft für ein weltoffenes Sachsen” (Business for a Cosmopolitan Saxony). The network aims to support and actively promote immigration and thereby contribute to greater economic performance in Saxony.

With regard to our suppliers and customers, we do not identify any regional communities that experience a significant impact from our business activities.

Memberships in associations

GRI 2-28

CDP: As in previous years, we participated in CDP’s assessment programs on climate change and water security. The CDP rating scale ranges from A for the best rating to D for the lowest.

Program	2024	2025
CDP climate change	B	A
CDP water security	A	A

UN Global Compact: Siltronic AG has participated in the UN Global Compact since 2017 and published an updated progress report in 2025. We have also participated in local events organized by the UN Global Compact Network Germany.

Responsible Business Alliance: Siltronic AG has been a member of the “Responsible Business Alliance” initiative since 2019 and has participated in network meetings on relevant topics of the initiative.

RE100: RE100 is a global corporate initiative that promotes the exclusive use of renewable energies. Major customers of Siltronic have joined RE100.

Diversity Charter and Equality Charter: Following the Diversity Charter (2018), Siltronic AG has also signed the IG BCE Equality Charter (2019). By signing these charters, Siltronic is committed to actively implementing and promoting equal opportunities.

Initiative “Klischeefrei”: Siltronic AG has signed a written agreement with the Initiative Klischeefrei. We are thus committed to promoting a cliché-free recruitment process and actively supporting a career choice based on individual strengths and interests.

Strategy on taxes, tax compliance and tax payments

GRI 2-26, GRI 2-27, GRI 207-1, GRI 207-2, GRI 207-3, GRI 207-4

Siltronic has a tax strategy that is set out in writing as part of its tax policy. The policy is aimed at managers and employees in all areas and units who perform tax-related tasks. The purpose of the tax policy is to define responsibility for tax matters within the Siltronic Group and to communicate the corporate culture with regard to taxes. This is intended to ensure that the Group meets its tax obligations. In substance, this corresponds to Siltronic’s Code of Conduct, which also addresses tax integrity.

Siltronic’s tax strategy is based on its corporate strategy. Corporate decisions are made on the basis of economic factors. Siltronic does not engage in any arrangements that, according to prevailing opinion, are aggressively aimed at reducing or avoiding taxes. We pursue an open and proactive style of communication with tax authorities. When dealing with tax issues, Siltronic also draws on the opinions of external experts.

Our tax strategy is publicly available on Siltronic’s website.

Responsibility for implementing and monitoring compliance with tax regulations lies with the Tax department of Siltronic AG, to which those responsible for taxes within the Group report. The Tax department of Siltronic AG reports to the Chief Financial Officer.

Siltronic AG has implemented a Tax Compliance Management System (Tax CMS) that ensures compliance with the relevant tax regulations. Components of this Tax CMS include an analysis of tax risks, the implementation of processes, control measures, and reporting channels. As part of the Tax CMS, Group entities report violations of tax obligations to the Tax department of Siltronic AG. In addition, as part of the general compliance system, it is possible to report violations of tax obligations to the compliance officer or the external Ombudsman.

The following table summarizes the Group entities by tax jurisdiction.

Tax jurisdiction	Employees	Tangible assets without liquidity (b) EUR million	Sales and other income with third parties EUR million	Sales and other income with group entities EUR million	Sales and other income total (c) EUR million	Result before income taxes (d) EUR million	Expense for (-) / income from (+) income tax (e) EUR million	Cash out for (+) / Cash in from (-) income taxes EUR million	Retained earnings EUR million
Financial year 2025									
Production									
Germany	2,424	1,217	438	574	1,012	-107	0	-3	-39
Singapore	1,461	2,829	556	474	1,030	28	14	15	920
US	310	80	141	100	242	7	0	0	76
Subtotal	4,195	4,126	1,135	1,148	2,284	-72	14	12	957
Sales									
Taiwan	15	27	241	6	247	2	1	1	13
Japan	14	12	53	0	53	2	0	0	-30
Korea	12	0	0	2	2	1	0	0	3
Mainland China	12	0	0	2	2	0	0	0	2
Italy	1	7	16	0	16	0	0	0	0
France	0	0	11	0	11	0	0	0	0
Netherlands	0	0	0	0	0	0	0	0	231
Subtotal	54	46	321	10	331	5	1	1	219
Consolidation					-1,110	2			-456
Group	4,249	4,172	1,456	1,159	1,505	-65	15	13	720

(a) As of the reporting date at year-end, calculated as described in the section "Information on social aspects"

(b) Consolidated balance sheet totals (in accordance with IFRS) of the entities, less intangible assets, deferred taxes and 'liquidity'. Liquidity comprises cash on hand, cash equivalents, short-term securities and short-term fixed-term deposits.

(c) In addition to other income from third parties amounting to EUR 109 million, this includes sales from third parties of EUR 1,347 million, which are allocated by customer location to individual countries in the Segment reporting, as well as non-consolidated foreign currency effects with Group entities amounting to EUR 49 million.

(d) To enhance transparency and avoid double counting of profits, intra-group dividends are not included.

(e) Amount of current income tax expense for the financial year as reported in the entities' income statements (in accordance with IFRS).

This does not include out-of-period tax expenses/income or deferred taxes.

Numerical discrepancies between individual items and totals in this table are due to rounding.

Tax payments may be influenced by loss carryforwards or by estimates. In many countries, tax payments are based on estimates made for the year prior to year-end.

Responsible corporate governance

Strategy for corporate policy and culture at Siltronic

SDGs 16 and 17; UN Global Compact Principles 1 to 5 and 10; Responsible Business Alliance Code of Conduct Topic D

Our concept for corporate ethics

GRI 2-13, GRI 2-22, GRI 2-23, GRI 2-24, GRI 2-26, GRI 2-27, GRI 3-3

The corporate objectives defined by the Executive Board of Siltronic are based on five core values. One of these five values is integrity. For us, this means making decisions and actions transparent and comprehensible, and assuming social and environmental responsibility across the Group. A corporate ethics program supports this commitment.

The foundation of the corporate ethics program adopted by the Executive Board is the Code of Conduct. Building on this, more detailed policies have been established for particularly important areas: (a) compliance with laws and adherence to rules, the Legal & Compliance Policy, (b) the Policy Statement on Respect for Human Rights, (c) the Policy Statement on Environmental Protection, and (d) the Policy Statement on the Prohibition of Conflict Minerals. These four policies are complemented by voluntary commitments arising from our memberships in the internationally recognized organizations Responsible Business Alliance, the United Nations Global Compact, and RE100. Through these memberships, recognized standards become applicable to Siltronic in the areas of social responsibility, including ethical business practices, anti-corruption, the protection of human rights, and environmentally responsible conduct.

Code of Conduct (Part of the corporate ethics program)

We have established a Group-wide code, publicly available on our website, which provides a binding framework for responsible and law-abiding conduct. All decisions must be guided by the principles of responsible corporate governance and sustainability. The establishment of fair business practices is a central component in this regard. Compliance with the code is mandatory for every employee. The Code of Conduct defines the cross-border, cross-company and cross-legal-system minimum standards for responsible conduct within Siltronic. In several chapters, it addresses topics including conduct toward one another, leadership as a role model, dealings with business partners, handling of information, separation of personal and company interests, quality, safety, health and environmental protection, as well as social responsibility and compliance reporting.

The chapter on “Dealings with business associates” emphasizes antitrust law, the fight against corruption (including facilitation payments), and anti-money laundering, and sets out rules regarding gifts, invitations, donations and sponsorships. The chapter “Separation of personal and company interests” lays the foundation for avoiding conflicts of interest. In the chapter on social responsibility, Siltronic

commits to respecting and promoting human rights within the Group and along global value chains. We expect our suppliers, service providers and customers to comply with the key principles set out in the Code of Conduct, including respect for human rights.

Siltronic’s Compliance department addresses questions of interpretation and cases of doubt by conducting assessments, issuing recommendations, defining boundaries, and thereby substantiating and updating the relevant regulations in substance. Every employee is required to complete training on the contents of the Code of Conduct every two years. This is intended to ensure compliance with the code and prevent violations.

When the code was introduced, an information campaign was conducted for employees.

The Group-wide analysis of our compliance risks did not reveal any indications that our Company is exposed to particular ethical risks above the average level.

Guideline ‘Legal & Compliance Policy’ (Part of the corporate ethics program)

The Group-wide Legal & Compliance Policy specifies in detail a large part of the requirements arising from the Code of Conduct. Its objective is to reduce the risk of unethical behavior within the Group by establishing clear rules and creating a deterrent effect.

The policy addresses definitions and issues of interpretation relating to corruption, including facilitation payments and benefits such as gifts, meals or invitations. In conjunction with approval processes and value thresholds for benefits that may exceptionally be permitted, the Legal & Compliance Policy can be used to determine in which cases certain conduct is acceptable and when the boundary has been crossed. In addition, the guidance on conflicts of interest is intended to minimize cases of doubt. The policy is available on the intranet so that every employee or manager can carry out an ethical assessment in cases of uncertainty. Furthermore, the policy defines responsibilities, sets out the basic principles for the review of business partners, and contains provisions on record-keeping obligations as well as reporting channels, including their handling.

The implementation of the policy is reflected in the appointment of compliance officers in all active entities. They coordinate compliance activities within the Group, process reports, provide advice on compliance matters and serve as contacts for questions and training. All employees and members of the Executive Board are required to complete training covering the contents of the Legal & Compliance Policy every two years. The training includes corruption, including facilitation payments and benefits.

Our Compliance Management System is regularly reviewed and further developed for this purpose. Responsibility for this lies with Siltronic’s compliance organization.

Guideline 'Policy statement on human rights' (Part of the corporate governance program)

Beyond the Code of Conduct, this Group-wide policy statement, which is publicly available on Siltronic's website, underscores our commitment to respecting human rights. The statement also serves to comply with the human rights and environmental due diligence obligations pursuant to Section 6 (2) of the German Supply Chain Due Diligence Act ('Lieferkettensorgfaltspflichtengesetz').

Its implementation is reflected in adherence to internationally recognized standards on human rights topics, in requirements imposed on suppliers and service providers, in the implementation of preventive measures and risk analyses, in the integration of human rights topics into risk management, in the operation of channels for reporting complaints, in the rules governing the handling of complaints, and in reporting to the Executive Board and Supervisory Board.

Guideline 'Policy statement on Environment protection' (Part of the corporate ethics program)

Building on the Code of Conduct, this Group-wide policy statement, which is publicly available on Siltronic's website, sets out how environmental responsibility is exercised across the Company, how environmental impacts are reduced, and how compliance with environmental regulations is ensured.

We are particularly committed to climate protection, improving energy and water use efficiency, responsible waste management, and reducing air and water emissions. In addition, we are aware of the potential indirect impacts of these issues on other areas of sustainability. We are committed to promoting environmental protection throughout the entire value chain of our products. In doing so, we focus on developing products that enable our customers to contribute to climate protection and work with our suppliers to reduce the environmental footprint of our products.

Implementation is reflected in the preparation of materiality analyses, the integration of environmental issues into risk and opportunity management, the definition of targets and their integration into control processes, the implementation of local projects, the training of employees, the definition of responsibilities and audits, the operation of channels for reporting complaints, the rules governing the handling of complaints, and reporting to the Executive Board and Supervisory Board.

Guideline 'Policy statement on Conflict minerals' (Part of the corporate ethics program)

With this Group-wide policy statement, which is publicly available on Siltronic's website, the Executive Board declares its commitment to sourcing conflict-free minerals (www.siltronic.com/en/sustainability/commitments).

Conflict minerals are defined as tantalum, tin, tungsten, gold, cobalt and mica whose extraction or trade financially benefits individuals or groups that are engaged in armed activities or human rights violations in the Democratic Republic of the Congo or neighboring countries.

The objective of the policy statement and the related measures is to ensure that no conflict minerals are used at Siltronic and that conflict minerals are reduced within the supply chain. At the same time, they are intended to allow the sourcing of minerals from certified conflict-free mines in the Democratic Republic of the Congo.

With regard to the sourcing of minerals, the internal procedure provides for assessing the origin of potentially critical minerals. Depending on the circumstances, due diligence extends to the verification of smelters. In addition, business partners in high-risk countries are subject to enhanced due diligence procedures beyond the standard review.

Beyond prohibiting the direct sourcing of conflict minerals, we mitigate their proliferation by excluding suppliers that use conflict minerals. Under the Code of Conduct, our suppliers are obliged not to source conflict materials that do not originate from certified conflict-free mines. As part of the supplier onboarding process, we request appropriate confirmation. Compliance with these obligations forms part of supplier audits, which we conduct ourselves or which are carried out by third parties (for example within the framework of the Responsible Business Alliance's Validated Assessment Program "VAP audits").

By obligating our suppliers to refrain from the use of conflict minerals, we require them to actively address this issue and, where necessary, we provide guidance. In addition, our active membership in the Responsible Minerals Initiative is intended to contribute to reducing the use of conflict minerals.

If Siltronic were to procure a conflict mineral or if a supplier were to violate the obligation to refrain from conflict minerals, this would constitute a compliance case. The processes of the Group-wide Compliance Management System are designed to prevent, identify and sanction compliance violations. The aforementioned processes are documented in writing throughout the Group. Employees of suppliers, external personnel working for Siltronic, or other third parties may also submit complaints anonymously via various channels, which are handled in accordance with the established procedures. Relevant cases would be reported to the Executive Board and the Supervisory Board.

We had no compliance violations in connection with conflict minerals either in the reporting year or in any previous year.

Voluntary commitments (Part of the corporate ethics program)

Siltronic is a member of the Responsible Business Alliance and, as a supplier to the electronics industry, aligns itself with the code of conduct of this industry initiative, through which leading global electronics companies promote and demand social and environmental responsibility as well as ethical business practices.

Siltronic implements the ten principles of the United Nations Global Compact Initiative on the protection of human rights, social and environmental standards, and the fight against corruption, and publishes an annual communication on progress in this regard.

To underline our commitment to reducing CO₂ emissions, Siltronic joined the RE100 initiative in 2023. RE100 is a global corporate initiative that advocates the exclusive use of renewable energies.

We are signatories to the Diversity Charter and have joined the IG BCE Equality Charter, thereby committing ourselves to actively implement and promote equal opportunities and diversity at Siltronic.

Human rights

Siltronic has been a participant in the United Nations Global Compact since 2017. In doing so, we have expressly committed to complying with the ten principles of the UN Global Compact, six of which relate to social issues: principle 1 concerns the support of human rights, principle 2 the exclusion of human rights violations, principle 3 the upholding of freedom of association, principle 4 the elimination of all forms of forced labor, principle 5 the abolition of child labor, and principle 6 the elimination of discrimination.

The first two principles of the UN Global Compact address the support of human rights and the exclusion of human rights violations. In this regard, Siltronic has implemented the following measures in particular:

- Within our purchasing conditions, we expect our suppliers to comply with the principles of our Code of Conduct, which also includes human rights requirements.
- We provide our workforce with training in relevant sessions to ensure compliance with internationally recognized human rights.
- If we become aware of potentially critical issues in the area of human rights, we analyze them. Should a matter still prove critical after analysis, we take appropriate action.
- In our Code of Conduct and towards our customers, we commit ourselves to supporting human rights and excluding human rights violations.

In addition, as a member of the Responsible Business Alliance, we have expressly committed to upholding the human rights of workers and to treating them with dignity and respect in accordance with the understanding of the international community. This applies to all employees, temporary workers, working students, and other types of labor, including within our upstream supply chain.

On January 1, 2023, the German Act on Corporate Due Diligence Obligations in Supply Chains ('Lieferkettensorgfaltspflichtengesetz') entered into force, and its obligations have fully applied to us since 2024. This law governs corporate responsibility for compliance with human rights in global supply chains. The new legislation increases the requirements placed on compliance and risk management. Our four production sites are located in highly developed industrialized countries where, compared with less developed countries, the risk of human rights violations is considered low. As we actively counteract human rights violations within our own operations as well as along the upstream and downstream value chain, we have implemented measures to identify potential breaches. Further information on the audits conducted in this context can be found in the chapter "Value chain".

The Executive Board has appointed a Human Rights Officer who defines measures to ensure compliance with human rights and environmental due diligence obligations. The Human Rights Officer identifies human rights and environmental risks at Siltronic and among our direct suppliers. The results of the risk analysis support the development of our human rights strategy.

Furthermore, the 'Policy Statement on Social Responsibility and Human Rights', published on our website, underlines our commitment to respecting human rights. It serves to ensure compliance with human rights and environmental due diligence obligations pursuant to Section 6 (2) of the German Act on Corporate Due Diligence Obligations in Supply Chains.

Our digital whistleblower system enables internal and external parties to report human rights or environmental risks arising from our actions or within our value chain.

No violations related to human rights were reported to us through this channel in the reporting year.

Combating legal violations, in particular money laundering, corruption and bribery GRI 2-23, GRI 2-24, GRI 2-27, GRI 205-1, GRI 205-2

We firmly oppose any form of legal violation. Regardless of country-specific risks, our Compliance Management System is designed to prevent, detect and sanction compliance violations in every market in which we operate. Compliance violations include, in particular, breaches relating to money laundering, corruption, bribery, fraud, antitrust law and other forms of white-collar crime.

Internally, our Legal & Compliance Policy contains detailed provisions governing interactions with business partners. It sets out requirements for combating corruption and avoiding conflicts of interest. The policy describes various constellations in which conflicts of interest may arise and prohibits all employees from exerting influence in such situations. It also defines specific value thresholds for benefits, including invitations to business meals or other events, as well as requirements for supervisory approval, thereby providing employees with clear guidelines for appropriate conduct. Cash gifts to business partners are generally prohibited. Cash transactions are permitted only to a very limited extent, and so-called smurfing and structuring are expressly prohibited. Exceptional cases in which cash transactions are allowed are clearly defined and governed by a separate procedural guideline (for example, so-called red envelopes). The policy also clarifies that each manager is responsible for organizing their area of responsibility in such a way that money laundering, corruption, bribery and conflicts of interest are prevented. Our internal control system defines documentation, record-keeping and approval processes. Our business partners are obliged under our Code of Conduct to comply with the rules set out therein regarding gifts, invitations, donations and sponsorship.

To combat money laundering, corruption and bribery, we have also introduced a dedicated process under which every business partner is analyzed: the "Know Your Business Partner" (KYBP) process. Under our understanding, bribery includes any form of granting or accepting an undue advantage, irrespective of whether money or monetary benefits are given or received.

The risk assessment of business partners includes consideration of the current Corruption Perceptions Index published by Transparency International, an analysis of any presence in a so-called high-risk country, and a review for indications of money laundering, corruption or other criminal activities. This process is conducted on a cross-functional basis.

The assessment of all business partners has shown that Siltronic conducts business activities almost exclusively in countries that, according to the Corruption Perceptions Index of Transparency International, present a below-average corruption risk. Siltronic does not conduct business activities in any high-risk country. If the process identifies an increased risk of illegal activities associated with a business partner, reporting obligations and more extensive reviews are triggered, involving additional specialist departments and, where necessary, approval requirements up to senior management level. The process also includes rules on documentation of the KYBP review and corresponding retention periods.

All employees and members of the Executive Board are required to complete training aimed at preventing legal violations and promoting ethical conduct. The foundation is a computer-based compliance training course that must be repeated every two years. In addition to covering the basics of interpersonal conduct, it addresses topics such as confidentiality and the prevention of corruption and bribery, and provides clear definitions and practical examples to help prevent compliance violations. Based on this and depending on the specific responsibilities of employees and Executive Board members, further training courses are provided. For example, all employees in Sales and Marketing must regularly complete antitrust training, and employees in management positions receive in-depth information on insider trading prohibitions and related rules of conduct. The higher the inherent risk of legal violations, the more comprehensive and frequent the training. In this way, all risk-exposed activities and functions are covered, particularly Procurement and Sales, which carry the highest inherent risk. Supervisory Board members who are employees of Siltronic, as well as members of the Executive Board, are included in the Siltronic training program.

Another organizational measure to prevent money laundering, corruption and bribery is the dual-control principle, which applies when contracts are concluded.

Combating corruption and preventing money laundering are material components of the Compliance Management System, which organizationally falls within the responsibility of the Chief Executive Officer.

Grievance procedures

GRI 2-26, GRI 2-27, GRI 406-1

The entire workforce has access to various channels to submit complaints to Siltronic. In addition to their direct supervisors, these include local Human Resources departments, local compliance officers, an external Ombudsman, the publicly accessible digital whistleblower system ("Integrity Line"), and, at sites with a works council, the elected employee representatives. As the Integrity Line is accessible to individuals outside the workforce, anyone directly or indirectly affected by Siltronic may contact us.

The Integrity Line can be accessed from any device (for example, laptop or mobile phone) via a link on the intranet site as well as on the external Siltronic website and meets all legal requirements for the protection of whistleblowers. The digital whistleblower system is technically operated by an independent provider. Data are stored on external, certified high-security servers in Germany. The substantive

processing of reports is carried out exclusively by Siltronic. All data are encrypted, password-protected and stored in a secure location, ensuring that access to electronically stored data is restricted to a limited group of authorized Siltronic personnel. The operator has no access to the content of the data stored in the database. As long as a whistleblower does not voluntarily disclose their identity, the system protects anonymity by not storing IP addresses, location data, device specifications or other data that could reveal the individual's identity.

The available reporting channels are regularly referenced in internal communications, in the Code of Conduct and in the mandatory compliance training conducted on a regular basis. As part of regular audits carried out by external parties, employees are also surveyed regarding their awareness of the compliance system and the available reporting channels.

Following a compliance report or a submission under the complaints procedure, receipt is documented internally and acknowledged to the reporting person within seven days. The processing of the report follows an internal procedural instruction designed to ensure legally compliant and appropriate handling. If we conclude that a report or complaint does not require further investigation, we inform the reporting person accordingly within three months. In all other cases, a comprehensive clarification of the matter is initiated. The reporting person is likewise informed within three months. Where possible and appropriate, the reporting person is involved in clarifying the facts and developing a solution.

Siltronic prohibits retaliation or reprisals of any kind against whistleblowers or supporting third parties, provided the report was made in good faith.

In the reporting year, there were no cases of discrimination (previous year: none). No serious violations related to human rights became known to us in the reporting year. There were no fines, sanctions or compensation payments in connection with discrimination, including harassment, or with violations of human rights. No complaint was filed with the OECD.

Compliance reports and procedures in the event of violations

GRI 2-25, GRI 2-26, GRI 2-27, GRI 205-3, GRI 206-1

All employees are required to report legal violations or suspicious circumstances to the local compliance officer(s) or the Legal Department, their supervisors, the Works Council or the responsible Human Resources representatives. This principle is set out in the Legal & Compliance Policy and in the Code of Conduct and is also reflected in the individual procedural guidelines.

Our employees and third parties may report violations of statutory provisions, human rights or the Group-wide compliance rules anonymously via a digital whistleblower system (Integrity Line). In addition, we have appointed an external Ombudsman to whom employees and third parties may anonymously report violations of statutory provisions. The links to our whistleblowing reporting system and to the Ombudsman are publicly accessible on the intranet and on our website.

A procedural guideline governs the handling of compliance reports. In the event of a substantiated suspicion of a compliance violation, it requires investigative measures to be carried out independently of the management chain involved. It also mandates the implementation of remedial and preventive measures. Furthermore, it contains a prohibition of retaliation against reports made in good faith. The procedural guideline is publicly available on our website and on the intranet.

The Executive Board of Siltronic AG is informed by the Chief Compliance Officer on a monthly basis and on an ad hoc basis about compliance incidents. In addition, the Chief Compliance Officer reports to the Supervisory Board as part of the Audit Committee meetings.

In 2025, we did not receive any compliance reports relating to money laundering, corruption or bribery, nor were there any court proceedings, fines or similar measures.

In the reporting year, 15 compliance reports were received, primarily concerning occupational safety and employment law matters (one report was submitted by an anonymous whistleblower). In addition to the detailed investigation of the cases, the measures taken included process improvements to prevent similar cases in the future. Employment law consequences were also imposed.

Relationship with politics GRI 2-28, GRI 415-1

In our dealings with political parties and non-governmental organizations, we are committed to responsible conduct. Our interaction with policymakers is guided by objective positions, and we are open to dialogue with all democratic parties.

In financial year 2025, Siltronic engaged in efforts to strengthen the European semiconductor industry in order to help create favorable framework conditions for the sector. We see this as an opportunity to enhance our competitiveness and innovative strength, as well as to increase the resilience of the supply chain. Due to the limited scope of our lobbying activities, we were unable to identify any material risks. No direct material impacts or obligations for Siltronic resulted from these activities in the reporting year. The Executive Board was informed in a timely and regular manner at all times.

Siltronic is registered in the Transparency Register of the Federal Republic of Germany under number DE821935813819.

Siltronic does not hold a special position in any association or organization of which it is a member. In the reporting year, Siltronic did not participate in any legislative procedures and did not make any monetary or in-kind donations to political parties. Donations to political parties are subject to the approval of the Executive Board of Siltronic AG.

No members were appointed to the Executive Board or Supervisory Board who had held a comparable position in public administration, including regulatory authorities, within the previous two years.

Payment practices with regard to suppliers

Our Code of Conduct opposes unequal treatment of business partners. It does not permit any discrimination against suppliers or service providers based on their size or the type of goods or services provided.

We settle our invoices with suppliers in accordance with customary regional payment terms. In Germany, payment is made on average after 29 days, in Singapore after 43 days, and in the United States after approximately 23 days.

There were no legal proceedings due to late payment in the reporting year or in previous years.

Dual management system with Executive Board and Supervisory Board

GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-17,
GRI 405-1

The “Declaration on corporate governance” above explains the management system of Siltronic AG. It describes the responsibilities of the Executive Board and the Supervisory Board, their compositions, including aspects of diversity, and the cooperation between the two bodies. In addition, the “Declaration on corporate governance” contains the competence profile and qualification matrix of the Supervisory Board members, information on the Supervisory Board committees and further details on corporate governance. In the “Supervisory Board report” for financial year 2025, the Supervisory Board published further details on its key areas of activity, training and continuing education measures, and its review of this non-financial statement/ESG report.

The trust-based cooperation between the Executive Board and the employee representatives on the Supervisory Board, with its institutionalized quarterly meetings, constitutes the highest-level forum in which material negative impacts on our own workforce would be discussed. In the reporting year, no material negative impacts had to be addressed or discussed.

The following information should be seen in addition to this:

Involvement of the (co-determined) Supervisory Board in ESG issues

GRI 2-12, GRI 2-14, GRI 2-16, GRI 2-29

The Supervisory Board is involved in non-financial matters through two channels: firstly, the Executive Board discusses ESG topics with the Supervisory Board in regular meetings. This includes informing the Supervisory Board about developments in non-financial performance indicators. In addition, the Chief Compliance Officer and the Chief Risk Officer report on significant matters to the Audit Committee of the Supervisory Board on a quarterly basis. In important cases, the Executive Board addresses the perspectives of stakeholders, insofar as these are not already represented on the Supervisory Board.

The Supervisory Board is regularly informed in its meetings about developments in the most important sustainability performance indicators. As Siltronic has a Supervisory Board with equal representation of shareholders and employees, the Executive Board and the Supervisory Board are, where necessary, informed by the employee

representatives about the views and interests of the affected stakeholders with regard to the sustainability-related impacts of the Company.

In addition, Siltronic has established an Economic Committee that represents stakeholders' interests, particularly from an economic perspective.

The non-financial statement/ESG report was reviewed by the Supervisory Board of Siltronic AG. For this purpose, the report is sent to each Supervisory Board member for review and comment. Beyond its own review, the Supervisory Board commissioned the auditing firm PwC to perform a limited assurance engagement on the statement.

Independence of the Supervisory Board

GRI 2-9

The Supervisory Board of Siltronic AG consists of twelve members. In accordance with the German Co-Determination Act ('Mitbestimmungsgesetz'), the Supervisory Board is composed of equal numbers of shareholder and employee representatives. The objective of the Co-Determination Act is for the shareholder and employee sides to reach decisions in the Supervisory Board by consensus. Through the composition of the Supervisory Board, the Act also limits the influence of shareholders who hold a large proportion of voting rights but do not represent a majority.

In the assessment of the shareholder representatives on the Supervisory Board, as of December 31, 2025, four of the six shareholder representatives were independent within the meaning of the German Corporate Governance Code. Accordingly, two-thirds of the shareholder representatives on the Supervisory Board are independent.

The six employee representatives on the Supervisory Board are elected by the workforce of Siltronic AG from among its members, with two of the six employee representatives nominated by trade unions in accordance with the Co-Determination Act. These two Supervisory Board members are not employees of Siltronic. Four of the six employee representatives on the Supervisory Board are employees of Siltronic, one of whom represents the group of executive employees. Eighty-three percent of the employee representatives on the Supervisory Board are considered independent, provided that an employee representative is defined as independent if he or she does not represent the group of executive employees. The employee side represents 100 percent of the employees in Germany.

Of the twelve Supervisory Board members, 58 percent are men and 42 percent are women. Further information on the members of the Supervisory Board is provided in the section "Declaration on corporate governance".

(Potential) conflicts of interest on the Supervisory Board

GRI 2-15

The Supervisory Board is required to comply with regulations governing conflicts of interest and potential conflicts of interest. These are described in the Declaration on corporate governance under the headings "Independence of the Chairman of the Supervisory Board", "Independence and potential conflicts of interest", "Conflicts of interest", and "Related party transactions".

With regard to potential conflicts of interest, a particular feature exists in the relationship between Siltronic AG and Wacker Chemie AG, Munich.

Siltronic AG has its historical roots in Wacker Chemie AG. In 1968, Wacker Chemie AG founded the legal predecessor of Siltronic AG, and until Siltronic AG's initial public offering in 2015, the Wacker Chemie Group was the sole shareholder of Siltronic AG. Wacker Chemie AG is itself a listed company. In 2017, the Wacker Group reduced its stake in Siltronic AG to approximately 31 percent. Due to the remaining corporate relationship, companies of the Wacker Chemie Group qualify as related parties of Siltronic. In certain areas, we procure supplies and services from the related party Wacker Chemie AG.

To ensure that business relationships with Wacker are appropriate, Siltronic has implemented an audit process. The process is designed to review the supplies and services provided by Wacker with regard to whether their terms and conditions are in line with market standards. In addition to Procurement, Controlling, the Accounting and Tax department, and Siltronic's Chief Compliance Officer are involved in this process. When adopting resolutions on the approval of related party transactions, only those Supervisory Board members who are not subject to a potential conflict of interest participate.

In addition, Siltronic AG engages external experts on a case-by-case basis to assess whether, in their view, the terms and conditions for supplies and services received from Wacker are in line with market standards and conducted in the ordinary course of business of Siltronic AG. The internal and external reviews concluded that the prices and terms are in line with market standards.

Compensation of the Executive Board and Supervisory Board

GRI 2-19, GRI 2-20

The remuneration of the members of the Supervisory Board and the Executive Board is presented in the Compensation report. The Compensation report is published and has been audited by the auditing firm PwC.

The Supervisory Board defines ESG targets that are relevant for Executive Board remuneration. As disclosed in the Compensation report, these account for ten percent of the annual variable remuneration. The ESG targets are based on the sustainability objectives defined by the Company as part of its business strategy. The targets and the degree of target achievement are explained under "Performance indicators and targets". The measurement of the non-financial performance criteria is based on the internal reporting system for non-financial aspects of the Company, which also forms the basis for the published indicators in the Company's non-financial statement. Further information on remuneration is provided under "Compensation report".

The compensation of the Supervisory Board is not linked to ESG targets.

Organization and processes at Siltronic regarding ESG

Corporate Responsibility department and Human Rights Officer

GRI 2-13, GRI 2-26, GRI 2-29

Below the level of the Executive Board, the Corporate Responsibility function is institutionalized and coordinates the implementation of the sustainability strategy across the Group. The Head of Corporate Responsibility reports directly to the Executive Board in regular meetings.

In implementing the sustainability strategy, Siltronic's officers responsible for climate protection, water security and human rights, as well as the managers of the production sites, are closely involved. Regular meetings are held for this purpose, attended by representatives from Corporate Responsibility, Procurement, Human Resources, Legal including Compliance, Quality Management, the Human Rights Officer and a member of the Executive Board. In addition, Corporate Responsibility and Investor Relations handle inquiries from external stakeholders on sustainability topics. These include, in particular, customers, investors, rating agencies and external initiatives. The external initiatives primarily include CDP, RE100, the Responsible Business Alliance and the UN Global Compact.

The Head of Corporate Responsibility has been appointed by the Executive Board as Siltronic's Human Rights Officer and, in this function, reports directly to the Executive Board.

Risk management

GRI 2-16

To identify and manage the wide range of potential risks associated with our business activities, the Executive Board has implemented a risk management system that also covers risks from the ESG areas. When identifying and assessing risks, opportunities are taken into account; however, they are not the primary focus of the risk management system.

Part of the risk strategy is to identify risks at an early stage, assess them appropriately and limit or avoid them through suitable measures. The measures taken and underlying assumptions are reviewed annually. Responsibility for this lies with the respective functional areas at each site. The Executive Board conducts expert discussions on ESG topics with internal specialists, and in selected cases external experts are involved for quality assurance purposes.

In 2025, no ESG-related risk reports were submitted to the Chief Risk Officer. Further information on risk management can be found in the Risk and opportunity report section of the Combined management report.

To prevent, identify, investigate and, where necessary, sanction company-related legal violations, we have implemented the Compliance Management System described above. The Chief Compliance Officer reports monthly and on an ad hoc basis to the Executive Board of Siltronic AG and quarterly to the Audit Committee of the Supervisory Board. Based on the origin and content of compliance reports, including how they are handled, the Executive Board and the Supervisory Board are able to assess the effectiveness of the procedures established to remedy negative impacts on individuals within our workforce and along the value chain.

Further information on organization and processes

GRI 403-1

Key organizational measures for addressing ESG-related aspects include (a) an Integrated Management System, (b) the centralized management of Corporate Responsibility topics through a staff unit with a direct reporting line to the Executive Board, (c) a global Compliance department responsible for preventing, identifying and sanctioning violations of applicable law and internally adopted guidelines in a corporate context, (d) the coordination of environmental protection, health protection, plant safety and occupational safety by a dedicated Environment, Health and Safety (EHS) department, and (e) a structured process of recurring reporting to the Executive Board and the Supervisory Board.

We manage our operational processes through our Integrated Management System (IMS). The IMS describes processes and responsibilities and defines Group-wide standards, particularly with regard to product quality, energy, environmental protection, plant safety, occupational safety and health protection.

These standards are based on national and international standards, legal requirements, customer requirements and our own principles.

We have the IMS certified by a globally operating service provider. The certifications cover ISO 14001:2015 for environmental management, ISO 45001:2018 for occupational health and safety, ISO 50001:2018 for energy management at the German sites, and IATF 16949:2016 for quality management systems. All of our production sites are certified in accordance with ISO 14001, representing 99 percent coverage of our workforce.

In order to fulfill our responsibility for operating our facilities and protecting people and the environment, specially trained employees in the fields of environmental protection, health protection, plant safety and occupational safety are deployed at our production sites. These employees are grouped within the local Quality Management & Sustainability departments. As the parent company in Germany bears Group-wide responsibility for quality and sustainability systems, the department in Germany defines the systems and guidelines applicable across the Group. This department reports directly to the Chief Executive Officer.

Changing regulatory and, consequently, ethical requirements are monitored by the Compliance department as well as by the respective specialist departments.

GRI content index

GRI 1

Siltronic AG has reported the information presented in this GRI content index for the period from January 1, 2025 to December 31, 2025 with reference to the GRI Standards.

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EU Taxonomy

As part of the European “Green Deal,” the EU decided to establish a classification system for sustainable economic activities. The EU consolidated the related activities and considerations in a regulation commonly referred to as the “EU Taxonomy Regulation”. In principle, these sustainable economic activities are capable of making a substantial contribution, within selected industries defined by the EU, to six specified environmental objectives. These environmental objectives are climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems.

In order to combat global warming, the EU analyzed economic activities in a comprehensive project with regard to their greenhouse gas emissions. The analysis covered activities responsible for approximately 90 percent of greenhouse gas emissions released into the environment. Subsequently, the EU generated a list of now more than 150 activities defined as “taxonomy-eligible” economic activities.

Only 26 of these activities relate to the manufacture of physical goods. These 26 activities were narrowly defined by the EU and predominantly relate to the production of highly greenhouse gas-intensive products such as aluminum, iron/steel, fertilizers, organic basic chemicals, selected chemicals, or cement.

It is therefore not surprising that the production or sale of wafers does not appear on the EU list of taxonomy-eligible activities. The fact that wafers and their further development contribute to improving energy efficiency at downstream stages of the value chain is not of significant importance for the EU Taxonomy. Against this background, we report the mandatory proportion of taxonomy-eligible sales in relation to total sales for the reporting year at 0 percent. Sales as defined by the EU Taxonomy corresponds to the sales reported in the Statement of profit or loss.

In addition to taxonomy-eligible sales, the EU Taxonomy requires further disclosures, namely the metrics “CapEx” and “OpEx” as defined by the EU Taxonomy, as well as the taxonomy-aligned sales, CapEx and OpEx. Whereas taxonomy-eligible activities only indicate the potential to support an environmental objective (for example, the highly CO₂-intensive production of steel or cement is taxonomy-eligible), taxonomy-aligned activities make an actual substantial contribution. A further condition for taxonomy alignment is that no significant harm is caused to the other environmental objectives, and that minimum safeguards are complied with. The calculations for alignment are complex and require a substantial amount of supporting documentation.

The CapEx indicator shows the extent to which capital expenditures were incurred during the reporting year that, in accordance with the definitions of the EU Taxonomy, may contribute to the mitigation of greenhouse gas emissions (Siltronic’s economic activities relate to the environmental objective of climate change mitigation under the EU Taxonomy). No material taxonomy-eligible activities were

identified in the reporting year. For the basis of assessment and calculation, we refer to the table below. The EUR 369.1 million reported under CapEx comprises additions to intangible assets, property, plant and equipment, and increases in right-of-use assets in accordance with IFRS 16. We refer to the disclosures in the notes to the consolidated financial statements.

The OpEx indicator shows the extent to which operating expenditures were incurred during the reporting year that, according to the definitions of the EU Taxonomy, may contribute to one of the environmental objectives. No material taxonomy-eligible activities were identified in the reporting year. For the basis of assessment and calculation, we refer to the table below. Under the EU Taxonomy definition, OpEx at Siltronic primarily comprises expenses for research and development, repairs and maintenance of property, plant and equipment, and short-term leasing. Due to a revaluation of the included expenses for repairs and maintenance of property, plant, and equipment, the denominator increased in the reporting year, while at the same time the revaluation led to a reduction in the numerator. Expenditures relating to the day-to-day maintenance of property, plant and equipment are included.

The indicators are determined on the basis of Delegated Regulations (EU) 2020/852, 2021/2139, 2021/2178, 2023/2485, 2023/2486 and 2026/73 in conjunction with the accounting and measurement methods applied in preparing the consolidated financial statements. In the absence of taxonomy-eligible sales, capital and operating expenditures directly related to wafer production are not taxonomy-eligible. Taxonomy-eligible CapEx and OpEx arise for Siltronic where a direct allocation of expenditures to economic activities in accordance with Regulations 2021/2139, 2023/2485 and 2023/2486 is possible. Where feasible, taxonomy-eligible shares were determined directly from the financial systems. Where no direct link to a taxonomy-eligible activity was possible, the taxonomy-eligible share was determined using allocation keys.

Potentially taxonomy-eligible economic activities that could be relevant relate to the environmental objectives of climate change mitigation and climate change adaptation, circular economy, and pollution prevention and control. We did not identify any activities relating to water and marine resources or biodiversity and ecosystems. To avoid double counting, the relevant CapEx and OpEx are allocated to only one economic activity. The disclosure of CapEx and OpEx that form part of a plan to expand taxonomy-aligned economic activities or that enable the transformation of taxonomy-eligible into taxonomy-aligned activities is not applicable. There is currently no plan to expand taxonomy-aligned activities.

In conclusion, in the reporting year there were only immaterial economic activities in the real estate sector, wastewater and waste management, and information and communication, which were not assessed further. In accordance with the EU Taxonomy provisions, activities are considered immaterial if they do not exceed 10 percent of the relevant denominator.

Mandatory disclosures under the EU taxonomy (reporting form according to EU taxonomy) – disclosures for the year 2025

KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Breakdown by environmental objectives of Taxonomy-aligned activities							Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous financial year 2024	Proportion of Taxonomy-aligned activities in previous financial year 2024
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
	EUR	%	EUR	%	%	%	%	%	%	%	%	%	%	EUR	%	
Turnover	1,346.7	0%	-	0%									0%	-	0%	
CapEx	369.1	0%	-	0%									3%	-	0%	
OpEx	232.5	0%	-	0%									0%	-	0%	

Assurance report of the independent German Public Auditor on a limited assurance engagement in relation to the combined non-financial statement included in the combined management report

To Siltronic AG, Munich

Assurance Conclusion

We have conducted a limited assurance engagement on the combined non-financial statement of Siltronic AG, Munich, (hereinafter the „Company“) included in section "Combined Non-Financial Statement and ESG Report" of the management report, which is combined with the group management report, to comply with §§ [Articles] 289b to 289e HGB [Handelsgesetzbuch: German Commercial Code] and §§ 315b to 315c HGB including the disclosures contained in this combined non-financial statement to fulfil the requirements of Article 8 of Regulation (EU) 2020/852 (hereinafter the „Combined Non-Financial Reporting“) for the financial year from 1 January to 31 December 2025.

Not subject to our assurance engagement were the external sources of documentation or expert opinions mentioned in the Combined Non-Financial Reporting, which are marked as unassured.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Combined Non-Financial Reporting for the financial year from 1 January to 31 December 2025 is not prepared, in all material respects, in accordance with § 315c in conjunction with §§ 289c to 289e HGB and the requirements of Article 8 of Regulation (EU) 2020/852 as well as with the supplementary criteria presented by the executive directors of the Company.

We do not express an assurance conclusion on the external sources of documentation or expert opinions mentioned in the Combined Non-Financial Reporting, which are marked as unassured.

Basis for the Assurance Conclusion

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the "German Public Auditor's Responsibilities for the Assurance Engagement on the Combined Non-Financial Reporting" section.

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has complied with the quality management system requirements of the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) issued by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibility of the Executive Directors and the Supervisory Board for Combined Non-Financial Reporting

The executive directors are responsible for the preparation of the Combined Non-Financial Reporting in accordance with the relevant German legal and European regulations as well as with the supplementary criteria presented by the executive directors of the Company. They are also responsible for the design, implementation and maintenance of such internal controls that they have considered necessary to enable the preparation of a Combined Non-Financial Reporting in accordance with these regulations that is free from material misstatement, whether due to fraud (i.e., manipulation of the Combined Non-Financial Reporting) or error.

This responsibility of the executive directors includes selecting and applying appropriate reporting policies for preparing the Combined Non-Financial Reporting, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Combined Non-Financial Reporting.

Inherent Limitations in the Preparation of the Combined Non-Financial Reporting

The relevant German statutory legal and European regulations contain wording and terms that are still subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legal conformity of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the Combined Non-Financial Reporting.

German Public Auditor's Responsibilities for the Assurance Engagement on the Combined Non-Financial Reporting

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Combined Non-Financial Reporting has not been prepared, in all material respects, in accordance with the relevant German legal and European regulations as well as with the supplementary criteria presented by the executive directors of the Company, and to issue an assurance report that includes our assurance conclusion on the Combined Non-Financial Reporting.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process to prepare the Combined Non-Financial Reporting.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In conducting our limited assurance engagement, we have, amongst other things:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Combined Non-Financial Reporting.
- inquired of the executive directors and relevant employees involved in the preparation of the Combined Non-Financial Reporting about the preparation process, and about the internal controls relating to this process.
- evaluated the reporting policies used by the executive directors to prepare the Combined Non-Financial Reporting.

- evaluated the reasonableness of the estimates and the related disclosures provided by the executive directors.
- performed analytical procedures and made inquiries in relation to selected information in the Combined Non-Financial Reporting.
- performed site visits.
- considered the presentation of the information in the Combined Non-Financial Reporting.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Combined Non-Financial Reporting.

Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is solely towards the Company. We do not accept any responsibility, duty of care or liability towards third parties.

Munich, 10 March 2026

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Klaus Bernhard
Wirtschaftsprüfer
[German public auditor]

Diana Plaum
Wirtschaftsprüfer
[German public auditor]

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Consolidated statement of profit or loss

from January 1 to December 31, 2025

In EUR million	Note	2025	2024
Sales	01	1,346.7	1,412.8
Cost of sales	01	-1,235.5	-1,137.4
Gross profit		111.2	275.4
Selling expenses		-31.9	-32.3
Research and development expenses		-78.3	-83.1
General administration expenses		-35.8	-35.4
Other operating income	01	139.9	90.9
Other operating expenses	01	-131.5	-90.3
Operating result		-26.4	125.2
Interest income	02	14.3	14.0
Interest expenses	02	-47.9	-32.3
Other financial income	02	4.1	1.9
Other financial expenses	02	-8.7	-8.5
Financial result		-38.2	-24.9
Result before income tax		-64.6	100.3
Income taxes	03	-13.3	-33.1
Result for the period		-77.9	67.2
<i>of which</i>			
<i>attributable to Siltronic AG shareholders</i>		-69.2	63.0
<i>attributable to non-controlling interests</i>		-8.7	4.2
Result per common share in EUR (basic/diluted)	15	-2.31	2.10

Consolidated statement of comprehensive income

from January 1 to December 31, 2025

In EUR million	2025	2024
Result for the period	-77.9	67.2
Other comprehensive income/ loss:		
Item that is never reclassified to profit or loss:		
Remeasurement of defined benefit plans	19.3	35.5
Items that have been reclassified to profit or loss or may be reclassified in the future:		
Difference from foreign currency translation adjustments	-131.0	62.2
Changes in market values of derivative financial instruments (cash flow hedge)	8.7	-13.4
<i>thereof recognized in profit or loss</i>	-5.3	-0.6
<i>thereof tax effect</i>	-2.1	3.8
	-122.3	48.8
Other comprehensive income/loss	-103.0	84.3
Total comprehensive income/loss	-180.9	151.5
<i>of which</i>		
<i>attributable to Siltronic AG shareholders</i>	<i>-159.9</i>	<i>141.5</i>
<i>attributable to non-controlling interests</i>	<i>-21.0</i>	<i>10.0</i>

Consolidated statement of financial position

as of December 31, 2025

In EUR million	Note	Dec. 31, 2025	Dec. 31, 2024
Intangible assets	04	55.8	34.8
Property, plant and equipment	05	3,527.7	3,676.2
Right-of-use assets	06	130.5	144.6
Securities and fixed-term deposits	09	2.7	2.7
Other financial assets	08	0.8	–
Other non-financial assets	08	16.3	13.9
Deferred tax assets	03	1.0	14.0
Non-current assets		3,734.8	3,886.2
Inventories	07	300.8	308.3
Trade receivables	08	110.6	142.9
Contract assets	08	13.8	12.7
Securities and fixed-term deposits	09	202.2	366.6
Other financial assets	08	20.2	12.9
Other non-financial assets	08	40.6	50.7
Income tax receivables	08	8.8	7.0
Cash and cash equivalents	09	329.1	297.1
Current assets		1,026.1	1,198.2
Total assets		4,760.9	5,084.4
In EUR million	Note	Dec. 31, 2025	Dec. 31, 2024
Subscribed capital		120.0	120.0
Capital reserves		974.6	974.6
Retained earnings and net Group result		719.9	795.1
Other equity items		29.5	120.2
Equity attributable to Siltronic AG shareholders		1,844.0	2,009.9
Equity attributable to non-controlling interests		184.3	205.3
Equity	10	2,028.3	2,215.2
Pension provisions	11	124.8	134.1
Other provisions	12	67.7	66.1
Income tax liabilities	13	1.0	3.0
Deferred tax liabilities	03	2.1	8.7
Customer prepayments	13	506.5	508.6
Loan liabilities	13	1,246.2	1,303.8
Lease liabilities	06	127.1	137.0
Other non-/ financial liabilities	13	147.7	137.6
Non-current liabilities		2,223.1	2,298.9
Other provisions	12	9.7	9.6
Income tax liabilities	13	13.7	18.1
Trade liabilities	13	242.7	280.5
Customer prepayments	13	9.5	57.3
Loan liabilities	13	109.1	75.2
Lease liabilities	06	6.8	7.3
Other financial liabilities	13	57.3	67.1
Other non-financial liabilities	13	60.7	55.2
Current liabilities		509.5	570.3
Total liabilities		2,732.6	2,869.2
Total equity and liabilities		4,760.9	5,084.4

Consolidated statement of cash flows

from January 1 to December 31, 2025

In EUR million	Note	2025	2024
Result for the period		-77.9	67.2
Depreciation/amortization of non-current assets, including impairment losses and reversals thereof	01	343.3	238.5
Other non-cash expenses and income		-24.5	8.2
Result from disposal of non-current assets		1.0	1.5
Interest result	02	33.5	18.4
Interest paid	17	-60.4	-43.6
Interest received		14.2	22.6
Tax result	03	13.3	33.1
Taxes paid		-12.5	-22.7
Changes in inventories		-4.0	-3.0
Changes in trade receivables		17.4	28.0
Changes in contract assets		-1.6	-0.4
Changes in other assets without prepayments		-4.6	-0.7
Changes in provisions		19.1	27.4
Changes in trade liabilities		-6.5	-2.7
Changes in other liabilities without prepayments		6.2	-1.3
Changes in customer prepayments		-25.9	-26.0
Cash flow from operating activities		230.1	344.5
Payments for capital expenditures (including intangible assets)		-380.1	-699.9
Proceeds from the disposal of property, plant and equipment and intangible assets		0.6	0.4
Proceeds from Investment Grants	13	38.2	32.0
Payments for the acquisition of fixed-term deposits and securities		-526.2	-509.6
Proceeds from fixed-term deposits and securities		689.8	217.3
Cash flow from investing activities		-177.7	-959.8
Dividends	15	-6.0	-36.0
Proceeds from loans	13	53.0	569.0
Repayment of loans	13	-62.4	-
Proceeds from other financial liabilities	17	178.0	170.4
Repayments of other financial liabilities	17	-172.6	-170.4
Principal portion of lease payments	17	-6.2	-7.4
Cash flow from financing activities		-16.2	525.6
Changes due to exchange-rate fluctuations		-4.2	0.6
Changes in cash and cash equivalents	09	32.0	-89.1
at the beginning of the period		297.1	386.2
at the end of the period		329.1	297.1

Additional financial information

In EUR million	2025	2024
Cash flow from operating activities	230.1	344.5
Cash-effective changes in customer prepayments	25.9	26.0
Cash flow from investing activities incl. Investment Grants	-341.3	-667.5
Net cash flow	-85.3	-297.0

Consolidated statement of changes in equity

as of December 31, 2025

In EUR million	Subscribed capital	Capital reserves	Variance from foreign currency valuation	Impact of net investments in foreign operations	Changes in market values of derivative financial instruments (cash flow hedge)	Remeasurement of defined benefit plans	Retained earnings/net Group result	Total	Non-controlling interests	Total equity
Balance as of January 1, 2024	120.0	974.6	63.2	-7.1	8.2	-22.6	768.1	1,904.4	195.3	2,099.7
Result for the period	-	-	-	-	-	-	63.0	63.0	4.2	67.2
Other comprehensive income and loss	-	-	56.4	-	-13.4	35.5	-	78.5	5.8	84.3
Total comprehensive income and loss	-	-	56.4	-	-13.4	35.5	63.0	141.5	10.0	151.5
Dividends	-	-	-	-	-	-	-36.0	-36.0	-	-36.0
Balance as of December 31, 2024	120.0	974.6	119.6	-7.1	-5.2	12.9	795.1	2,009.9	205.3	2,215.2
Balance as of January 1, 2025	120.0	974.6	119.6	-7.1	-5.2	12.9	795.1	2,009.9	205.3	2,215.2
Result for the period	-	-	-	-	-	-	-69.2	-69.2	-8.7	-77.9
Other comprehensive income and loss	-	-	-118.7	-	8.7	19.3	-	-90.7	-12.3	-103.0
Total comprehensive income and loss	-	-	-118.7	-	8.7	19.3	-69.2	-159.9	-21.0	-180.9
Dividends	-	-	-	-	-	-	-6.0	-6.0	-	-6.0
Balance as of December 31, 2025	120.0	974.6	0.9	-7.1	3.5	32.2	719.9	1,844.0	184.3	2,028.3

Notes to the consolidated financial statements of Siltronic AG and subsidiaries

General notes to the consolidated financial statements

Nature of operations

Siltronic AG (the 'Company'), together with its subsidiaries (the 'Group') is a manufacturer of semiconductor silicon wafers made from hyperpure silicon whose customers comprise the leading semiconductor companies worldwide. Silicon constitutes the base substrate for most semiconductor devices, and silicon wafers are essential components in all areas of electronic applications, for example in computers, smartphones, industrial equipment, wind turbines or cars with and without electric drives. The Group operates wafer facilities one each in Burghausen and in Freiberg, Germany, three wafer facilities in Singapore, and one wafer facility in Portland, Oregon, USA.

The Company's shares are listed in the Prime Standard of the Frankfurt Stock Exchange and are included in the SDAX and TecDAX.

Siltronic AG is registered in the commercial register of Munich under number HRB 150884. The head office of the Company is located at Einsteinstraße 172, Munich, Germany.

Basis of presentation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the additional requirements of Section 315e (1) of the German Commercial Code (HGB). The associated interpretations of the IFRS Interpretations Committee (IFRIC) were also applied. The Group has applied all standards and interpretations that were effective as of December 31, 2025 and endorsed by the EU.

The financial year corresponds to the calendar year. Assets and liabilities are reported in the statement of financial position in line with their maturities. The Group classifies assets and liabilities as current if it expects to realize or settle them within 12 months of the balance sheet date. The statement of profit or loss is prepared using the cost of sales method.

The consolidated financial information is presented in euros, which is the Company's functional currency and the Group's reporting currency. All amounts are shown in millions of euros (EUR million) unless otherwise stated.

The Executive Board of Siltronic AG approved the consolidated financial statements on March 10, 2026.

The declaration of conformity with to the German Corporate Governance Code, as prescribed in Section 161 of the German Stock Corporation Act has been issued and was made available to the public at <https://www.siltronic.com/en/investors/corporate-governance.html>.

Financial reporting principles applied for the first time in 2025

The application of the following new standards, interpretations, and changes to existing standards is mandatory for the period starting

on January 1, 2025. The Group continuously evaluates new standards, interpretations, and changes to existing standards to determine their impact on the consolidated financial statements.

Standard/amendment/interpretation	Effective date	Impact on Siltronic	
IAS 21	Lack of Exchangeability	January 1, 2025	none

Financial reporting standards and interpretations not yet applied

The application of the following new standards, interpretations, and changes to existing standards is not yet mandatory for the period under review. The Group does not apply any of these earlier than required. Currently the Group expects the following impact:

Standard/amendment/interpretation – endorsed by EU	Effective date	Expected impact on Siltronic	
IFRS 9, IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026	immaterial
IFRS 9, IFRS 7	Contracts relating to electricity dependent on natural conditions	January 1, 2026	immaterial
Various IFRS	Annual Improvements	January 1, 2026	immaterial
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	see the following explanations

Standard/amendment/interpretation – not yet endorsed by EU	Effective date	Expected impact on Siltronic	
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027	immaterial
IAS 21	The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	January 1, 2027	immaterial
IFRS 10, IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	still pending	immaterial

IFRS 18 „Presentation and Disclosure in Financial Statements“

IFRS 18 provides guidelines for companies that use IFRS to present and disclose information in their financial statements. It replaces IAS 1, „Presentation of Financial Statements“.

The new standard is applicable to fiscal years beginning on or after January 1, 2027. Siltronic does not plan to apply the standard early and has begun assessing the quantitative and qualitative effects of applying IFRS 18 on the consolidated financial statements. The extent of the changes cannot be conclusively assessed at this time.

Scope of consolidation

As in the previous year, the consolidated entities as of the reporting date comprised seven subsidiaries.

Subsidiaries are defined as companies in which the Company directly or indirectly holds a voting majority or has, in any other way, the power to govern the financial and business policies of an entity in

order to benefit from its activities. In assessing control, the Company takes into account potential voting rights that are currently exercisable or convertible. The subsidiaries are included in the consolidated financial statements from the date that the possibility to control commences until the date that such possibility ceases.

The table below shows the subsidiaries and structured entities reflected in the scope of consolidation as of December 31 of the respective year. The percentages noted refer to the interest Siltronic has directly or indirectly in the respective companies and funds:

Composition of the Group

In %	Dec. 31, 2025	Dec. 31, 2024
Europe		
Siltronic Holding International B.V., Rotterdam/The Netherlands	100.0	100.0
North America		
Siltronic Corp., Portland, Oregon, USA	100.0	100.0
Asia		
Siltronic Singapore Pte. Ltd., Singapore	100.0	100.0
Siltronic Silicon Wafer Pte. Ltd., Singapore	77.7	77.7
Siltronic Japan Corporation, Tokyo/Japan	100.0	100.0
Siltronic Korea Ltd., Seoul/South Korea	100.0	100.0
Siltronic Shanghai Co. Ltd., Shanghai/China	100.0	100.0

Consolidation methods

The consolidated financial statements are based on the individual financial statements of the Company and its consolidated subsidiaries.

Intra-group balances and transactions are eliminated.

Acquisitions

The Group accounts for its business combinations using the acquisition method when control is transferred to the Group. The consideration transferred is measured at fair value and allocated to the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit and loss immediately. Transaction costs are expensed as incurred. The consideration transferred does not include amounts related to the settlement of preexisting relationships. Such amounts are generally recognized in profit or loss.

Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss.

Foreign currency translation

The financial statements of consolidated companies are prepared using the currency of the primary economic environment in which the entity operates (the functional currency) and translated on the basis of the functional currency principle using the modified closing rate method, in which balances, with the exception of equity, are translated from the functional currency to the reporting currency using the spot rates prevailing at the period end, while amounts in the statement of profit or loss are translated using the period's average exchange rates.

The Company and its subsidiaries conduct their business in the respective functional currency, which is the local currency. Any net gains or losses arising from the translation of equity are recognized directly in other comprehensive income. Translation differences on monetary assets and liabilities resulting from fluctuating exchange rates are recorded in the statement of profit or loss. If a Group company is removed from consolidation, any translation difference is reclassified from equity to profit or loss.

Exchange rates

The table below includes the exchange rates between the most significant currencies reported in these consolidated financial statements and the euro for the reporting periods.

	ISO-Code	Spot rate on December 31		Average for the year	
		2025	2024	2025	2024
US dollar	USD	1.17	1.04	1.13	1.08
Japanese yen	JPY	183	163	169	164
Singapore dollar	SGD	1.51	1.42	1.47	1.45

Estimates and assumptions used in preparing the consolidated financial statements

The preparation of the consolidated financial statements in compliance with IFRS requires management to make assumptions and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Changes in accounting estimates are recognized as soon as they become apparent and affect the net results for the period in which the estimates have changed and in any future periods affected.

Despite the fact that the assumptions and estimates are made to the best of management's knowledge based on current events and measures, actual results may differ from these estimates.

Information about judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the notes below:

- **Valuation of right-of-use assets and lease liabilities:**
Assumptions when using extension options (see [Note 06](#))
- **Presentation of amounts in connection with working capital management measures:**
Recognition in the statement of financial position (see [Note 08](#))

The following areas involve significant estimates and assumptions and are therefore the most likely to be affected if actual results differ from estimates:

- **Recognition and recoverability of deferred tax assets:**
Assumptions regarding planned taxable income and the consideration of positive and negative factors for the assessment of tax benefits (see [Note 03](#))
- **Recoverability of property, plant and equipment and goodwill:**
Assumptions used in the impairment test to determine the recoverable amount (see [Notes 04 and 05](#))
- **Recognition and valuation of provisions and contingent liabilities:**
Assumptions and estimates regarding the probability of occurrence, timing and amount of the benefit outflow (see [Note 12 and 14](#))
- **Valuation of defined benefit obligations:**
Actuarial assumptions (see [Note 11](#))

Accounting policies

The Company and its subsidiaries apply uniform methods for the recognition and valuation of assets, liabilities, income and expenses.

Assets and liabilities of the consolidated financial statements are reported based on their historical cost, with the exception of the items reported at fair value. In particular, derivative financial instruments and plan assets used to cover future pension obligations are recorded at fair value. The accounting policies have been applied consistently.

Intangible assets

Internally generated intangible assets are capitalized if it is probable that a future economic benefit can be associated with the use of the asset and the costs of the asset can be determined reliably. Such assets are recognized at cost and amortized on a straight-line basis. Their stated useful lives correspond to those of the intangible assets acquired against payment. Capitalized development costs are valued at acquisition or production cost less accumulated amortization and accumulated impairment losses.

Property, plant and equipment

Property, plant and equipment is capitalized at cost and depreciated on a straight-line basis over its expected economic life. The useful life is reviewed annually and, if necessary, revised to correspond to new expectations. In addition to the purchase price, acquisition costs include incidental acquisition costs as well as any obligation incurred for the demolition and removing of the asset from its location. Property, plant and equipment is not revalued on the basis of the regulations in IAS 16. Day-to-day maintenance and repair costs are expensed as incurred. Costs for replacing parts or carrying out major overhauls of property, plant and equipment are capitalized if future economic benefits are likely to accrue to the Group and if the costs can be measured reliably.

Borrowing costs that are directly or indirectly attributable to the acquisition or production of a qualifying asset are capitalized as part of acquisition or production costs until the asset is available for use. Siltronic capitalized borrowing cost in the period under review.

Depreciation and amortization

Depreciation and amortization are calculated using the straight-line method and based on the following useful lives:

Useful lives

	Years
Intangible assets	3 to 7
Buildings	8 to 30
Machinery and equipment	4 to 10
Factory and office equipment	3 to 10

If, having been measured in accordance with the above principles, the carrying amounts of intangible assets or items of property, plant and equipment that were amortized or depreciated are higher than their recoverable amounts as of the reporting date, corresponding impairment losses are recognized as an expense.

The Group reviews regularly the residual value and the useful life of assets.

At the end of every reporting date, the Group checks whether there are triggering events for recognizing (or reversing) impairments. An impairment loss is then recognized in the amount by which the carrying amount exceeds the recoverable amount. The recoverable amount is the higher amount of the fair value less costs to sell, and the value in use. The value in use is the present value of estimated future cash flows that are discounted using risk-adjusted pre-tax interest rates. For the purpose of determining cash flows, assets are summarized at the lowest level for which cash flows can be separately identified (so-called cash-generating units). If the reasons for impairment no longer exist, reversals of impairment losses are recognized if necessary. The reversal is limited to the carrying amount that would have resulted without impairment. Impairment losses are reported as other operating expenses, reversals thereof as other operating income.

Government grants

Government grants related to the acquisition of an asset are deferred and recognized as other operating income over the amortization period. Unless otherwise indicated, these grants (investment incentives) are provided by government bodies.

Government grants resulting from low-interest loans are initially recognized as deferred income with the difference between the carrying amount of the loan determined in accordance with IFRS 9 and the payments received. The grants are subsequently recognized in profit or loss either over the useful lives of the assets or, if the grants relate to the compensation of expenses, at the time the expenses are incurred. Investment grants from low-interest loans are recognized as other operating income, while expense grants from low-interest loans are deducted from interest expense.

Inventories

Inventories are measured at cost using the average cost method. Lower net realizable values or realizable prices are taken into account through impairment to the lower of cost and net realizable value. Cost of sales includes directly attributable costs as well as appropriate portions of indirect material and labor costs, administrative expenses, and depreciation. Due to the short-term production processes, financing costs are not included as part of acquisition or production costs. The overhead cost allocations are determined on the basis of a specific capacity utilization.

Write-downs are recognized for inventory risks resulting from obsolescence or reduced usability or to reflect other reductions in the recoverable amount.

Unfinished and finished goods are combined for disclosure purposes due to the nature of the wafer production process. The position raw materials and supplies also includes spare parts for the ongoing maintenance of production facilities. They are valued on the basis of their storage period and inventory turnover rate.

Financial instruments

Trade receivables are recognized from the date on which they arise. All other financial assets and liabilities are initially recognized on the trade date when the company becomes a party to the contract in accordance with the contractual provisions of the instrument.

Except for trade receivables, a financial asset or financial liability is initially measured at fair value. For an item that is not measured at fair value through profit or loss, the transaction costs directly attributable to its acquisition or issue are added. Trade receivables

without significant financing components are initially measured at the transaction price. The fair value of financial instruments corresponds to the amount that the Group would receive or pay if an exchange or settlement of the financial instruments took place. If available, quoted market values for financial instruments are used. Otherwise, the fair values are calculated on the basis of the market conditions prevailing on the valuation date, normally interest rates and exchange rates. The fair value is determined using financial mathematical methods, e.g. by discounting the future cash flows at the market interest rate or using generally accepted option pricing models.

The Group's financial assets comprise cash and cash equivalents, trade receivables, other financial receivables, fixed-term deposits, securities and primary and derivative financial assets. Financial assets must generally be settled in cash or for another asset. This includes trade liabilities and derivative financial liabilities.

For the subsequent measurement of financial assets, the Group is required to assess the objectives of the business model in which the financial asset is held. This is done at a portfolio level as it best reflects the way the business is managed, and information is given to management. According to the business model, financial assets are measured at amortized cost (AC), at fair value with changes in profit or loss (FVTPL) or at fair value with changes in other comprehensive income (FVOCI).

Financial assets are not reclassified after initial recognition unless the Group changes its business model for managing financial assets. In this case, all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

A financial asset is valued at amortized cost if it (i) is not designated as FVTPL and is held as part of a business model whose objective is to hold financial assets for the collection of the contractual cash flows, and (ii) the contractual terms of the financial asset lead to cash flows at defined points in time that solely represent the repayment of principal and interest payments on outstanding amounts. Subsequent valuation is made using the effective interest method. Amortized costs are reduced through impairment losses. Interest income, foreign exchange gains and losses and impairment are reported through profit or loss. A gain or loss arising from the derecognition of an item is reported through profit or loss.

A debt instrument is designated as FVOCI if it is not designated as FVTPL and is held as part of a business model whose objective is (i) to hold financial assets for the collection of the contractual cash flows as well as to sell financial assets, and (ii) the contractual terms lead to cash flows at set points in time that solely represent the repayment of principal and interest on the outstanding amount. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized through profit and loss. Other net gains or losses are reported under other comprehensive income. Upon derecognition, accumulated other comprehensive income is reclassified to profit or loss.

All financial instruments not measured at amortized cost or as FVOCI are recognized as FVTPL. This also comprises all derivative financial assets. Net gains and losses, including any interest or dividend income, are recognized through profit and loss.

For further information see [Note 16](#) Financial Instruments.

Impairment of financial assets

For financial assets measured at amortized cost or at fair value through other comprehensive income, Siltronic determines allowances for expected credit losses using the expected credit loss (ECL) model in accordance with IFRS 9.

The ECL model is mainly used for cash and cash equivalents, time deposits, securities measured at amortized cost, trade receivables, contract assets and other financial assets. The expected credit losses are adjusted at the respective closing date to reflect changes in credit risk since initial recognition. Further information is given in [Notes 08 and 09](#).

Derivative financial instruments

Derivative financial instruments are generally measured at fair value, regardless of the purpose or intention for which they were entered into. Positive market values result in the recognition of a receivable, negative market values in the recognition of a liability. Derivative financial instruments are used primarily for hedging purposes in order to reduce the Group's exposure to foreign currency exchange rates. Contracts concluded in order to receive or deliver non-financial goods for the Group's own use are not accounted for as derivatives but are treated as pending transactions.

Where derivative financial instruments are used to hedge risks from future cash flows, the Group applies hedge accounting in accordance with the requirements of IAS 39 where possible. Changes in the market value of derivatives used to hedge the risk of fluctuating cash flows denominated in a foreign currency ("cash flow hedge") were recognized in other comprehensive income, taking deferred taxes into account. The accumulated amount of other comprehensive income of the hedging instrument was not released in the statement of profit or loss until the hedge item was realized. Currency hedges of planned sales are reported in other operating income, while hedges of selected intragroup transactions are reported in other financial income. If a corresponding derivative is sold or if the conditions for a hedging relationship are no longer met, the change in value of the derivative remains in other comprehensive income until the underlying transaction occurs.

Receivables and other assets, contract assets, fixed-term deposits and cash and cash equivalents

Trade receivables and other assets (including tax receivables) except for financial derivatives, cash and cash equivalents and fixed-term deposits are generally recognized at cost. Contract assets are recognized if Siltronic has fulfilled its contractual obligations with customers, and an unconditional right to receive consideration from the customer does not yet exist. Contract assets are recognized at the transaction price.

Income taxes

Income taxes include all domestic and foreign taxes based on the taxable result. They include both current income taxes and deferred taxes. The current income taxes are based on the respective national tax results and regulations for the year. Also included are adjustments for any subsequent tax payments or refunds from outstanding tax returns from previous years and from tax audits.

Deferred tax assets and liabilities are recognized for temporary differences between tax bases and carrying amounts. The deferred tax assets include existing loss carryforwards, the realization of which is assured with sufficient probability. Deferred taxes are determined on the basis of the tax rates which, under current law, are applicable or anticipated in the individual countries when they are realized. Deferred tax assets and liabilities are offset only to the extent possible under the same tax authority. The change of deferred tax assets and liabilities is recognized in the statement of profit or loss. In cases where profits or losses are recognized in other comprehensive income, the deferred tax effect is likewise posted under other comprehensive income.

Deferred tax assets from deductible temporary differences and tax loss carryforwards which exceed deferred tax liabilities from taxable temporary differences are only recognized to the extent that the respective Group company will generate sufficient taxable income to realize the corresponding benefit. The Group reviews deferred tax assets for impairment at each Group reporting date.

Provision for pensions – defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and previous periods, discounting that amount, and deducting the fair value of any plan assets. The calculation of defined benefit obligations is performed annually using the projected unit credit method. When the calculation results in an asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan.

Remeasurement of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest income), and the effect of the asset ceiling (if any), are recognized immediately in other comprehensive income. Actuarial gains and losses are arising from the difference between the estimate at the start of the period and actual outcome at the end of the period in relation to mortality rates, pension and salary trends, and discount rates.

The Group determines net interest expenses on the net defined liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability applicable at that date, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expenses and other expenses to defined benefit plans are recognized in profit and loss.

If the present value of a defined benefit obligation changes due to a plan modification or curtailment, the Group recognizes the effect as past service cost. This is immediately recognized in profit or loss when it occurs. The profits and losses resulting from settlement are also recognized immediately in the statement of profit or loss when settlement takes place. Administrative expenses that are not related to the management of plan assets are likewise recognized in profit or loss when incurred. The expense incurred in funding the pension provisions (service cost) is allocated to the costs of the functional areas concerned. The interest cost is reported under other financial result.

Provision for pension – defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Provisions for early retirement and anniversaries

Provisions for early retirement and anniversaries are measured in accordance with actuarial appraisals and belong to other long-term employee benefits. The Group's net liability is the amount of future benefits that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

Provisions for early retirement are linked to the rendering of future service.

The provisions are recognized on a pro rata basis over the service period during the work phase. The part of the salary that employees forgo during the work phase is secured with plan assets against default. The provision for early retirement represents the Group's net liability, i.e. after the plan assets have been offset against the total obligation. The additional compensation granted is not completely earned until the required work has been rendered in full by the employees.

Other provisions

Non-current provisions are measured at the discounted present value as of the reporting date. The discount rate applied is the current market interest rate for risk-free investments with terms corresponding to the residual term of the obligation to be settled.

Provisions for environmental protection are recognized if the future cash outflows for complying with environmental legislation or for remediation measures are probable, the costs can be estimated with sufficient accuracy and no future benefits can be expected from such measures.

If an amended estimate results in a reversal of a provision during the financial year, the impact is recognized in the same line item of the statement of profit or loss as the original estimate. Otherwise the income is recognized in other operating income.

Liabilities and customer prepayments

Loan liabilities, trade payables, customer prepayments and other liabilities (including tax liabilities) are measured at amortized cost using the effective interest method.

Liabilities to a payment service provider are recognized under other financial liabilities. This relates to the assignment of trade payables to financing partners arranged by a payment service provider. The payment service provider, together with Siltronic, handles payment to the suppliers. The financial resources provided are reimbursed to the financing partner with a delay of two months. Trade payables are recognized in other financial liabilities from the date of transfer. The cash inflows and outflows are recognized in cash flow from financing activities.

Right-of-use assets of leases and lease liabilities

As a first step, the Group assesses whether the contract contains a lease. This is the case if the agreement entitles the Group to control the use of an identified asset for a specified period of time against consideration. If an agreement contains both lease and non-lease components, the Group allocates the contractually agreed consideration based on the relative individual sales prices.

On the date of allocation, the Group recognizes an asset for the right of use granted and a lease liability. The lease liability is recognized as a liability at the present value of the lease payments not yet paid. Lease payments include fixed payments as well as variable payments, residual value guarantees and purchase, termination and extension options if the Group is sufficiently certain that it will be able to exercise them. The present value of the lease payments is determined using the interest rate underlying the lease. If this cannot be determined easily, the Group's incremental borrowing rate is used. This takes into account the nature of the asset and the lease terms.

The lease liability is valued at amortized cost using the effective interest method. A revaluation is carried out if there is a change in future lease payments or new information and estimates regarding residual value guarantees and the exercise of purchase options, termination or extension options exist.

The right-of-use asset is initially measured at cost, which corresponds to the initial measurement of the lease liability, less any lease incentives received and amortized on a straight-line basis from the commencement date to the end of the lease term. If the exercise of a purchase option has been classified as reasonably certain, the asset is amortized over its entire useful life. In addition, the right-of-use asset is adjusted for impairment losses, if necessary, and adjusted when the lease liability is remeasured.

In accordance with IFRS 16, the Group has decided not to recognize right-of-use assets and lease liabilities for low-value leases and for short-term leases. As a result, the payments relating to these leases are expensed on a straight-line basis over the term of the lease.

Sales recognition

Siltronic generates revenues primarily from the sale of high-purity silicon wafers. The decisive factor for the realization of sales is the date on which control is transferred to the customer. At which point-in-time control has passed to the customer is assessed on the basis of the agreed delivery conditions and the following criteria:

- Transfer of risks and rewards to the customer
- Right to payment for Siltronic
- Acquisition of ownership by the customer

Revenue from services is recognized as soon as the service has been rendered.

Sales comprise the transaction price, which is the consideration expected to be received in exchange for the transfer of promised goods or services to a customer.

Cost of sales

Cost of sales includes all expenses associated with producing or acquiring the products or services sold to a customer. In addition to directly attributable costs such as raw materials and supplies, direct labor and energy costs, cost of sales includes depreciation/amortization, appropriate overhead costs allocated to manufacturing activities, and inventory write-downs.

Selling expenses, research and development costs, and general administration expenses

Selling expenses include costs incurred by the sales organization and the cost of market analysis, cost for application technology on customer side and commission expenses.

Research and development expenses include costs incurred in the development of products and processes. Research costs in the narrow sense are recognized as expenses when they are incurred and not capitalized. Development costs are capitalized if all the prescribed recognition criteria have been met i.e. the research phase can be separated clearly from the development phase, and the costs incurred can be allocated to the individual project phases without any overlap. Additionally, there must be sufficient certainty that future cash inflows will be realized.

General administration expenses include the pro rata payroll and material costs of corporate control functions, human resources, and accounting and information technology, unless they have been charged as an internal service to other functional areas.

Timing of recognition of income and expenses

Operating expenses are reported as expenses when the service is utilized and interest income is accrued using the effective interest rate.

Notes to the statement of profit or loss

01 Sales, cost of sales, other operating income, and other operating expenses

In EUR million	2025	2024
Sales	1,346.7	1,412.8
<i>thereof sales of contracts with customers</i>	<i>1,346.7</i>	<i>1,412.8</i>
Cost of sales	-1,235.5	-1,137.4
<i>thereof inventory valuation allowance</i>	<i>-6.0</i>	<i>-16.4</i>
<i>thereof reversal of valuation allowance</i>	<i>3.5</i>	<i>4.2</i>
Other operating income		
Currency gains and derivatives	126.7	83.5
Grants for research and investments	9.0	1.5
Reversal of provisions and liabilities	0.9	2.7
Gains from disposal of property, plant and equipment	0.5	0.2
Reversal of valuation allowances for receivables	-	0.2
Other	2.8	2.8
Total	139.9	90.9
Other operating expenses		
Currency losses and derivatives	-126.5	-83.8
Impairment of property, plant and equipment	-3.0	-
Losses from disposal of property, plant and equipment	-1.5	-1.8
Other	-0.5	-4.7
Total	-131.5	-90.3

Revenues are generated almost exclusively from the sale of wafers. A breakdown of sales by region can be found in [Note 18](#).

Depreciation and amortization, personnel expenses, cost of materials

Depreciation and amortization expenses amount to EUR 343.3 million in 2025 (previous year: EUR 238.5 million), of which EUR 3 million (previous year: EUR 0.0 million) is related to unplanned depreciation.

Personnel expenses amount to EUR 357.5 million (previous year: EUR 369.2 million), of which EUR 290.3 million was attributable to salaries (previous year: EUR 300.2 million), EUR 31.9 million to social security (previous year: EUR 31.8 million), and EUR 35.2 million to pensions (previous year: EUR 37.2 million). The cost of materials came to EUR 510.9 million (previous year: EUR 505.2 million).

02 Interest income and expenses, other financial result

In EUR million	2025	2024
Net interest income		
Interest income	14.3	14.0
Interest expenses	-47.9	-32.3
Total	-33.6	-18.3
Other financial result		
Interest cost on provisions	-6.1	-5.4
Other financial income	4.1	1.9
Other financial expenses	-2.6	-3.1
Total	-4.6	-6.6

Interest income was generated from financial investments and interest-bearing securities.

Interest expense mainly relates to interest expenses for loans taken out in the financial year and in the previous year.

Other financial result

The interest cost on provisions mainly refers to pensions and includes net interest on the net defined benefit liability.

Other financial income and expenses mainly relate to interest rate derivatives and expenses from working capital management programs.

03 Income taxes

Income taxes are calculated on the basis of applicable or anticipated tax rates according to the tax laws in the individual countries as of the realization date. These tax rates are generally based on the legal statutes valid or adopted as of the reporting date.

In Germany, the applicable tax rates include corporate income tax, a solidarity surcharge on corporate income tax and trade income tax that varies depending on the municipality in which a company is located.

Tax rates in Germany

In %	2025	2024
Weighted average trade income tax rate	13.3	13.4
Corporate income tax rate	15.0	15.0
Solidarity surcharge on corporate income tax	5.5	5.5
Income tax rate for Siltronic AG in Germany	29.1	29.2

Profits generated by foreign subsidiaries are taxed in the respective countries at the relevant local and national tax rates. The income tax rates for the foreign subsidiaries are within a range of 5 percent to 31 percent.

Temporary tax differences due to undistributed profits of subsidiaries are only recognized if a distribution is planned. As the Executive Board of the parent company determines the dividend policy of the subsidiaries, the Group can control the reversal of temporary differences. Subsidiaries have EUR 1,027.4 million (previous year: EUR 1,190.2 million) in distributable amounts and EUR 51.4 million (previous year: EUR 59.5 million) linked to deferred tax liabilities. The deferred tax liability was not recognized as no reversal of the tax difference is expected in the foreseeable future.

The tax expenses reported for 2025 were EUR 13.3 million (previous year: EUR 33.1 million). Applying the German tax rate on the result before tax would result in tax income of EUR 18.9 million (previous year: EUR 29.2 million). The difference between the expected tax income/ expense and the actual tax expense of EUR –32.2 million (previous year: EUR –3.9 million) in the reporting year, as in the previous year, is primarily due to tax rate-related deviations and changes in valuation allowances on deferred tax assets.

The amount of valuation allowances applicable to deferred tax assets depend on the expected realization of potential tax benefits in the future. Overall, the expense from the increase in valuation allowances on deferred tax assets totalled EUR 27.3 million in the reporting year (previous year: EUR 7.0 million). This includes an expense of EUR 11.6 million in the reporting year due to a valuation allowance on deferred tax assets recognized abroad in the previous year. Temporary differences resulted in income of EUR 23.8 million in 2025 (previous year: EUR 2.2 million). Deferred tax expense due to changes in tax rates totalled EUR 0.1 million (previous year: EUR 9.9 million).

Income taxes include current tax income from previous years totaling EUR 5.4 million (previous year: EUR 4.1 million) and current tax expenses from previous years amounting to EUR 0.0 million (previous year: EUR 0.6 million).

Tax expense

In EUR million	2025	2024
Current taxes, Germany	–	1.9
Current taxes, foreign	–9.9	–20.3
Total current taxes	–9.9	–18.4
Deferred taxes, Germany	2.0	–8.3
Deferred taxes, foreign	–5.4	–6.4
Total deferred taxes	–3.4	–14.7
Total income taxes	–13.3	–33.1
Reconciliation of effective tax rate		
Result before taxes	–64.6	100.3
Expected income tax rate for Siltronic AG in %	29.2	29.1
Expected tax expense (–)/benefit (+)	18.9	–29.2
Variance in tax rate	13.5	16.7
Effect of non-deductible expenses	–3.5	–0.9
Effect of tax-free income	2.4	1.6
Taxes relating to other periods (current earnings)	5.4	3.5
Effect due to unrecognized deferred tax assets	–47.3	–15.8
Effect of deferred taxes due to change in tax rate	–0.1	–7.3
Other variances	–2.6	–1.7
Total income taxes	–13.3	–33.1
Effective tax rate in %	–20.6	33.0

Due to the utilization of previously unrecognized tax losses from previous periods, the actual income tax expense in the current financial year decreased by EUR 0.3 million (previous year: EUR 0.2 million).

The following table shows the allocation of deferred taxes to the assets and liabilities:

Allocation of deferred taxes

In EUR million	As of December 31, 2025		As of December 31, 2024	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible assets	–	6.1	–	4.1
Property, plant and equipment	3.1	7.0	1.1	13.4
Right-of-use assets	–	18.8	–	12.5
Current assets	5.3	6.6	17.7	8.2
Other provisions	3.1	0.2	2.4	0.3
Liabilities	27.0	1.1	23.3	1.1
Loss carryforwards	0.2	–	0.4	–
Total	38.7	39.8	44.9	39.6
Netting	–37.7	–37.7	–30.9	–30.9
Deferred taxes reported in the statement of financial position	1.0	2.1	14.0	8.7

Deferred tax assets and deferred tax liabilities are netted only when future benefits and obligations relate to the same taxable entity and to the same tax authority.

EUR 3.4 million of the changes in deferred tax assets and liabilities were recognized as expense (previous year: EUR 14.7 million) in the income statement, while EUR 2.1 million was recognized directly as expense (previous year: income of EUR 3.8 million) in other comprehensive income. The changes in other comprehensive income relate to derivatives.

There are unutilized tax loss carryforwards amounting to EUR 169.5 million (previous year: EUR 67.7 million) for which no deferred taxes have been recognized. Of this amount, EUR 25.4 million will expire in the coming years as follows:

Tax loss carryforwards

In EUR million	2025	2024
Within 1 year	25.4	1.4
Within 2 years	–	29.3
Within 3 years	–	0.0
Within 4 years	–	–
Within 5 years or later	–	–
Total	25.4	30.7

The expiring loss carryforwards relate to the Japanese subsidiary. It is highly probable that only a very small portion of the loss carryforwards can be utilized, which is why only deferred tax assets on loss carryforwards of EUR 0.2 million (previous year: EUR 0.4 million) have been recognized. If deferred taxes had been recognized on the valuation allowances for loss carryforwards, the amount would have been EUR 47.2 million (previous year: EUR 19.2 million).

As of December 31, 2025, no deferred tax assets were recognized for deductible temporary differences in the amount of EUR 250.5 million (previous year: EUR 114.3 million).

Global Minimum Taxation

The Group operates in Germany, which has passed a new law introducing global minimum taxation. As a subsidiary in Singapore is granted a favorable tax rate due to investments made, it is generally affected by the minimum taxation. In both the current fiscal year and the previous year, all Group companies complied with at least one of the temporary safe harbor regulations, so no detailed calculation was required.

The Group applied the temporary, mandatory exemption rule with regard to the recognition of deferred taxes resulting from the introduction of global minimum taxation and recognized these as actual tax expense/ income at the respective date of occurrence.

Notes to the statement of financial position

04 Development of intangible assets

In EUR million	2025			
	Goodwill	Development Costs	Other	Total
Cost				
January 1	20.5	19.2	45.6	85.3
Additions	–	13.8	4.7	18.5
Disposals	–	–	–0.1	–0.1
Transfers	–	–	0.5	0.5
Effect of movements in exchange rates	3.2	–	–1.8	1.4
December 31	23.7	33.0	48.9	105.6
Amortization				
January 1	–	12.9	37.6	50.5
Additions	–	–	1.2	1.2
Disposals	–	–	–	–
Transfers	–	–	–0.1	–0.1
Effect of movements in exchange rates	–	–	–1.8	–1.8
December 31	–	12.9	36.9	49.8
Carrying amount as of December 31	23.7	20.1	12.0	55.8
In EUR million	2024			
	Goodwill	Development Costs	Other	Total
Cost				
January 1	20.5	12.9	38.8	72.2
Additions	–	6.3	6.7	13.0
Disposals	–	–	–1.6	–1.6
Transfers	–	–	0.7	0.7
Effect of movements in exchange rates	–	–	1.0	1.0
December 31	20.5	19.2	45.6	85.3
Amortization				
January 1	–	12.9	37.1	50.0
Additions	–	–	1.2	1.2
Disposals	–	–	–1.7	–1.7
Transfers	–	–	–	–
Effect of movements in exchange rates	–	–	1.0	1.0
December 31	–	12.9	37.6	50.5
Carrying amount as of December 31	20.5	6.3	8.0	34.8

In the financial year 2025, intangible assets relating to development costs in the amount of EUR 13.8 million and other intangible assets

in the amount of EUR 4.7 million were capitalized. These had not yet been completed as of the reporting date.

05 Development of property, plant and equipment

In EUR million	2025				Total
	Land, buildings and similar rights	Machinery and technical equipment	Other equipment, factory and office equipment	Assets under construction and advanced payments	
Cost					
January 1	1,130.4	3,891.3	163.6	2,218.9	7,404.2
Additions	11.5	147.0	5.8	186.3	350.6
Disposals	-0.1	-65.3	-5.4	-	-70.8
Transfers	33.5	1,784.9	39.7	-1,858.5	-0.4
Effect of movements in exchange rates	-53.3	-135.4	-2.3	-104.0	-295.0
December 31	1,122.0	5,622.5	201.4	442.7	7,388.6
Depreciation and impairment losses					
January 1	511.2	3,078.5	138.3	-	3,728.0
Additions	30.6	283.5	15.1	-	329.2
Impairment loss	-	3.0	-	-	3.0
Disposals	-0.1	-63.7	-5.4	-	-69.2
Reversal	-	-	-	-	-
Transfers	-	-	-	-	-
Effect of movements in exchange rates	-25.2	-103.1	-1.8	-	-130.1
December 31	516.5	3,198.2	146.2	0.0	3,860.9
Carrying amount as of December 31	605.5	2,424.3	55.2	442.7	3,527.7
In EUR million	2024				Total
	Land, buildings and similar rights	Machinery and technical equipment	Other equipment, factory and office equipment	Assets under construction and advanced payments	
Cost					
January 1	787.3	3,566.1	153.9	2,277.0	6,784.3
Additions	18.2	83.8	7.1	401.3	510.4
Disposals	-0.3	-23.8	-3.1	-0.1	-27.3
Transfers	301.8	206.4	4.8	-513.7	-0.7
Effect of movements in exchange rates	23.4	58.8	0.9	54.4	137.5
December 31	1,130.4	3,891.3	163.6	2,218.9	7,404.2
Depreciation and impairment losses					
January 1	471.5	2,863.3	130.8	-	3,465.6
Additions	27.8	188.0	9.7	-	225.5
Impairment loss	-	-	-	-	-
Disposals	-0.4	-22.0	-3.1	-	-25.5
Reversal	-	-	-	-	-
Transfers	-	-	0.1	-	0.1
Effect of movements in exchange rates	12.3	49.2	0.8	-	62.3
December 31	511.2	3,078.5	138.3	0.0	3,728.0
Carrying amount as of December 31	619.2	812.8	25.3	2,218.9	3,676.2

In 2025, borrowing costs of EUR 4.8 million (previous year: EUR 8.6 million) were capitalized under assets under construction. The underlying borrowing cost rate was weighted at 2.4 percent (previous year: 2.3 percent).

The impairment charge is related to the closure of a production line.

For the purpose of the annually impairment testing, goodwill has been allocated to the Group's Cash Generating Unit (CGU) "300 mm". The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU.

The present value of the CGU exceeds its carrying amounts significantly by nearly EUR 0.2 billion (previous year: just under EUR 0.4 billion). In addition to the property, plant and equipment of the CGU, the carrying amounts also include goodwill of EUR 23.7 million. The goodwill is immaterial in relation to the assets of the CGU.

The key assumptions used for the calculation of the present value are a remaining useful life of the leading asset of the CGU, a long-term EBITDA figure, necessary investments and a discount rate.

The remaining useful life of the asset dominating the CGU is derived from buildings specifically designed for the production of wafers. The remaining useful life of 36 years is based on the useful lives achieved, taking into account initiated investments in buildings and maintenance investments.

Long-term EBITDA is determined on the basis of the production capacities taking into account investments that have already been triggered, actual utilization rates of production capacities achieved over six years, and an expected price development. The long-term EBITDA thus estimated following the three-year medium-term plan is intended to reflect the cyclical fluctuations in our business. Apart from the triggered investments in capacity expansions, no notable growth

rate was applied. External sources of information on EBITDA are only available for some components of EBITDA. Part of this is the development of future market demand, which is based on external and internal sources and supports the assumed sustainable capacity utilization.

The investments assumed according to the medium-term planning are derived from historical numbers, and the discount rate was determined from an after-tax indicator based on the historical industry average of the weighted cost of capital. The present value was calculated using a discount rate of close to 12.5 percent (previous year: 11.1 percent).

The following analyses describe the sensitivity of the result to EBITDA and the discount rate: It is possible that the assumed EBITDA margin of close to 40 percent will be higher or lower due to overcapacity/undercapacity in our industry or due to significant changes in foreign currency exchange rates. If EBITDA margin were to be continuously 2 percent (previous year: 6 percent) lower until the end of the remaining useful life, this would result in an impairment as of December 31, 2025. A 0.7 percentage points (previous year: 1.0 percentage points) increase in the discount rate, c.p., would lead to an impairment as of the reporting date of December 31, 2025.

06 Right-of-use assets and lease liabilities

Siltronic enters into leasing agreements mainly for land, offices, machinery as well as technical and IT equipment. The leasing contracts vary greatly in terms of their term and some of them have extension and termination options. In addition, many contracts are subject to an annual indexation. Such contractual terms are used to ensure maximum operational flexibility for Siltronic. When determining the term of leasing agreements, Siltronic considers all facts and circumstances that provide an economic incentive to exercise renewal and termination options. Options are considered if they are only available to Siltronic and their exercise is deemed reasonably assured.

Lease agreements for office space (reported under buildings) and IT equipment usually have fixed terms of less than five years. One exception is the lease of the head office in Munich. This contract has term a of ten years. Technical equipment and machinery are leased over a term of up to ten years. In addition, there are four long-term lease agreements for the use of land, for some of which the right-of-use assets are depreciated over a period of more than fifty years. Some of Siltronic's production and administration buildings are located on these land plots. For three of these contracts, the Executive Board has determined that a 30-year extension option is reasonably assured. The leased properties are located in Germany and Singapore.

The development of the carrying amounts of the right-of-use assets is shown below:

Development of right-of-use assets

In EUR million	2025					Total
	Land	Buildings	Machinery and technical equipment	Cars	IT and other equipment	
Carrying amount as of January 1	99.9	4.6	39.3	0.8	–	144.6
Additions	0.1	0.7	1.4	0.6	–	2.8
Depreciation	–2.1	–1.8	–5.5	–0.5	–	–9.9
Effect of movements in exchange rates	–5.8	–	–1.2	–	–	–7.0
Carrying amount as of December 31	92.1	3.5	34.0	0.9	–	130.5

In EUR million	2024					Total
	Land	Buildings	Machinery and technical equipment	Cars	IT and other equipment	
Carrying amount as of January 1	99.3	5.5	12.5	0.9	2.1	120.3
Additions	0.3	0.8	30.1	0.4	–	31.6
Depreciation	–2.4	–1.7	–4.9	–0.5	–2.1	–11.6
Effect of movements in exchange rates	2.7	–	1.6	–	–	4.3
Carrying amount as of December 31	99.9	4.6	39.3	0.8	–	144.6

The following leasing expenses were recognized in the statement of profit and loss:

Leasing expenses

In EUR million	2025	2024
Interest expenses for leasing liabilities	3.7	3.0
Expenses for short-term leases	0.3	1.1
Leasing expenses for low value leases that are not short-term leases	1.0	1.4

Leasing agreements with a term of less than twelve months are classified as short-term leases. Assets of low value at Siltronic include for instance computers and bicycles.

Income from the subleasing of right-of-use assets and expenses for variable lease payments, which were not included in the measurement of the lease liability, exist only to a very limited extent.

Total lease payments in 2025 have amounted EUR 11.2 million (previous year: EUR 12.8 million).

The breakdown of lease liabilities by maturity is shown below:

Maturity of leasing liabilities

In EUR million	As of December 31, 2025		As of December 31, 2024	
	short-term	long-term	short-term	long-term
Lease liability	6.8	127.1	7.3	137.0
<i>of which > 5 years</i>	–	104.0	–	112.7

Most of the long-term leasing liabilities are attributable to the lease agreements for the use of properties, some of which still have more

than 50 years remaining on their terms, including extension options.

07 Inventories

In EUR million	2025	2024
Raw materials and supplies	173.7	182.2
Finished and unfinished products	127.1	126.0
Total	300.8	308.2
<i>of which recorded at net realizable value</i>	0.0	0.0

As of December 31, 2025, unfinished products amounted to EUR 75.2 million (previous year: EUR 69.5 million). Expenses related to inventories accounted for a significant portion of the cost of sales.

08 Trade receivables, contract assets, other financial and non-financial assets as well as income tax receivables

In EUR million	As of December 31, 2025			As of December 31, 2024		
	Total	of which non-current	of which current	Total	of which non-current	of which current
Trade receivables	110.6	–	110.6	142.9	–	142.9
Contract assets	13.8	–	13.8	12.7	–	12.7
Derivative financial instruments	14.4	0.2	14.2	6.5	–	6.5
Other	6.6	0.6	6.0	6.5	–	6.5
Other financial assets	21.0	0.8	20.2	13.0	–	13.0
Prepaid expenses	10.7	0.2	10.5	11.7	0.2	11.5
Other tax receivables	20.7	–	20.7	25.8	–	25.8
Other	25.5	16.1	9.4	27.1	13.7	13.4
Other non-financial assets	56.9	16.3	40.6	64.6	13.9	50.7
Other financial and non-financial assets	77.9	17.1	60.8	77.6	13.9	63.7
<i>of which maturity > 5 years</i>	0.7	0.7	–	1.6	1.6	–
Income tax receivables	8.8	–	8.8	7.0	–	7.0
<i>of which maturity > 5 years</i>	–	–	–	–	–	–

Contract assets

Contract assets relate to the revenue recognition for customers with whom Siltronic maintains a consignment stock. The amount of contract assets as of December 31, 2025 was not affected by an impairment. Due to immateriality, the impairment loss was not presented separately in the profit and loss statement.

Contract assets are reclassified to trade receivables when an invoice is issued to the customer. The terms of payment of the invoices correspond to the customary national and industry-specific payment terms (no financing components, no variable consideration). Customers are not granted any rights of return, reimbursement or similar rights if the delivered product complies with the contractual terms. In addition, the customer is not entitled to any material warranty or guarantee claims apart from the statutory claims.

Valuation allowances

The Group has established a receivables management system under which each customer is granted payment terms, based on a credit analysis. This analysis takes into account, where available, published ratings, financial statements, information from credit agencies and internal information. An internal rating (1–6) and a credit limit are defined for each customer, which are regularly reviewed in the same way as outstanding exposures. Overdue payments and overruns of credit limits may result in the customer receiving changed payment terms, payment reminders and/or deliveries being stopped.

The Group determines the allowance in accordance with IFRS 9 using the expected credit loss (ECL) model. The ECL model is applied to contract assets as well as to all financial assets measured at amortized cost (see Note 16). Valuation allowances for trade receivables, other financial assets and contract assets are measured at the expected credit loss over the term of the contract.

In estimating expected credit losses, the Group considers information that is relevant and available without inappropriate expense. This includes quantitative and qualitative information, which is based on past experience of the Group and on estimates for the future. The Group assumes that the default risk of a financial asset has increased if it is more than 30 days past due and there is no objective reason such as a complaint. If it is unlikely that a debtor will fully meet its payment obligations, Siltronic considers a financial asset to be impaired. Collateral is included in the analysis.

The 20 largest customers account for roughly 91 percent (previous year: roughly 92 percent) of Siltronic's sales, and a very large proportion of these customers are listed on the stock exchange. This makes it easier to obtain the quantitative and qualitative information used to estimate expected credit losses.

The following table shows the breakdown of trade receivables (EUR 110.6 million), other financial assets (EUR 6.0 million) and contract assets (EUR 13.8 million) measured at amortized cost by risk class in financial year 2025:

in EUR million		As of December 31, 2025					
Risk assessment	Corresponds to external rating	Internal rating by Siltronic	Loss rate (weighted average) in percent	Gross carrying amount	Valuation allowance	Impaired creditworthiness	
Low	AAA to BBB–	1 to 3	0%	126.8	0.0	No	
Medium	BB– to BB+	4	0%	4.2	0.0	No	
High	C to D	5 to 6	0%	0.0	0.0	Yes	
Total			0%	131.0	0.0		

in EUR million		As of December 31, 2024					
Risk assessment	Corresponds to external rating	Internal rating by Siltronic	Loss rate (weighted average) in percent	Gross carrying amount	Valuation allowance	Impaired creditworthiness	
Low	AAA to BBB–	1 to 3	0%	159.9	0.0	No	
Medium	BB– to BB+	4	0%	2.1	0.0	No	
High	C to D	5 to 6	0%	0.0	0.0	Yes	
Total			0%	162.0	0.0		

Loss rates are calculated based on actual credit losses over the last five years. These rates have been multiplied by scaling factors to reflect the differences between the economic conditions at the time the historical data was collected, the current conditions and the Group's view of the economic conditions over the expected life of the receivables. The maximum default risk is the carrying amount. Siltronic does not use credit default insurance coverage.

The valuation adjustments as at December 31, 2025 were below EUR 0.5 million, as they were on December 31, 2024. There were no significant default losses in the reporting year or in the previous year.

09 Cash and cash equivalents, fixed-term deposits and securities

Cash and cash equivalents comprise cash in hand and bank balances as well as time deposits with a maturity of three months or less.

Siltronic has fixed-term deposits of EUR 78.8 million (previous year: EUR 131.4 million) and cash and cash equivalents of EUR 329.1 million (previous year: EUR 297.1 million), which are measured at amortized cost. These are deposited with banks and financial institutions that have a rating of A to BBB, based on the S&P Global Ratings rating.

The estimated valuation allowance for cash and cash equivalents and fixed-term deposits was calculated on the basis of expected losses over the entire remaining term. The Group assumes that its cash and cash equivalents have a low default risk based on the external ratings of banks and financial institutions, which are based on industry default probabilities. The valuation allowances were below EUR 0.1 million (previous year: EUR 0.1 million) on the balance sheet date.

Siltronic manages its securities under two different business models. Securities in the amount of EUR 2.7 million (previous year: EUR 2.2 million) are classified as at fair value through profit or loss, as the management and measurement is based on fair value. In addition, in the current and previous year, securities were acquired whose business model consists of collecting contractual interest and principal payments. These securities in the amount of EUR 123.4 million (previous year: EUR 235.1 million) are measured at amortized cost.

10 Equity

The individual items of equity and their development are shown in the consolidated statement of changes in equity.

Subscribed capital

The subscribed capital of Siltronic AG amounts to EUR 120 million and is divided into 30 million no-par-value shares, each with an imputed share of the capital amounting to EUR 4.00. The shares are registered shares. All the shares are of the same type; each share has the same rights attached to it and allows one vote at the Annual General Meeting.

Capital reserve

The capital reserve amounts to EUR 974.6 million and comprises a premium on the issuance of shares, non-cash capital contributions, and transactions with shareholders.

Retained earnings and net result

In addition to the consolidated result for the current financial year, this item comprises the Group's cumulative net result of previous periods less dividend payouts.

Other equity items

The change in other equity items compared to the previous year is mainly influenced by exchange rates and interest rates. The negative development was primarily due to currency translation in connection with the consolidation of subsidiaries. The stronger euro against the Singapore dollar had a particularly negative effect on equity. The increase in interest rates used to measure pension obligations was of minor significance.

Management of capital

The capital management of the Siltronic Group, see Note 13, pursues the objective of ensuring the going concern on a sustainable basis and of generating an appropriate return for the shareholders. Instruments of capital management include, amongst others, dividend payments. In managing its capital, Siltronic AG complies with the legal stipulations on capital maintenance. The Company's Articles of Association do not stipulate any capital requirements. The Company does not use any special definitions of capital.

There is conditional capital and authorized capital: The Company's share capital may be increased by up to 3,000,000 by issuing new no-par-value registered shares, whereby the share capital may increase by up to EUR 12 million (conditional capital). Furthermore, the Executive Board is authorized, subject to the approval of the Supervisory Board, to increase subscribed capital until May 11, 2030 by up to a total amount of EUR 36 million through the issue of new no-par-value bearer shares on one or more occasions (authorized capital).

11 Provision for pensions

There are various post-employment pension plans for Group employees, which depend on the legal, economic and fiscal conditions prevailing in the relevant countries. These pension plans generally take into account employees' service term and salary levels.

The Group operates both defined contribution and defined benefit plans. Defined contribution plans lead to no further obligation for the Company beyond paying contributions into special-purpose funds. The Group has both defined contribution and defined benefits plans, which are partly financed through the Pensionskasse der Wacker Chemie VVaG (pension fund) or (fiduciary) funds. Pension obligations result from defined benefit plans in the form of entitlements to pension benefits for eligible active and former employees of the Siltronic Group and their surviving dependents. In essence, the various pension plans guarantee employees lifelong pensions based on the average salary (career average plan) during employment at Siltronic, or capital payments.

The Group has the following pension plans:

Plans supplied by pension fund

For employees in Germany, a basic pension is provided through the legally independent pension fund. This is financed by members' and company contributions. The promised benefits include retirement, disability, and survivors' benefits.

The Pension Fund is a small mutual insurance company within the meaning of § 210 of the Insurance Supervision Act (Versicherungsaufsichtsgesetz – VAG) and is regulated by § 233 (1) VAG. It is thus subject to the regulations for German insurers and is supervised by the Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin). There are legal minimum financing requirements.

For employees who joined the pension fund up to 2004, the basic pension is subject to a fixed benefit obligation, which must be taken into account when valuing the pension obligations. The pension level is independent of the age of the contribution payment and also irrespective of the asset interest rate achieved. For employees who entered the Company after 2004, new rates apply to the basic pension. The benefits are based on guaranteed interest rates and the level of benefits depends on the age of the contribution payment. Annual surplus participation may increase future benefits. In addition, employees in Germany can make contributions to the pension fund in respect of the voluntary supplementary pension scheme PK+. Above all, the contributions under the pension scheme regulated by collective agreement are paid into the voluntary higher insurance on the basis of collective bargaining agreements on single payments and old-age pensions, and on working life and demography.

Benefits by direct commitments

In addition to the pension fund commitments, employees in Germany receive direct commitments in the form of an additional pension. The additional pension insures salary elements above and beyond the pension insurance contribution assessment ceiling. For employees who joined the Company before the end of 2004, a pension is granted and depends on the average salary earned during the period of employment with the Group (career average plan). For employees who joined the plan from 2005 onwards, the pension is based on a certain percentage of the salary above the pension insurance contribution assessment ceiling. The resulting capital will bear interest. The benefits may be drawn as a life-long pension or, in the case of commitments from 2005 onwards, as a lump sum. Employees and their surviving dependents are eligible to receive benefits. The employees' entitlements are included in the calculation of the pension obligations. This applies both to employees who joined up to 2004 and to employees who joined from 2005 onwards.

Non-tariff employees in Germany may contribute part of their salary to an employee-financed commitment plan ('Deferred Compensation'). This plan enables employees to defer portions of their future salary claims to pension benefits. Depending on the date of conclusion of the agreement to participate in the benefit plan (commitment), the pension capital will bear interest at 7 percent (1996–2001), 6 percent (2002–2010) or 5 percent (2011–2013). Plans bearing 7 percent or 6 percent interest may be drawn in the form of either a pension or a lump sum. Plans bearing 5 percent interest are paid out exclusively in lump-sum form. From 2015, senior executives can pay parts of their salary into an employee-financed benefit plan at a variable interest rate. The variable interest rate is dependent on the current yield of domestic five-year bearer bonds and is at least 2.5 percent and at most 5 percent. The payout is solely in capital form. Commitments made up to December 31, 2000 are valued at the m/n-tel net present value (in accordance with the projected unit credit method). Commitments made on or after January 1, 2001 are valued at the present value of the acquired expectancy or the acquired capital.

To partially secure the pension obligations from direct commitments, deferred compensation and the pension adjustments of the basic pension (previously unfunded defined benefit obligations), cash is held in a fiduciary fund. The fund is financed through a Contractual Trust Arrangement (CTA). The cash transferred is managed by an external trustee and serves exclusively to finance domestic pension obligations.

For employees joining the Company from 2023 onwards, an employer- and employee-financed, securities-linked direct commitment is granted up to the applicable pension insurance contribution assessment ceiling, which is secured by a trust structure. Employees receive a purely employer-financed contribution to the company pension scheme for the portion of income above the contribution assessment ceiling.

Employees can also voluntarily make additional deferred compensation contributions. The core of the commitment is a so-called Contractual Trust Arrangement (CTA). A trust company, which uses its assets exclusively to finance the Company's pension obligations, invests the pension capital paid in on the capital market. Siltronic guarantees at least the amount of the respective pension contributions.

Investment income generated on the capital market can increase the employee's pension account. The credit balance is protected against insolvency by the CTA. Employees and their surviving dependents are entitled to benefits. At the time of the benefit claim, the pension capital is actuarially converted into a monthly pension of equal value. Alternatively, the beneficiary can choose a lump sum, up to 5 installments or a combination of 30 percent partial capital and 70 annuity.

Employees who joined the Company on or after January 1, 2005 and before January 1, 2023 can voluntarily switch to the new system. In this case, the entitlements acquired under the old system will be maintained.

The pension entitlements in Germany are protected against insolvency by the Mutual Pension Assurance Association (Pensionsversicherungsverein a.G.). The insolvency insurance has an upper limit. There are no legal minimum funding requirements.

United States

Various pension plans are available for employees of foreign subsidiaries, subject to the statutory provisions applicable in the respective countries. Except for the US pension plans, these pension plans are not significant to the Group.

In the United States, defined benefit plans are in place for employees of Siltronic Corporation, Portland who entered the Company before end of 2003. Both plans have been closed to new hires after December 31, 2003. The defined benefit obligations are only continued for old commitments. Retirement benefits are paid monthly starting at age 65 and are based on the last average salary paid. Special provisions apply to early retirement at age 55, depending on the employee's years of service. Post-retirement health care and severance benefits are also provided to eligible employees due to the related character. Hires in the United States after 2003 only receive defined contribution benefits.

The present value of defined benefit obligations reconciles with the provisions recognized in the statement of financial position as follows:

Net liability of defined benefit obligations

In EUR million	As of December 31, 2025			As of December 31, 2024		
	Germany	Foreign	Total	Germany	Foreign	Total
Present value of the at least partially fund-financed defined benefit obligations	763.8	84.4	848.2	828.4	96.3	924.7
Fair value of plan assets	718.5	89.9	808.4	711.0	100.3	811.3
Funded status	45.3	-5.5	39.8	117.4	-4.0	113.4
Present value of unfunded defined benefit obligations	-	7.2	7.2	-	8.2	8.2
Impact of asset ceiling	72.3	-	72.3	11.9	-	11.9
Net defined benefit obligations	117.6	1.7	119.3	129.3	4.2	133.5
Economic benefit recognized as an asset	-	5.5	5.5	0.6	-	0.6
Provisions for pensions and similar obligations	117.6	7.2	124.8	129.9	4.2	134.1

Development of the net liability of defined benefit obligations

In EUR million	2025		
	Projected benefit plan obligation	Fair value of plan assets	Difference
As of January 1	932.9	799.4	133.5
Current service cost	12.9	–	12.9
Interest expenses and interest income	32.9	28.5	4.4
Administrative cost paid out of plan assets	–	–0.2	0.2
Past service cost	–	–	–
Remeasurements			
Gains (–)/losses (+) from plan assets, excluding amounts recognized in interest income	–	–5.3	5.3
Gains (–)/losses (+) from changes in demographic assumptions	0.2	–	0.2
Gains (–)/losses (+) from changes in financial assumptions	–80.7	–	–80.7
Gains (–)/losses (+) from changes in experience-based assumptions	–3.8	–	–3.8
Impact of asset ceiling	–	–59.7	59.7
Effects of exchange-rate differences	–11.7	–11.2	–0.5
Contributions by			
the employer to the German pension fund	–	6.6	–6.6
the employer to the foreign pension assets	–	–	–
the employer to the CTA	–	0.9	–0.9
Pension plan beneficiaries	6.5	6.5	–
Pension payments	–33.8	–29.4	–4.4
As of December 31	855.4	736.1	119.3

In EUR million	2024		
	Projected benefit plan obligation	Fair value of plan assets	Difference
As of January 1	942.1	796.1	146.0
Current service cost	14.6	–	14.6
Interest expenses and interest income	32.3	27.6	4.7
Administrative cost paid out of plan assets	–	–0.2	0.2
Past service cost	–	–	–
Effects of settlements	–	–	–
Remeasurements			
Gains (–)/losses (+) from plan assets, excluding amounts recognized in interest income	–	8.9	–8.9
Gains (–)/losses (+) from changes in demographic assumptions	0.2	–	0.2
Gains (–)/losses (+) from changes in financial assumptions	–25.2	–	–25.2
Gains (–)/losses (+) from changes in experience-based assumptions	–13.7	–	–13.7
Impact of asset ceiling	–	–11.9	11.9
Effects of exchange-rate differences	6.5	6.1	0.4
Contributions by			
the employer to the German pension fund	–	1.3	–1.3
the employer to the foreign pension assets	–	–	–
the employer to the CTA	–	0.7	–0.7
Pension plan beneficiaries	6.6	6.6	–
Pension payments	–30.5	–35.8	5.3
As of December 31	932.9	799.4	133.5

Assumptions

The pension obligations are calculated by taking into account company-specific and country-specific biometric calculation principles

and parameters. The calculations are based on actuarial valuations that factor in the following parameters:

Significant actuarial assumptions

in %	2025		2024	
	Germany	USA	Germany	USA
Discount rate	4.26	5.16	3.46	5.37
Salary growth rate	3.00	3.00	3.00	3.00
Pension growth rate				
Basic and additional pension plan ¹⁾	2.0/1.0	–	2.0/1.0	–
Deferred compensation ¹⁾	2.5/1.0	–	2.5/1.0	–

¹⁾ Varies according to the date the employees enter the company or according to the date of conclusion of the various tariff generations.

In contrast to previous years, no additional adjustment was made in Germany to account for demand exceeding the general inflation trend (previous year: 11 percent).

In Germany, Siltronic uses the "Richttafeln 2018G" mortality tables published by Heubeck Richttafeln GmbH. In the USA, current mortality tables are taken into account, which are regularly adjusted to the latest mortality expectations (most recently: 2021 scale).

The discount rates and increases in salaries taken into account in the calculation of the pension obligation were derived in accordance with the respective economic framework conditions and according to uniform principles. The discount rate is based on a yield curve which is derived from high-grade fixed-income corporate bonds with matching maturities issued by the respective country concerned. It

takes into account the Siltronic-specific, expected future cash flows of the obligations. The interest rate derivation method changed in the reporting year with effect for the future compared to the previous year. This did not result in any significant effects.

Sensitivity analysis

The following sensitivity analysis involves an adjustment of only one assumption with the other assumptions remaining unchanged so that the sensitivity of each individual assumption can be observed in isolation. It follows that possible correlation effects between the individual assumptions are not taken into account.

The following table shows the estimated changes in the present value of pension obligations resulting from changes in the respective actuarial assumptions:

Sensitivity analysis

	As of December 31, 2025		As of December 31, 2024	
	Effect on defined benefit obligation		Effect on defined benefit obligation	
	Defined benefit obligation in EUR millions	Change in %	Defined benefit obligation in EUR millions	Change in %
Present value of pension obligations as of the reporting date	855.4		932.8	
Present value of all pension obligations if				
the discount rate increases by 0.5%	805.7	–5.8	873.1	–6.4
the discount rate decreases by 0.5%	910.8	6.5	999.7	7.2
salaries increase by 0.5%	856.8	0.2	935.6	0.3
salaries decrease by 0.5%	852.9	–0.3	930.2	–0.3
future pension increases are 0.25% higher	874.6	2.2	954.8	2.4
future pension increases are 0.25% lower	837.1	–2.1	911.8	–2.3
life expectancy increases by one year	877.8	2.6	959.0	2.8

Composition of plan assets

In Germany, the plan assets are comprised of insurance policies issued by the Pension Fund. The Pension Fund invests most of the assets in equities, pension funds, bonded loans as well as real estate. The investment strategy follows the investment guideline provided by the executive board of the pension fund.

The assets managed by the respective external trustee, which are invested in the form of a contractual trust arrangement (CTA), are invested exclusively in equities and funds and serve primarily to partially hedge domestic direct commitments, deferred compensation and the pension adjustment of the basic pension. The cash is invested on the capital market in accordance with the investment principles laid down in the trust agreement and the investment guidelines. Investment decisions are not made by the trustee but by an investment committee.

The plan assets of pension funds in the United States are generally invested in equities and funds in accordance with the applicable investment guidelines. The composition of plan assets for the Group is:

Composition of plan assets

In EUR million	As of December 31, 2025			As of December 31, 2024		
	Market price quoted in an active market	No market price quoted in an active market	Total	Market price quoted in an active market	No market price quoted in an active market	Total
Real estate	–	145.2	145.2	–	146.4	146.4
Loans and fixed-income securities	224.3	156.0	380.3	207.7	160.8	368.5
Equities/equity funds/private equity	154.8	117.9	272.7	147.6	136.2	283.8
Cash and cash equivalents	–	10.2	10.2	–	12.6	12.6
Total plan assets	379.1	429.3	808.4	355.3	456.0	811.3

Risks

In addition to the actuarial risks, the risk connected with the defined benefit obligation relates in particular to financial risks connected with plan assets. In Germany, substantial amounts of the defined benefit obligation are covered by plan assets managed by the pension fund. The current and future relationship between the asset allocation in its portfolio and our pension obligations are analyzed and projected as part of an annual asset-liability study to determine the long-term return on plan assets. The long-term yield requirement of the pension fund is calculated as a result. Based on this, the pension fund defines a strategic target portfolio. The yield requirement, the company contribution of the sponsoring companies, and the strategic asset allocation are thus reviewed annually and harmonized.

All capital investments are exposed to market price fluctuation risks. These risks may comprise changes in interest rates, equity prices, or exchange rates.

The plan assets managed by the pension fund are subject to a so-called overlay management that aims to limit losses to a predefined level. Derivatives are partially used for hedging purposes.

Due to the investment of plan assets in equities and funds, the defined benefits plan in the United States and the plan assets of the CTA are not only subject to actuarial risks, but also to market price risks.

Depending on the legal and company statutory provisions, Siltronic is under a duty to reduce any shortfall in the pension plans by providing liquid funds.

Risks arise in particular from the life expectancy of the beneficiaries, the interest rate guarantee risk and also from salary and pension increases. The interest rate guarantee risk is regularly monitored as part of the risk management process. The determination of the long-term interest rate requirement and the ability to meet it is one of the focus areas of the pension fund. Risks from the interest rate guarantee also apply to the 'Deferred Compensation'.

Financing of the pension plan

In the year 2025, benefits in the amount of EUR 24.8 million (previous year: EUR 22.8 million) were paid into pension plans in Germany, and EUR 8.8 million (previous year: EUR 7.7 million) into pension plans outside of Germany. For the 2026 financial year, the employer's contributions are expected to amount to EUR 8.6 million. The expected term of pension obligations as of December 31, 2025 was 13.2 years (previous year: 14.7 years) in Germany and 9.27 years (previous year: 9.5 years) in the United States.

The following table shows the pensions benefits that the Group expects to pay from 2026 to 2030:

Projected payment periods for pension benefits

In EUR million	2026	2027	2028	2029	2030
	33.2	36.9	39.4	41.8	42.8

Composition of pension expenses by pension plan

In EUR million	2025	2024
Current service cost due to defined benefit plans	12.9	14.6
Past service cost/effects of settlements/transfers	0.0	0.0
Administrative cost paid out of plan assets	0.2	0.2
Net interest expenses due to defined benefit plans	4.4	4.7
Expenses due to defined contribution plans	1.2	1.3
Other pension expenses	0.6	0.1
Contributions to public pension schemes	20.3	21.0
Total retirement benefits	39.6	41.9

12 Other provisions

In EUR million	As of December 31, 2025			As of December 31, 2024		
	Total	of which non-current	of which current	Total	of which non-current	of which current
Personnel	31.9	30.5	1.4	26.1	24.6	1.5
Environmental protection	26.8	24.9	1.9	30.9	28.9	2.0
Other	18.7	12.3	6.4	18.7	12.6	6.1
Total	77.4	67.7	9.7	75.7	66.1	9.6

Provisions for personnel

The provisions for personnel primarily represent obligations for anniversary payments and early retirement. The provisions for early retirement plans will be completely paid out in six years. The outflow takes place on a continuous basis. The Group owns bonds and securities that serve as plan assets for early retirement benefits and have been offset against the obligations resulting from early retirement.

Provision for environmental protection

The provision for environmental protection covers expected burdens due to contamination on the plant site and the neighboring river at Portland, Oregon, United States. In the year 2018, Siltronic agreed with insurance companies on a compensation payment of EUR 44.1 million. In return, the Company has entered into economic

obligations in connection with the contaminated river. These obligations were valued at EUR 43.5 million. The provision amounted to EUR 26.8 million as of December 31, 2025. The outflow is expected to occur in 2026 through 2027.

There are additional, probably sufficient insurance covers for all further environmental risks in Portland. As in the previous year, the amount of these additional environmental risks cannot be reliably estimated. The reason for this is the lack of indications from the responsible environmental authorities regarding the amount and timing of possible environmental protection measures. Accordingly, no obligation is recognized in this respect.

The following table shows the development of other provisions for the year 2025:

Development of other provisions

In EUR million	Jan. 1, 2025	Utilization	Reversal	Addition	Transfer to liabilities	Interest and exchange rate	Dec. 31, 2025
Personnel	26.1	-18.0	-	23.1	-0.2	0.9	31.9
Environmental protection	30.9	-1.3	-0.7	1.4	-	-3.5	26.8
Other	18.7	-2.2	-1.7	4.8	-	-0.9	18.7
Total	75.7	-21.5	-2.4	29.3	-0.2	-3.5	77.4

13 Trade liabilities, customer prepayments, other financial and non-financial liabilities

In EUR million	As of December 31, 2025			As of December 31, 2024		
	Total	of which non-current	of which current	Total	of which non-current	of which current
Trade liabilities	242.7	–	242.7	280.5	–	280.5
Loan liabilities	1,355.3	1,246.2	109.1	1,379.0	1,303.8	75.2
<i>of which > 5 years</i>	<i>120.5</i>	<i>120.5</i>	<i>–</i>	<i>145.5</i>	<i>145.5</i>	<i>–</i>
Customer prepayments	516.0	506.5	9.5	565.9	508.6	57.3
<i>of which > 5 years</i>	<i>376.5</i>	<i>376.5</i>	<i>–</i>	<i>89.9</i>	<i>89.9</i>	<i>–</i>
Other financial liabilities						
Derivative financial instruments	8.3	0.4	7.9	20.2	0.8	19.4
Other	49.4	–	49.4	47.7	–	47.7
Total	57.7	0.4	57.3	67.9	0.8	67.1
<i>of which > 5 years</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>
Other non-financial liabilities						
Other tax liabilities	10.3	–	10.3	3.2	–	3.2
Social security	2.6	–	2.6	2.2	–	2.2
Payroll	1.7	–	1.7	2.3	–	2.3
Profit-sharing and bonuses	11.4	–	11.4	23.4	–	23.4
Other personnel liabilities	13.2	–	13.2	9.7	–	9.7
Government Grants	168.8	147.3	21.5	151.0	136.8	14.2
Other	–	–	–	0.1	–	0.1
Total	208.0	147.3	60.7	191.9	136.8	55.1
<i>of which > 5 years</i>	<i>72.6</i>	<i>72.6</i>	<i>–</i>	<i>48.6</i>	<i>48.6</i>	<i>–</i>
Income tax liabilities	14.7	1.0	13.7	21.1	3	18.1
<i>of which > 5 years</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>	<i>–</i>

Loan liabilities

Loans are classified by maturity as follows:

In EUR million	Loan period	until	Nominal Value	thereof variable
				interest
	3,5 years	2028	121.5	108.0
	5 years	2027	147.5	52.5
		2029	249.5	201.5
		2030	53.0	53.0
	6 years	2030	173.0	173.0
	7 years	2029	368.1	37.5
		2031	25.0	3.0
	10 years	2032	220.5	15.0
	Total		1,358.1	643.5

For information on the maturity analysis of the principal and interest payments resulting from the loans and the sensitivities of interest expenses from variable-rate loans, we refer to Note 16 “Financial Instruments”.

No collateral or similar rights exist for the loans. A portion of the loan liabilities with a carrying amount of EUR 689.1 million (previous year: EUR 717.3 million) is subject to contractually agreed financial ratios. According to the contractual conditions, it must be ensured that a certain ratio of net debt at the end of the financial year to the EBITDA of the past financial year is not exceeded. The ratio is reviewed annually at the end of the financial year (review date). In the event of a breach, the loans can be called due in principle. The agreed upper limit was not exceeded as of the December 31, 2025 reporting date. Accordingly, the loans were classified as non-current, with the exception of scheduled repayments due in 2026. The Executive Board expects that the ratio will also be complied with at the next review date. A noticeable deterioration in earnings compared with expectations could lead to a breach and possible acceleration for the year 2027. The development of earnings and their assessment are subject to uncertainties that are not entirely within Siltronic's control. The Executive Board closely monitors the development of the key figure in order to take further measures in good time, if necessary, in addition to existing measures such as working capital financing or reducing selective investments, to ensure compliance with the contractually agreed financial key figure for the next relevant period until December 31, 2026.

Customer prepayments

The customer prepayments are equivalent to the contract liabilities from contracts with customers in accordance with IFRS 15. The amount of EUR 45.5 million (previous year: EUR 56.2 million) reported under contract liabilities at the beginning of the period was recognized as sales in the current year. There were no significant sales from performance obligations fulfilled in previous periods.

The total amount of expected revenues from unfulfilled or partially unfulfilled performance obligations is estimated at over EUR 4.6 billion, of which one-fifth is expected in 2026. The remaining amount is expected to be realized between 2027 and 2030. As permitted by IFRS 15, no information is provided on the remaining performance obligations as of December 31, 2025 that have an expected original term of up to one year.

Other financial liabilities

Other financial liabilities include liabilities to a payment service provider totalling EUR 46.0 million (previous year: EUR 40.6 million), which relate to the assignment of trade payables to a financing partner and for the suppliers have already received payments. This is a working capital management measure, whereby the financing partner provides funds for payments to suppliers via the payment service provider on the due date at Siltronic's instruction. These are reimbursed to the financing partner by Siltronic with a time lag of two months. The due dates of suppliers who are part of the program are between 0 and 60 days. There are no significant differences for suppliers who are not part of the program.

Government grants

For the loans received in the previous year, the public sector granted partial subsidies in the form of subsidized interest rates. The remaining portion of a subsidized loan was paid out in the reporting year. In order to receive the interest subsidies, Siltronic must make agreed expenditures. Siltronic continues to plan to make the necessary expenditures. As IFRS requires the deferral of economic benefits from interest subsidies, expense grants totalling EUR 23.2 million were deferred in the previous year and investment grants totalling EUR 5.6 million. The reversal of the deferral reduced interest expenses by EUR 5.7 million (previous year: EUR 5.0 million) in the reporting year and EUR 0.5 million (previous year: EUR 0.8 million) was recognized in other operating income.

Government grants for investments totalled EUR 38.2 million in the reporting year (previous year: 32.0 million). These were granted after the necessary expenditure for capacity expansions had already been incurred. The investment grants are amortized over the useful life of the underlying assets. The amortization period is between eight and twelve years. In the reporting year, income from the reversal in the amount of EUR 7.9 million (previous year: EUR 1.3 million) was recognized.

A receivable has already been recognized for a further government grant for investments in machinery as at the reporting date, as there is reasonable assurance that the associated conditions will be met and the grant will be awarded. This amounts to EUR 3.3 million (previous year: EUR 2.5 million) and will be released to other operating income over the next ten years. In the reporting year, income from the reversal in the amount of EUR 0.7 million (previous year: EUR 0.2 million) was recognized.

Other

Liabilities relating to social security refer in particular to amounts withheld that have not been paid.

The other personnel liabilities include primarily vacation and flex-time credits.

The liability from derivative financial instruments corresponds to the negative fair value of these instruments.

Income tax liabilities include obligations from current income taxes of all domestic and foreign entities.

14 Other financial obligations and contingencies

Other financial obligations

As of December 31, 2025, obligations from purchase commitments amounted to EUR 463.1 million (previous year: EUR 713.3 million); the commitments primarily related to property, plant and equipment in connection with the investments in Germany and Singapore.

The Group enters into long-term purchase agreements with minimum commitments. This resulted in minimum purchasing obligations for the following year of around EUR 154.2 million as of December 31, 2025 (December 31, 2024: around EUR 170.1 million). For the subsequent year 2027, there are no annual minimum purchase commitments.

Contingent Liabilities

For environmental risks related to the site in Portland, Oregon, USA, further obligations may arise that exceed the existing insurance coverage. As in the previous year, a reliable estimate of these contingent liabilities cannot be made. For further information see [Note 12](#).

Contingent liabilities may arise in the future as a result of leases that are subject to annual indexation (see [Note 06](#)).

Other disclosures

15 Earnings per share

	2025	2024
Net result attributable to Siltronic AG shareholders (in EUR million)	-69.2	63.0
Average number of outstanding common shares	30,000,000	30,000,000
Number of common shares outstanding at the end of the year	30,000,000	30,000,000
Earnings per common share (in EUR) (average)	-2.31	2.10
Dividend payment per common share (in EUR) for the previous year	0.20	1.20

For the financial year 2025, the Executive Board and the Supervisory Board propose to distribute a dividend of EUR 0.00 per share in the year 2026. The approval or rejection of this proposal is the responsibility of the Annual General Meeting of Siltronic AG. Subject to this approval, a total amount of EUR 0.0 million will be distributed for the total number of 30,000,000 no-par value shares.

16 Financial instruments

The following tables show financial assets and liabilities by measurement categories and classes for the years 2025 and 2024, respectively. Also presented are liabilities from derivatives for which hedge accounting is used, even though they do not belong to any of the measurement categories.

The fair value of financial instruments measured at amortized cost is determined based on discounting, taking into account customary market interest rates that are adequate to the specific risk and correspond to the relevant maturity. The carrying amounts of current items recognized in the statement of financial position approximate fair value. The categories in accordance with IFRS 9 differ between assets and liabilities measured at amortized costs and those measured at fair value through other comprehensive income or fair value through profit or loss as shown in the table below. These categories are sufficient to reflect the classes in accordance with IFRS 7 which distinguish at least between financial instruments measured at amortized cost and financial instruments measured at fair value. Those financial instruments which show specific risks are derivative financial instruments mainly pertaining to foreign currency derivatives, which are presented separately in the table below.

Financial assets and liabilities by measurement categories according to IFRS 9

In EUR million	Carrying amount as of Dec. 31, 2025	Measurement according to IFRS 9			Not assignable to any IFRS 9 measurement category	Fair Value as of Dec. 31, 2025
		Amortized cost (AC)	Fair value through other comprehensive income (FVOCI)	Fair value through profit and loss (FVTPL)	Fair value through other comprehensive income (hedge accounting)	
Securities	126.1	123.4		2.7		126.1
Trade receivables	110.6	109.5	1.1			110.6
Fixed-term deposits	78.8	78.8				78.8
Other financial assets	21.0	6.0		11.2	3.2	21.0
Other		6.0				
Derivatives for which hedge accounting is not used (FVTPL)				11.2		
Derivatives for which hedge account- ing is used (hedge accounting according to IAS 39)					3.2	
Cash and cash equivalents	329.1	329.1				329.1
Total financial assets	665.6					665.6
Loan liabilities	1,355.3	1,355.3				1,351.8
Trade liabilities	242.7	242.7				242.7
Other financial liabilities	57.7	49.4		7.1	1.2	57.7
Other		49.4				
Derivatives for which hedge accounting is not used (FVTPL)				7.1		
Derivatives for which hedge account- ing is used (Hedge accounting according to IAS 39)					1.2	
Total financial liabilities	1,655.7					1,652.2

In EUR million	Carrying amount as of Dec. 31, 2024	Measurement according to IFRS 9			Not assignable to any IFRS 9 measurement category	Fair Value as of Dec. 31, 2024
		Amortized cost (AC)	Fair value through other comprehensive income (FVOCI)	Fair value through profit and loss (FVTPL)	Fair value through other comprehensive income (hedge accounting)	
Securities	237.8	235.1		2.7		237.8
Trade receivables	142.9	137.4	5.5			142.9
Fixed-term deposits	131.4	131.4				131.4
Other financial assets	12.9	6.5		6.5	–	12.9
Other		6.5				
Derivatives for which hedge accounting is not used (FVTPL)				6.5		
Derivatives for which hedge accounting is used (Hedge accounting according to IAS 39)					–	
Cash and cash equivalents	297.1	297.1				297.1
Total financial assets	822.1					822.1
Loan liabilities	1,379.0	1,379.0				1,372.6
Trade liabilities	280.5	280.5				280.5
Other financial liabilities	67.9	47.7		11.0	9.2	67.9
Other		47.7				
Derivatives for which hedge accounting is not used (FVTPL)				11.0		
Derivatives for which hedge accounting is used (Hedge accounting according to IAS 39)					9.2	
Total financial liabilities	1,727.4					1,721.0

The Group has been participating in a receivables sale program with some of its receivables, under which certain trade receivables can be sold to a financial services provider. With this measure, Siltronic is pursuing the goal of active working capital management on the one hand and liquidity management on the other. As essentially all opportunities and risks associated with ownership of the financial asset are transferred to the financial services provider, this is factoring with derecognition in the statement of financial position. For the non-transferred receivables in a portfolio, which would in principle be transferable, the intention is to hold them until final payment and to collect the contractual cash flows. The business model for these receivables is therefore assigned to the "hold and sell" category and is recognized at fair value through other comprehensive income. In the financial year, a volume of receivables totalling EUR 133.2 million (previous year: EUR 91.5 million) was sold in this way. The fair value of the receivables sold is approximately equal to the carrying amount of the receivables before the transfer due to their short term.

Cash and cash equivalents in foreign currency are measured at the exchange rate on the reporting date.

The fixed-term deposits will mature in October 2026. The fair value for these financial instruments also approximates their carrying amount.

The carrying amounts of trade liabilities and current other liabilities are equal to their fair values.

The following table shows the net gains and losses from financial instruments by measurement categories according to IFRS 9. The impacts on earnings due to derivatives that qualify for cashflow hedge accounting are not shown in the table because they do not belong to any of the IFRS 9 measurement categories.

Net result by measurement category

In EUR million	2025	2024
Assets/liabilities classified as at fair value through profit or loss	-4.7	2.3
Financial assets recognized at amortized cost	-9.9	26.5
Financial liabilities recognized at amortized cost	-20.8	-40.1
Total	-35.4	-11.3

The net result from financial assets measured at amortized cost primarily includes net gains/losses from currency translation, interest income from securities, fixed-term deposits and bank balances as well as value adjustments.

Gains and losses from changes in the fair value of foreign exchange derivatives and commodity futures not qualifying for hedge accounting under IAS 39 and of securities are included in the category "Fair value through profit or loss" category. Dividend income and interest income/expenses from interest-bearing securities that fall into this category are also reported in the net result of this category. Dividend income is not recognized until there is a legal claim to payment.

The net gains in the category "Financial liabilities recognized at amortized cost" primarily include effects resulting from valuations with different foreign exchange rates.

The interest income from financial assets which are not recognized at fair value through profit or loss amounts to EUR 14.3 million in 2025 (previous year: EUR 13.9 million). This interest income relates to cash and cash equivalents and fixed-term deposits and from securities.

The application of the effective interest method to financial assets measured at amortized cost resulted in interest income of EUR 6.2 million (previous year: EUR 4.7 million).

The interest expenses from financial liabilities which are not recognized at fair value through profit or loss were EUR 41.7 million in 2025 (previous year: EUR 28.8 million).

The financial assets and liabilities measured at fair value in the statement of financial position were allocated to one of three categories in accordance with the fair value hierarchy described in IFRS 13.

The levels of the hierarchy are as follows:

- Level I: Financial instruments measured using quoted prices in active markets (markets showing appropriate liquidity) which are representative to the financial instrument being measured.
- Level II: Financial instruments measured using valuation methods based on observable market data, the fair value of which can be determined by reference to similar financial instruments traded in active markets or using valuation methods where all parameters are observable. These include hedging and non-hedging derivative financial instruments and loans.
- Level III: Financial instruments measured using valuation methods not based on observable parameters, the fair value of which cannot be determined using observable market data and which require application of different valuation methods (typically applied for over-the-counter derivatives and unquoted equity instruments).

The following tables show the categories in the fair value hierarchy to which the financial assets and liabilities measured at fair value in the statement of financial position are allocated:

Fair value hierarchy

In EUR million	As of December 31, 2025			
	Level I	Level II	Level III	Total
Financial assets, measured at fair value				
Fair value through profit or loss				
Derivatives for which hedge accounting is not used	–	11.2	–	11.2
Securities	2.7	–	–	2.7
Fair value through other comprehensive income				
Trade receivables	–	1.1	–	1.1
Derivatives for which hedge accounting is used ¹⁾	–	3.2	–	3.2
Total	2.7	15.5	–	18.2
Financial liabilities, measured at amortised cost				
Loan Liabilities	–	1,351.8	–	1,351.8
Financial liabilities, measured at fair value				
Fair value through profit or loss				
Derivatives for which hedge accounting is not used	–	7.1	–	7.1
Fair value through other comprehensive income				
Derivatives for which hedge accounting is used ¹⁾	–	1.2	–	1.2
Total	–	1,360.1	–	1,360.1

¹⁾ Derivatives for which hedge accounting is used are not covered by IFRS 9, but for clarification purposes are presented at fair value through other comprehensive income.

In EUR million	As of December 31, 2024			
	Level I	Level II	Level III	Total
Financial assets, measured at fair value				
Fair value through profit or loss				
Derivatives for which hedge accounting is not used	–	6.5	–	6.5
Securities	2.7	–	–	2.7
Fair value through other comprehensive income				
Trade receivables	–	5.5	–	5.5
Derivatives for which hedge accounting is used ¹⁾	–	–	–	–
Total	2.7	12.0	–	14.7
Financial liabilities, measured at amortised cost				
Loan Liabilities	–	1,372.6	–	1,372.6
Financial liabilities, measured at fair value				
Fair value through profit or loss				
Derivatives for which hedge accounting is not used	–	11.0	–	11.0
Fair value through other comprehensive income				
Derivatives for which hedge accounting is used ¹⁾	–	9.2	–	9.2
Total	–	1,392.8	–	1,392.8

¹⁾ Derivatives for which hedge accounting is used are not covered by IFRS 9, but for clarification purposes are presented at fair value through other comprehensive income.

Market values are calculated using information available on the reporting date and based on counterparties' quoted prices or via appropriate valuation methods (currency forward exchange contracts and currency foreign exchange swaps: discounted cash flow or well-established actuarial methodologies, such as the par method; currency option contracts: Black Scholes model).

For all securities of the Company, quoted prices are available on an active market at the end of the financial year. For this reason, all securities are assigned to hierarchy Level I.

Derivative financial instruments are recognized at fair value and are thus subject to a recurring fair value assessment. They are categorized as Level II fair values. The fair value of a derivative financial instrument is calculated based on market data such as exchange rates or yield curves in accordance with market-specific valuation methods. The calculation of the fair value reflects our and the counterparty's default risk, using maturity-matched and market-observable CDS values.

Disclosures on derivative financial instruments

In cases where the Group hedges against foreign currency risks, it uses derivative financial instruments which comprise currency forward exchange contracts and currency foreign exchange swaps. Derivatives are used only if they are offset by scheduled transactions arising from operations (underlying transactions). The derivatives relate to three areas which are called “strategic hedging”, “operational hedging” and “hedging of specific intra-group matters”.

Strategic hedging comprises expected sales transactions in foreign currency that have not yet been invoiced. The time horizon for strategic hedging is between three and a maximum of 16 months. The hedged cash flows influence the statement of profit or loss at the time when sales are realized. The cash inflows are usually recorded one to two months afterwards. In strategic hedging, currency forward exchange contracts are primarily used.

Operational hedging relates to recognized trade receivables and trade liabilities in foreign currency and generally covers time horizons of between one and two months. Hedges are executed with currency forward exchange contracts. Hedging of specific intra-group transactions, especially intra-group loans, are usually covered by currency swap contracts. Foreign exchange hedging is carried out mainly for the US dollar, Japanese yen and Singapore dollar.

The market values refer to the repurchase values (redemption values) of the financial derivatives and are calculated using recognized actuarial methods.

The derivatives are recognized at their market values, irrespective of their stated purpose. They are reported in the statement of financial position under financial other assets or financial other liabilities. Where eligible, cash flow hedge accounting is applied for the strategic hedging of currency exchange risks of future foreign exchange cash flows from currency forward exchange contracts. In such cases, changes in the market values of foreign exchange contracts are recognized in other comprehensive income until the underlying transaction takes place, insofar as the hedge is effective. When future transactions are realized, the effects accumulated in other equity items are restated through profit and loss to the operating result (other operating income/other operating expenses).

The reconciliation of the cumulative effects recognized in other comprehensive income (after tax) for the 2025 and 2024 financial years are as follows:

In EUR million	2025	2024
Accumulated effects from derivative financial instruments (cash flow hedge) as of January 1	-5.2	8.2
Changes in market values	17.6	-17.4
<i>thereof currency risk</i>	17.5	-17.0
<i>thereof interest rate risk</i>	0.1	-0.4
Reclassification to the profit and loss statement	-6.8	0.2
<i>thereof currency risk</i>	-6.4	0.9
<i>thereof interest rate risk</i>	-0.4	-0.7
Recognized deferred taxes	-2.1	3.8
Accumulated effects from derivative financial instruments (cash flow hedge) as of December 31	3.5	-5.2

The reclassification of the effects of exchange rate risk in the income statement is recognized in other operating income or expenses, while the effects of interest rate risk are shown in the financial result.

For strategic hedging, graded hedging ratios of around 10 percent to 40 percent are used in relation to the expected net exposure in US dollars (taking into account currencies that show a high correlation to the US dollar, if applicable). The expected net exposure in US dollars for 2026 is hedged at around 41 percent.

Siltronic determines the effectiveness of the hedging relationship between the hedged item and the hedging instrument based on maturities, currencies and nominal values, whereby the hedging ratio between the hedging instrument and the hedged item in hedge accounting is generally 100 percent. The Company assesses whether the designated derivatives effectively hedge the cash flows of the hedged item using the hypothetical derivative method. The credit risk of the counterparties as well as changes in the timing of the hedged highly probable future transactions represent possible sources of ineffectiveness. No ineffectiveness was reported in the result for the period, as the hedging relationships were almost completely effective and the changes in value of the hedging instruments were therefore approximately opposite to those of the underlying transactions.

To hedge against rising interest rates, Siltronic hedges some of its variable-rate loans using interest rate swaps (payer swaps). These are part of cash flow hedge accounting. In addition, commodity futures contracts were concluded to hedge the price change risk of an oil price component in electricity supply contracts for the year 2026. These hedging transactions, together with the underlying transactions, were not recognized as hedge accounting.

Nominal values and market values

The following tables compare the fair values of derivative financial instruments with their nominal values:

In EUR million	As of December 31, 2025		As of December 31, 2024	
	Nominal values	Market values	Nominal values	Market values
Other financial assets	647.9	14.4	248.5	6.5
Foreign currency derivatives	301.2	6.3	57.1	0.2
<i>thereof for strategic hedging (with hedge accounting)</i>	<i>177.2</i>	<i>3.2</i>	<i>2.8</i>	<i>–</i>
Foreign currency swaps	346.7	8.1	141.4	6.3
Interest swaps	–	–	50.0	–
<i>thereof with hedge accounting</i>	<i>–</i>	<i>–</i>	<i>50.0</i>	<i>–</i>
Other financial liabilities	432.5	8.3	766.7	20.2
Foreign currency derivatives	128.1	1.1	398.3	12.1
<i>thereof for strategic hedging (with hedge accounting)</i>	<i>83.6</i>	<i>0.8</i>	<i>256.7</i>	<i>8.7</i>
Foreign currency swaps	145.1	4.0	244.4	5.9
Interest swaps	140.0	0.4	90.0	0.4
<i>thereof with hedge accounting</i>	<i>140.0</i>	<i>0.4</i>	<i>90.0</i>	<i>0.4</i>
Other derivatives	19.3	2.8	34.0	1.8

The following table shows the breakdown of the nominal values of the currency forward exchange contracts for strategic hedging by maturity as well as the average hedging rate per currency:

In EUR million	As of December 31, 2025		As of December 31, 2024	
	current (less than 1 year)	non-current (more than 1 year)	current (less than 1 year)	non-current (more than 1 year)
Nominal values currency forward exchange contracts	243.0	17.8	244.8	14.7
Book values	2.2	0.2	–8.4	–0.3
Change in value of the hedged item used to determine the effectiveness of the hedging relationship	–2.2	–0.2	8.4	0.3
Average hedging rate				
EUR/USD	1.17	1.18	1.10	1.09
USD/SGD	1.27	–	1.31	–
EUR/SGD	–	–	1.43	–

Apart from the currency forward exchange contracts for strategic hedging, all derivative financial instruments in the financial year and the previous year have a term of less than one year. The interest rate swaps used to hedge the variable-rate portions of loans have the same maturities as the loans, until 2027 and 2028. The average hedged interest rate is 2.4 percent.

The following table provides information on the netting of financial assets and liabilities in the consolidated statement of financial position. It also shows the financial effects of a possible offsetting of financial instruments from netting agreements, enforceable global netting agreements, or similar agreements.

Net amount

In EUR million	As of December 31, 2025					
	I	II	I – II	Related amounts not set off in the statement of financial position		
	Gross amounts of recognized financial assets/liabilities	Gross amounts of recognized financial assets/liabilities set off in the statement of financial position	Net amounts of financial assets/liabilities presented in the statement of financial position	Financial instruments	Cash collateral received	Net amount
Derivatives with a positive market value	14.6	0.3	14.3	1.9	–	12.4
Derivatives with a negative market value	8.5	0.3	8.2	1.9	–	6.3

In EUR million	As of December 31, 2024					
	I	II	I - II	Related amounts not set off in the statement of financial position		
	Gross amounts of recognized financial assets/liabilities	Gross amounts of recognized financial assets/liabilities set off in the statement of financial position	Net amounts of financial assets/liabilities presented in the statement of financial position	Financial instruments	Cash collateral received	Net amount
Derivatives with a positive market value	7.0	0.4	6.6	3.5	–	3.1
Derivatives with a negative market value	20.6	0.4	20.2	3.5	–	16.7

In addition to the amounts offset under the provisions on netting pursuant to IAS 32, the table also includes those amounts that may not be netted pursuant to IAS 32.

As part of strategic hedging of foreign currency cash flows, the Group closes out forward exchange contracts prior to maturity by entering into offsetting transactions. The strategic forward exchange contract and the corresponding offsetting forward exchange transaction are recognized as a net amount in accordance with IAS 32. In addition, general offsetting agreements, which apply only in cases of insolvency, have been concluded with number of banks.

The Group has not received any pledged cash security for positive market values of derivatives nor has it pledged any cash security for negative market values.

Management of financial risks

The following disclosures explain the management of the financial risks of the Group. Other parts of these notes include more quantitative information on financial assets and financial liabilities or contingencies.

In the normal course of business, the Group is exposed to credit, liquidity, and market risks from financial instruments. The goal of financial risk management is to limit risks from operating business and the resultant financing requirements by using certain derivative and non-derivative hedging instruments. In addition, the Group is exposed to a minor extent to market and interest rate risks from securities.

In terms of assets, liabilities and planned transactions, the Group faces risks resulting from the fluctuation of foreign exchange rates.

Generally, only those risks which have an impact on the cash flow of the Group are hedged. To mitigate default risks, hedging instruments are only entered into with counterparties with a good credit rating.

The basic rules of financial management are determined by the Executive Board and monitored by the Supervisory Board of the Group. The Executive Board has the overall responsibility for the implementation and monitoring of the risk management of the Group. Part of this system is the management of financial risks. Among other things, the system for managing financial risks has a guideline defining the usage and the extent of derivative financial instruments and committees supervising the application of the guideline, evaluating the efficiency of the derivative financial instruments entered into and defining additional risk limits as necessary.

The Group mitigates financial risks through the risk management system it has in place. This system is monitored by the Supervisory Board. The fundamental purpose of the risk management system is to identify, analyze, coordinate, monitor, and communicate risks in a timely manner. The Executive Board of the Group receives regular analyses on the extent of those risks. The analyses focus on market risks, in particular on the potential impact of raw material price risks, foreign currency exchange risks, and interest rate risks on net interest income.

Foreign currency risks

Foreign currency risks generally result from investments, financing measures, and operating business. The Group hedges foreign currency risks to the extent it can influence the cash flow of the Group. Foreign currencies which do not influence the cash flow of the Group result from the translation of assets and liabilities of foreign subsidiaries into euros. Such risks are not hedged because they refer to long-term financial investments.

Since it is very common in the semiconductor industry to transact in US dollars and the proceeds for Group's cash inflows from the sale of products (operating business) significantly exceed the cash outflows in US dollars (operating business and investments), the Group is exposed to a US dollar foreign exchange risk. The Group also faces foreign currency exchange risks related to the Japanese yen and the Singapore dollar. As the Singapore dollar has a high correlation to the US-Dollar, the risks for these currencies are considered together.

The net foreign exchange exposure, i.e. the amount in the same foreign currencies (or currencies grouped together because of high correlations) remaining after eliminating cash inflows and cash outflows, is hedged according to the Group policy.

To record market risks, IFRS 7 requires sensitivity analyses that show the effects of hypothetical changes in relevant risk variables on profit or loss and on equity. The periodical changes are calculated by applying the hypothetical changes in risk variables on all existing financial instruments as of the reporting date. The sensitivity analyses regarding foreign currencies are based on the following assumptions:

The existing primary monetary financial instruments (cash and cash equivalents, fixed-term deposits, receivables, securities, interest bearing, and non-interest bearing liabilities) as of the reporting date represent a normal level. Approximately 80 percent of consolidated Group sales are invoiced in US dollars. Payouts in foreign currency remain at the current level, which is dependent on the production level. Thus, the Group is only exposed to foreign currency exchange risks coming from unhedged trade receivables and the change in fair value of existing derivative financial instruments.

If the US dollar had appreciated by 10 percent against the euro (taking into account currencies that show a high correlation with the US dollar) as of December 31, 2025, the fair value of the hedging instruments would have decreased by approximately EUR 13.8 million. The change would have been recognized in income at EUR 6.3 million and at EUR -20.1 million without affecting income. If the US dollar had depreciated by 10 percent against the euro, the fair value would have increased by EUR 11.2 million. Of this, EUR 16.4 million would have been recognized in expenses with no effect on income and EUR -5.2 million with an effect on income. The corresponding fair values as of December 31, 2024, would have decreased by EUR 12.2 million or increased by EUR 10.0 million. The decrease would have been recognized in profit or loss at EUR 6.0 million and in equity at EUR -18.2 million, while the increase would have been recognized in equity at EUR 15.0 million and in profit or loss at EUR -5.0 million. If the SGP dollar had appreciated by 10 percent against the euro as of December 31, 2025, the fair value of the hedging instruments would have decreased by approximately EUR 38.7 million. The change would have been recognized in full in expenses. If the SGP dollar had depreciated by 10 percent against the euro, the fair value would have increased by EUR 31.6 million, which would also have been recognized in full in income. As of December 31, 2024, EUR

28.9 million would have been recognized as an expense and EUR 23.7 million as income.

Without taking currency hedging transactions into account, a deviation of 1 USD cent in the EUR/USD exchange rate compared to the average exchange rate for the reporting year would have resulted in a change in sales of around +/- EUR 10 million and a change in EBITDA of around +/- EUR 7 million in the financial year.

Interest rate risk

As of the reporting date, the Group is exposed to interest rate risks arising from variable-rate loan liabilities in connection with its operating activities. The interest rate for some variable-rate loans was fixed by entering into corresponding hedging transactions. Hedge accounting was applied. Changes in market interest rates for interest rate derivatives have an impact on the financial result and are therefore taken into account in a sensitivity analysis based on earnings. If the market interest rate level increases or decreases by 100 basis points, the interest result changes by +/- EUR 5.0 million. The change in the market values of the interest rate derivatives would have no effect on income at +/- EUR 0.9 million. As of December 31, 2024, net interest income would have changed by +/- EUR 4.5 million, with +/- EUR 2.2 million recognized in other comprehensive income. The Group is exposed to a minor interest rate risk from fixed-income securities measured at amortized cost. Foreign currency derivatives are not subject to any significant interest rate changes, so there is no interest rate risk arising from them.

Other price risks

The appreciation or depreciation of Brent by +/- 10 percent would have had a positive or negative effect on earnings of around EUR 1.5 million in each case for the commodity futures held as at the reporting date. The fair values as at 31 December 2025 would have increased or decreased accordingly. As at 31 December 2024, an appreciation or depreciation of Brent by +/- 10 percent would have resulted in an effect on earnings or a change in market value of EUR 3.0 million.

Credit risk (risk of default)

In terms of financial instruments, the Group is exposed to a default risk should a contractual party fail to fulfill its commitments. The maximum risk is therefore the amount of the respective financial instrument's positive fair value. To limit the risk of default, transactions are conducted only within defined limits and with partners of very high credit standing. To make efficient risk management possible, the market risks within the Group are controlled centrally. The conclusion and handling of transactions comply with internal guidelines and are subject to monitoring procedures that take account of the separation of duties. As for operations, outstanding receivables and default risks are continually monitored and partly hedged against by means of trade credit insurance. Receivables from major customers are not high enough as to represent an extraordinary concentration of risk. For further information on the default risk of financial assets and contract assets, see [Notes 08 and 09](#). Over the last three years, the expenses for default have averaged at less than 0.1 percent of sales.

Liquidity risk

A liquidity risk means that a company may not be able to meet its existing or future financial obligations because of insufficient funds. The Group ensures continuous liquidity and financial flexibility by holding enough funds as cash and cash equivalents.

Liquidity risk is addressed by financial planning. During the year, rolling monthly liquidity planning is carried out for the Group and the main individual companies, covering the period up to the end of the year. In addition to the outlook, we compare the actual cash flows with the projected cash flows in order to mitigate weaknesses in the

forecast. There is also a multi-year plan which shows at an early stage when and to what extent liquidity risks are to be expected.

In addition to the loans drawn down, there are unused credit lines amounting to EUR 127 million, which serve as a liquidity reserve and have terms until 2029 and 2030, respectively.

The following table shows the contractual remaining terms of the financial liabilities as of the reporting date, including estimated interest payments. These are undiscounted amounts.

31.12.2025	In EUR million	Due in the fiscal year						
		Total	2026	2027	2028	2029	2030	2031 after 2031
Non-derivative financial liabilities								
Loan liabilities	1,510.3	140.1	285.2	252.1	444.9	261.3	54.2	72.5
Principal		99.6	247.1	221.1	418.8	251.0	50.0	70.5
Interest		40.5	38.1	31.0	26.1	10.3	4.2	2.0
Lease liabilities	211.4	8.0	9.4	9.2	9.1	8.4	7.9	159.4
others	292.1	292.1	–	–	–	–	–	–
Derivative financial liabilities								
with gross payment settlement	5.1	5.1	–	–	–	–	–	–
Cash inflow		–266.1	–2.5	–	–	–	–	–
Cash outflow		271.2	2.5	–	–	–	–	–
with net payment settlement	3.4	3.3	0.1	–	–	–	–	–
Total	2,022.3	448.6	294.7	261.3	454.0	269.7	62.1	231.9

31.12.2024	In EUR million	Due in the fiscal year						
		Total	2025	2026	2027	2028	2029	2030 after 2030
Non-derivative financial liabilities								
Loan liabilities	1,585.0	109.8	147.8	292.6	258.8	618.9	30.2	126.9
Principal		64.7	104.3	251.8	225.8	594.2	25.0	120.5
Interest		45.1	43.5	40.8	33.0	24.7	5.2	6.4
Lease liabilities	218.8	7.9	7.8	9.3	9.1	9.0	8.4	167.3
others	328.2	328.2	–	–	–	–	–	–
Derivative financial liabilities								
with gross payment settlement	15.6	15.3	0.3	–	–	–	–	–
Cash inflow		–551.0	–14.7	–	–	–	–	–
Cash outflow		566.3	15.0	–	–	–	–	–
with net payment settlement	5.6	4.1	1.2	0.2	0.1	–	–	–
Total	2,153.2	465.3	157.1	302.1	268.0	627.9	38.6	294.2

The inflows/outflows show the net cash flows from derivatives with net cash settlement and the gross cash inflows and outflows from derivatives with simultaneous gross cash settlement.

As stated in Note 13, some of the loans are subject to financial covenants. A future breach of the covenants could result in the affected loans having to be repaid earlier than stated in the table.

The interest payments for variable-rate loans in the above table reflect market conditions for reference interest rates at the end of the fiscal year. Due to these variable-rate components, interest expenses and payments are sensitive to future interest rate developments and may change as market interest rates change:

In EUR million	2026 – 2032
Interest expenses	
variable interest 1 percentage point higher	24.4
variable interest 1 percentage point lower	-24.4

Market risk

Market risk describes the risk that the fair value or future cash flows of an original or a derivative financial asset will change due to the volatility of the market. The securities of the special fund were, also subject to this risk, until it was sold.

Fixed-term deposits

Fixed-term deposits are investments held at banks. They have a term until October 2026.

17 Additional information on the consolidated statement of cash flows

Liabilities from financing activities include loan and lease liabilities. Due to borrowing, interest and lease payments, they influence the cash flow from financing activities and the cash flow from operating activities.

The following table shows the changes in liabilities from financing activities, whose inflows and outflows are shown in the cash flow statement under both cash flow from financing activities and operating activities:

In EUR million	Book value 01.01.	Cashflow- affecting changes (Finance-CF)	Changes with no effect on cashflow			Cashflow-af- fecting changes (operating CF)	Book value 31.12.
			Currency effect	New leases	Other changes		
2025							
Current and non-cur- rent loan liabilities	1,379.0	-9.4	-18.9	-	61.3	-56.7	1,355.3
Current and non-cur- rent lease liabilities	144.3	-6.2	-7.0	2.8	3.7	-3.7	133.9
Current other financial liabilities	40.6	5.4	-	-	-	-	46.0
Total	1,563.9	-10.2	-25.9	2.8	65.0	-60.4	1,535.2
2024							
Current and non-cur- rent loan liabilities	789.0	569.0	8.9	-	52.7	-40.6	1,379.0
Current and non-cur- rent lease liabilities	115.6	-7.4	4.5	31.6	3.0	-3.0	144.3
Current other financial liabilities	40.6	-	-	-	-	-	40.6
Total	945.2	561.6	13.4	31.6	55.7	-43.6	1,563.9

The changes in current other financial liabilities were reported net in cash flows from financing activities in the previous year and were

changed in the current financial year due to failure to meet the off-setting requirements, with an adjustment to the previous year's figures.

18 Segment reporting

The Group has only one reportable segment, which includes the development, production, and marketing of semiconductor wafers with a wide variety of features satisfying numerous product specifications to meet customers' precise technical specifications, which are utilized in the manufacture of semiconductor devices. Based on the fact that in the wafer industry the allocation of resources is derived from a wide variety of specifications, the Group operates in

only one segment. The products can differ between diameters, between polished and epitaxial wafer, between different pulling technologies and other features.

The information by geographical area for the reporting periods breaks down as follows:

Segment information by region

In EUR million	2025							Siltronic Group
	Germany	Europe excluding Germany	United States	Taiwan and (mainland) China	South Korea	Asia excluding Taiwan, (mainland) China and South Korea	Consolidation and others	
External sales from contracts with customers by customer location	68.3	91.1	138.8	490.3	342.7	192.6	22.9	1,346.7
Additions to property, plant and equipment, and intangible assets	152.1	–	4.4	–	–	212.6	–	369.1
Non-current assets incl. Right-of-Use Assets (December 31)	1,017.7	–	36.3	0.2	0.2	2,659.6	–	3,714.0

In EUR million	2024							Siltronic Group
	Germany	Europe excluding Germany	United States	Taiwan and (mainland) China	South Korea	Asia excluding Taiwan, (mainland) China and South Korea	Consolidation and others	
External sales from contracts with customers by customer location	94.1	128.9	133.3	493.6	354.0	176.9	32.0	1,412.8
Additions to property, plant and equipment, and intangible assets	213.0	–	7.3	–	–	303.1	–	523.4
Non-current assets incl. Right-of-Use Assets (December 31)	1,016.2	–	43.8	0.3	0.3	2,795.0	–	3,855.6

In all regions, the majority of sales are invoiced in U.S. dollars.

The carrying amount of intangible assets and property, plant and equipment in the Asia region excluding Taiwan relates almost exclusively to Singapore.

In the financial year 2025, the Group generated sales with three customers that accounted for a share of more than 10 percent. One customer accounted for around one quarter of all sales, the second largest customer for 19 percent and the third largest for 13 percent. In the previous year, the breakdown was quite similar.

19 Transactions with related companies and persons

The disclosure requirements according to IAS 24 refer to transactions (a) with its minority shareholder Wacker Chemie AG and the ultimate controlling shareholder of Wacker Chemie AG, which is Dr. Alexander Wacker Familiengesellschaft mbH (holding more than 50 percent of the voting shares in Wacker Chemie AG), (b) with Pensionskasse der Wacker Chemie VVaG (pension fund), and (c) with members of the Executive Board and Supervisory Board of the Company.

Related companies

The following amounts recognized in the statement of profit or loss result mainly from transactions with Wacker Chemie AG:

Information on transactions with related companies

In EUR million	2025	2024
Sales	0.8	0.9
Purchased material and services (primarily cost of sales)	196.0	169.8
Lease expenses (several functional costs)	0.2	0.2

Sales in the year under review include other services totalling EUR 0.8 million (previous year: EUR 0.9 million) for Wacker Chemie AG.

The cost of sales primarily relates to the purchase of a raw material from Wacker Chemie AG and the purchase of services from Wacker Chemie AG. Wacker provides the services to Siltronic in Burghausen (Germany), where Siltronic and Wacker operate production facilities side by side on a large industrial site.

The following table shows other assets, right-of-use assets and liabilities to related parties recorded in the statement of financial position for the years ending December 31, 2025 and 2024. All transactions relate to Wacker Chemie AG or the pension fund of Wacker Chemie VVaG:

Right-of-use assets, other assets and liabilities to related parties

In EUR million	Dec. 31, 2025	Dec. 31, 2024
Right-of-use assets	1.0	1.1
Other assets	11.2	15.2
Lease liabilities	1.4	1.5
Trade liabilities	20.2	18.7

In addition, long-term purchase agreements exist with Wacker Chemie AG, resulting in other financial obligations of EUR 139.0 million (previous year: EUR 156.1 million).

To cover its pension obligations, Siltronic makes contributions to the plan assets of the Wacker Chemie VVaG pension fund. To this end, Siltronic AG guarantees to cover the target amount of the guarantee fund and the pension fund's solvency capital requirement up to an amount of EUR 35.0 million. No claim is currently expected.

The following table shows the remuneration of members of the Executive Board and Supervisory Board:

Remuneration of corporate bodies

In EUR		Fixed remuneration	Short-term Variable remuneration ²	Long-term Share-based payments	Pensions	Total
Remuneration for Executive Board members	2025	1,451,099	871,126	1,540,987	429,527	4,292,739
	2024	1,529,648	692,454	-467,937	380,271	2,134,436
Provision for longterm remuneration of Executive Board members	2025			3,111,164		3,111,164
	2024			1,943,907		1,943,907
Provisions for pensions for active Executive Board members	2025				2,045,325	2,045,325
	2024				1,649,320	1,649,320
Remuneration for former Executive Board members and their surviving dependents	2025				641,994	641,994
	2024				1,293,975	1,293,975
Provisions for pensions for former Executive Board members and their surviving dependents	2025				12,665,707	12,665,707
	2024				14,037,355	14,037,355
Supervisory Board remuneration ¹	2025	1,000,000				1,000,000
	2024	995,000				995,000

1) In addition, employee representatives on the Supervisory Board continue to receive a regular salary under their employment contract.

2) Outstanding balances as of the respective reporting date

The fixed remuneration is a cash compensation based on the full financial year, which is determined by the area of responsibility of the respective member of the Executive Board. The short-term variable remuneration and the long-term share-based remuneration (see Note 20) are also paid in cash. These components provide incentives for a sustainable corporate strategy and support profitable growth as well as a sustainable and positive development of the Company.

The total remuneration of the members of the Executive Board for the financial year 2025, which is to be disclosed in accordance with Section 314 para. 1 no. 6 of the German Commercial Code and valued in accordance with DRS 17, amounts to a total of EUR 3.7 million (previous year: EUR 3.2 million). The fair value of the share-based payment granted in the financial year 2025 was EUR 1.4 million (previous year: EUR 1.0 million). Provisionally 25,047 virtual shares were allocated (previous year: 12,439).

Remuneration for pensions shows the service costs.

20 Share-based compensation agreement

As in previous years, the compensation system for the members of the Executive Board includes cash compensation in the form of phantom stocks as long-term variable compensation. Detailed information on the share-based compensation agreement can be found in the Compensation report.

For the compensation year 2025, the contractual allotment value was initially converted into phantom stocks granted on the basis of the average weighted closing price of the share on the last 30 stock market trading days of 2024. The phantom stocks are held for a period of four years (performance period), starting January 1, 2025. The basis for calculating the final number of phantom stocks is the achievement of the targets set by the Supervisory Board for each performance period. A target value, a minimum value and a maximum value are determined for these targets. The phantom stocks are settled in cash. To determine the amount of the cash settlement, the final number of phantom stocks is initially calculated by multiplying the preliminary number of phantom stocks by the total target achievement factor. The cash settlement is calculated by multiplying the final number of phantom stocks with the weighted average closing price of the Company's shares on the last 30 trading days of the year 2028 plus the dividends distributed during the financial years 2025 to 2028. The cash settlement is limited to a limit of 200 percent of the contractual allotment value (cap). Due to the term of the remuneration, parallel tranches for the years 2022 to 2025 are presented as at the reporting date. In the 2025 financial year, the 2021 tranche was paid out in the amount of EUR 0.4 million, for which a corresponding provision was recognized as a liability in the previous year.

After completion of the first, second and third of four years of the performance periods, the preliminary figure for the reporting year based on the target development to date is 66,314 phantom stocks. The average price of the Siltronic share in the financial year, which is decisive for the number of phantom stocks, was EUR 46.33 (previous year: EUR 48.21). The closing price for the calculation of the fair value of the virtual shares of the 2023 to 2025 tranches was EUR 48.90. For the 2022 tranche, which will be paid out in 2026, the relevant average price on the reporting date was EUR 46.33. The possibility of reaching the contractually agreed cap is taken into account using a Black-Scholes calculation and the fair value is reduced accordingly. In total, there is a provision for phantom stocks for the financial years 2022 to 2025 of EUR 3.1 million (previous year: EUR 1.9 million). In personnel expenses, expenses of EUR 1.5 million were recorded for the allocation of the provision for virtual shares for the financial year (previous year: income of EUR 1.1 million from the reversal and expenses of EUR 0.6 million for the allocation of the provision for virtual shares).

21 Other information

The following table shows the average number of employees for the year.

Average number of employees

	2025	2024
Germany	2,486	2,606
Singapore and small sales companies in Asia	1,474	1,459
United States	332	361
Total	4,292	4,426

The auditor's fees are divided into audits of financial statements, other certification services and non-audit services.

Audit fees

In EUR million	2025	2024
Audit of financial statements	0.5	0.7
Other certification services	0.1	0.4
Tax consulting and other services	0.0	0.0
Total	0.6	1.1

Non-controlling interests

A minority shareholder has a non-controlling interest of 22.3 percent in Siltronic Silicon Wafer Pte. Ltd. Apart from Siltronic Silicon Wafer Pte. Ltd., there are no minority shareholders in the Siltronic Group.

The following summarized financial information is presented in accordance with IFRS and before consolidation. As at 31 December 2025, non-current assets amounted to EUR 2,563.2 million and current assets to EUR 225.4 million (previous year: EUR 2,691.1 and EUR 223.2), equity to EUR 825.3 million (previous year: 920.3 million), non-current liabilities to EUR 1,693.3 million and current liabilities to EUR 270.0 million (previous year: EUR 1,703.0 million and EUR 291.0 million).

In 2025, SSW generated sales of EUR 503.2 million (previous year: 428.3 million), resulting in a net loss for the year of EUR 39.7 million (previous year: net profit of EUR 18.7) and comprehensive income of EUR -95.0 million (previous year: EUR 44.6 million). Cash flow totalled to EUR -0.9 million due to high outflows for investments in property, plant and equipment, which exceeded the inflows from group loans. Neither the minority shareholder nor Siltronic received a dividend in the reporting year or the previous year.

The list of shareholdings in affiliated companies as of December 31, 2025 is as follows (IFRS amounts):

List of shareholdings

	2025		
	Share capital in EUR million	Net income in EUR million	Equity share in %
Siltronic Holding International B.V., Rotterdam, Netherlands ¹⁾	400.7	–	100.0
Siltronic Singapore Pte. Ltd., Singapore ²⁾	626.4	62.4	100.0
Siltronic Silicon Wafer Pte. Ltd., Singapore ²⁾	825.3	–39.7	77.7
Siltronic Corp., Portland (Oregon), USA ²⁾	145.1	–3.2	100.0
Siltronic Japan Corp., Tokyo, Japan ²⁾	7.5	1.3	100.0
Siltronic Korea Ltd., Seoul, South Korea ¹⁾	2.1	0.5	100.0
Siltronic Shanghai Co., Ltd., Shanghai, China ¹⁾	2.0	0.2	100.0

¹⁾ Held directly by Siltronic AG

²⁾ Held indirectly by Siltronic AG

Subsequent events

There were no significant events after the reporting date of December 31, 2025.

Munich, March 10, 2026

The Executive Board of Siltronic AG



Dr. Michael Heckmeier
(CEO)

Claudia Schmitt
(CFO)

Klaus Buchwald
(COO)

Independent Auditor's Report

To Siltronic AG, Munich

Report on the Audit of the Consolidated Financial Statements and of the Group Management Report

Opinions

We have audited the consolidated financial statements of Siltronic AG, Munich, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2025 and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of Siltronic AG, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2025. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (the IFRS Accounting Standards) as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2025, and of its financial performance for the financial year from 1 January to 31 December 2025 and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the "Other Information" section of our auditor's report.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those require-

ments and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit was as follows:

Impairment of property, plant and equipment in the 300 mm division

Our presentation of this key audit matter has been structured as follows:

- Matter and issue
- Audit approach and findings
- Reference to further information

Hereinafter we present the key audit matter:

Impairment of property, plant and equipment in the 300 mm division

Context and issue statement

In the consolidated financial statements of Siltronic AG, "Property, plant and equipment in the 300 mm division" amounting to EUR 3,549 million (75% of total assets) is reported under property, plant and equipment. These are recognized at amortized cost, including capitalized borrowing costs and less straight-line depreciation on the basis of their expected useful life. Cost includes the purchase price as well as any incidental acquisition costs and dismantling and removal costs. The items of property, plant and equipment at the level of a cash-generating unit, to which goodwill is also allocated, are reviewed for impairment annually and on an ad hoc basis if there are indications of impairment. The carrying amount of the cash-generating unit, including goodwill, is compared with the corresponding recoverable amount in the context of the impairment test. If the carrying amount is higher than the recoverable amount, an impairment loss is recognized. The recoverable amount is determined using a discounted cashflow model. The impairment test for property, plant and equipment is complex and is based on a range of assumptions that require judgment. These include in particular the forecast cash flows, the useful life of the leading asset and the discount rates that were used. Due to the substantial investment volume, the carrying amount of property, plant and equipment in the 300 mm division

increased materially. The division is subject to cyclical business. With capacity having been expanded, there is the risk for the consolidated financial statements that property, plant and equipment in the 300 mm division will be impaired if it is not possible to fully utilize the additional capacity in the future; this matter was therefore of particular significance in the context of our audit.

Audit procedures and findings

For the purposes of our audit, we obtained an understanding of the Company's process for determining recoverable amounts by seeking explanations from employees of Siltronic AG and by assessing the group accounting policy, among other things. With the assistance of our valuation experts, we assessed the computational accuracy and IFRS compliance of the Company's valuation methods and the appropriateness of significant assumptions made therein. In addition, we discussed the expected cash flows with those responsible for planning. We have also reconciled this information with the budget prepared by the executive directors and approved by the supervisory board. The appropriateness of the assumptions was also evaluated using external market assessments. We also confirmed the accuracy of the Company's previous forecasts by comparing the budgets of previous financial years with actual earnings realized and by analyzing deviations. We compared the assumptions and data underlying the discount rate, in particular the risk-free interest rate, the market risk premium, the necessity of specific risk premiums and beta, with our own assumptions and publicly available data. In order to take account of forecast uncertainty, we also assessed the impact of reasonably possible changes in the discount rate and the expected cash flows arising from fluctuations in earnings on the recoverable amount by calculating alternative scenarios and comparing these with the Company's measurements (sensitivity analysis). We also verified that the necessary disclosures were made in the notes. In our view, taking into consideration the information available, the established processes, valuation parameters and underlying assumptions used by the executive directors are appropriate overall for the purpose of properly impairment-testing the property, plant and equipment in the 300 mm division.

Reference to additional information

The Company's disclosures relating to property, plant and equipment are contained in the section entitled "Accounting policies" and section "05 Development of property, plant and equipment" of the notes to the financial statements.

Other information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report:

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB included in section „Declaration on Corporate Governance“ of the group management report
- the non-financial statement to comply with §§ 289b to 289e HGB and with §§ 315b to 315c HGB included in section „Combined Non-Financial Statement and ESG Report“ of the group management report
- the disclosures marked as unaudited in subsection “Risk management system” of section "Risk and opportunity report" in the group management report

- the disclosures marked as unaudited in section "Financial position and financial performance" of the group management report

The other information comprises further

- the remuneration report pursuant to § 162 AktG [Aktiengesetz: German Stock Corporation Act], for which the supervisory board is also responsible
- all remaining parts of the annual report— excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance

with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinions

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file siltronic-2025-12-31-1-de.xbri and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2025 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 13 May 2024. We were engaged by the supervisory board on 5 June 2025. We have been the group auditor of the Siltronic AG, Munich, without interruption since the financial year 2025.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

In addition to our audit of the consolidated financial statements, we also provided the audited company and/or companies controlled by it with the following services that are not disclosed in the consolidated financial statements or the group management report: We audited the annual financial statements of the Company and performed a review of the half-year financial statements. We also provided other assurance services, primarily in connection with sustainability reporting and other services in connection with regulatory requirements.

Reference to an other matter - Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Klaus Bernhard.

Munich, 10 March 2026

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Klaus Bernhard
Wirtschaftsprüfer
[German Public Auditor]

Diana Plaum
Wirtschaftsprüfer
[German Public Auditor]

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the significant opportunities and risks associated with the expected development of the Group.

Munich, March 10, 2026

The Executive Board of Siltronic AG



Dr. Michael Heckmeier
(CEO)



Claudia Schmitt
(CFO)



Klaus Buchwald
(COO)

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 the Supervisory Board and adopted by both bodies on March 10, 2026. The unqualified report on the audit is printed at the end of the compensation report. The 2024 Compensation report was submitted to the Annual General Meeting on May 12, 2025, for approval and approved with 80.29 percent of the votes. Given the strong level of approval, the remuneration system will remain unchanged.

Overview of Executive Board compensation system

A full description of the compensation system applicable for the financial year 2025 can be found in the invitation to the 2023 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.

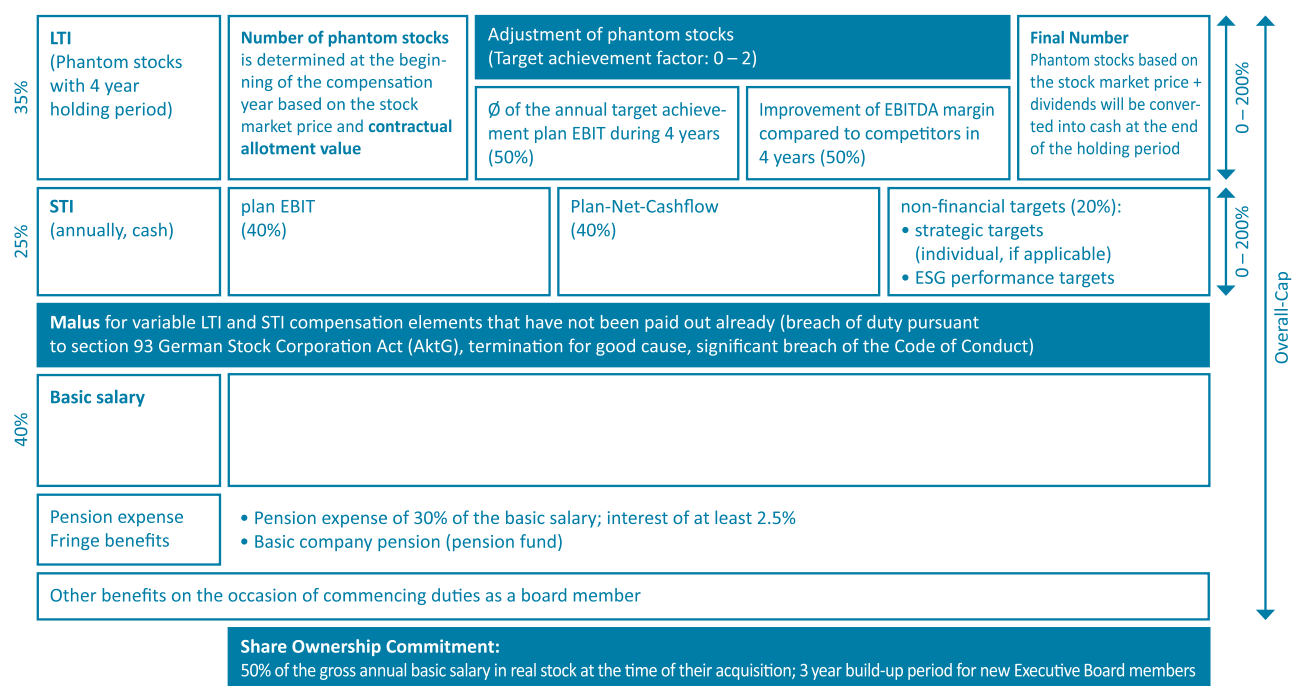
Compensation 2025

Important events in the compensation year 2025

At its meeting on July 25, 2025, the Supervisory Board resolved to extend the management contracts of Dr. Michael Heckmeier until May 5, 2031, and of Claudia Schmitt until June 30, 2031, for a further five-year term.

The following chart provides an overview of the main components of the compensation system, the targets set and their strategic relevance in the financial year 2025.

Model compensation system



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: 600,000 EUR • CFO: 390,000 EUR • COO: 390,000 EUR • fixed salary in 12 monthly instalments
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) for members who joined before 1 January 2023 • Pension cap: 50% of the last monthly basic salary received from the company before the insured event
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.	<ul style="list-style-type: none"> • Financial KPIs: <ul style="list-style-type: none"> • plan EBIT (40%) • Plan-Net-Cashflow (40%) • Non-financial KPIs: <ul style="list-style-type: none"> • strategic target (10%): <ul style="list-style-type: none"> • Progress FabNext (5%) • Closing SD-production (5%) • ESG (10%): <ul style="list-style-type: none"> • various non-financial performance indicators according to materiality analysis • Cap: 200%
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		
Other benefits in connection with the commencement of the service on the Executive Board	Part of a competitive compensation and securing the best available candidates for the Executive Board	<ul style="list-style-type: none"> • One-off payment at the due discretion of the Supervisory Board, in particular to compensate for the forfeiture of benefits by the previous employer
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
Malus	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 2025

Based on the compensation system, the Supervisory Board has set the following specific target compensation for the financial year 2025 upon recommendation of the Executive Committee of the Supervisory Board.

	Dr. Michael Heckmeier, CEO				Claudia Schmitt, CFO			
	2025				2025			
	Target	in %	Minimum	Maximum	Target	in %	Minimum	Maximum
Basic salary	600,000	35%	600,000	600,000	390,000	34%	390,000	390,000
Short term variable compensation								
STI for 2025	375,000	22%	0	750,000	243,750	21%	0	487,500
Long term variable compensation								
LTI 2025 – 2028	525,000	31%	0	1,050,000	341,250	30%	0	682,500
Target compensation	1,500,000	87%	2,400,000		975,000	86%		1,560,000
Fringe benefits	35,000	2%			35,000	3%		
Pension expense (service cost)	182,250	11%			129,080	11%		
Total target compensation	1,717,250	100%	2,650,000		1,139,080	100%		1,810,000

	Klaus Buchwald, COO (from June 1, 2024)			
	2025			
	Target	in %	Minimum	Maximum
Basic salary	390,000	35%	390,000	390,000
Short term variable compensation				
STI for 2025	243,750	22%	0	487,500
Long term variable compensation		0%		
LTI 2025 – 2028	341,250	30%	0	682,500
Target compensation	975,000	86%	1,560,000	
Fringe benefits	35,000	3%		
Pension expense (service cost)	118,462	10%		
Total target compensation	1,128,462	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 financial year (annual basic salary, variable compensation components, pension expenses or service costs, and fringe benefits). The maximum compensation amounts to EUR 2,650,000 for the CEO and EUR 1,810,000 each for the CFO and COO. The final inflow for the financial year 2025 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 financial year 2029. If the total compensation determined thereafter for the financial year 2025 exceeds the defined maximum compensation, the cash settlement of the LTI for the financial year 2025 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 executive and other employees. Secondly, the level and structure of the compensation is compared annually 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 financial year 2023. It was approved by the Annual General Meeting on May 5, 2023 with 98.27 percent of the votes cast and forms the basis for the Executive Board remuneration for 2025.

Fixed compensation components

Basic annual salary

The basic annual salary is a fixed cash payment for the year as a whole, which is based on the area of responsibility of the respective Executive Board member. The basic annual salary was paid as a salary in twelve monthly installments.

Company pension scheme

Executive Board members who were already members of Wacker Pensionskasse VVaG before January 1, 2023, are initially entitled to a basic company pension through the Pensionskasse der Wacker Chemie VVaG pension fund. For this purpose, the Company and the members of Wacker Pensionskasse VVaG make monthly contributions to the pension fund. Since January 1, 2023, new entrants to Siltronic AG have no longer been members of the Wacker Pensionskasse VVaG.

As a result, this pension component is no longer provided to Dr. Heckmeier, Mr. Buchwald or to any future members appointed to the Executive Board.

The Company also provides an annual pension contribution equal to 30 percent of the basic annual salary. The pension expenses accumulated until retirement are credited to a notional capital account and earn interest in accordance with the 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 upon the occurrence of the pension event by the pension factor applicable to the respective retirement age of the Executive Board member at the time of the occurrence of the pension event. Alternatively, the member of the Executive Board may choose a lump-sum payment upon the occurrence of the pension event instead of the lifelong retirement and disability pension granted under the plan, 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 amount as before.

EUR	Benefit obligations (IFRS)		Pension expense (IFRS)	
	2025	2024	2025	2024
<i>Members of the Executive Board in office as of December 31, 2025</i>				
Dr. Michael Heckmeier, CEO ¹	522,633	330,457	182,250	182,250
Claudia Schmitt, CFO ²	1,144,558	1,072,335	128,815	129,273
Klaus Buchwald, COO ¹	378,135	246,528	118,462	68,748

¹ Mr. Heckmeier and Mr. Buchwald have direct insurance and pension fund commitments from their previous employment relationships, which will be continued. The surrender value of the insurance policy was used as the present value of the benefit obligations.

² Ms. Schmitt has acquired entitlements under her employment contract with Siltronic AG prior to taking up office as a member of the Executive Board.

As of December 31, 2025, the pension obligations for former members of the Executive Board and their surviving dependents amounted to EUR 12,665,707 (previous year: EUR 14,037,355 including foreign pension plans).

Fringe Benefits

As a fringe benefit provided 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 subsidies, e.g., for setting up a private pension plan or the monetary value of the aforementioned benefits, provided that these are granted.

Insurance

In addition, a D&O insurance policy is in place 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. The members of the Executive Board are included in the criminal legal protection insurance policy 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 financial year at the beginning of the financial year. The performance targets consist of financial targets and non-financial targets relevant to the Company. The financial targets adopted for the financial year 2025 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 corporate governance – so called ESG targets (10 percent in total).

STI 2025

Various milestones were set as strategic objectives for the FabNext project, which relates to the progress of the commissioning of the second 300mm factory at the Group site in Singapore and the termination of SD production in Burghausen. The Supervisory Board waived individualization of the strategic targets 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 both strategic projects.

The quantitative ESG targets set by the Supervisory Board (10 percent) include key figures for the prevention of occupational accidents, the efficient and careful use of water resources, the reduction of greenhouse gas emissions, and corporate due diligence with regard to compliance with labor standards and the prevention of human rights violations in supply chains, which together make up 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 2024 are shown in the table below (group figures according to IFRS). While the actual EBIT is marginally above the target value within the target range, the target value for plan net cash flow was not achieved. To achieve the targets for the EBIT and net cash flow performance categories, the actual figures were adjusted for the effects of the later start of depreciation for FabNext and development costs. The adjustments result in a reduction in target achievement.

	Target value in EUR million	Target corridor in EUR million	Actual value in EUR million	Target achievement	Weighting in percent
Financial targets					
Plan EBIT	-93	-193 to 7	-90	1.02	40
Plan net cashflow	-200	-350 to -50	-245	0.70	40
Non-financial targets					
Strategic target (FabNext progress; SD Closure)	Contains competition-relevant information			1.50	10
ESG performance index ¹	based on a large amount of data/parameters ¹			1.74	10
Total STI				1.01	100

¹ The targets and their achievement will be explained in the combined management report for financial year 2025 under the chapter “Combined Non-Financial Statement or ESG Report” after the heading “Performance Indicators and Targets.”

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 volume-weighted average closing price of the share in the Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange over 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 2025 relate to the performance categories EBITDA margin improvement/deterioration compared with competitors over the performance period and the average of the Company's annual planned EBIT target achievement over the four-year performance period (in each case based on consolidated figures in accordance with IFRS) 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 Electronics Materials², 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 difference determined, the fourth step involves calculating the target achievement in stages, taking into account minimum and maximum values.

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. 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.

² Starting with the performance period beginning in financial year 2025, Shin-Etsu Handotai Co. Ltd. will be excluded due to a change in the composition of the Electronics Materials segment.

	Target (100%)	Weighted share price ¹	Number of phantom shares (preliminary)
Dr. Michael Heckmeier, CEO	525,000	48.21	10,890
Claudia Schmitt, CFO	341,250	48.21	7,078
Klaus Buchwald, COO	341,250	48.21	7,078

¹ Calculated on the basis of the weighted average stock exchange price (Xetra) of the last 30 trading days 2024 = EUR 48.21

The specific targets and target achievement (including the final number of phantom stocks) for the LTI tranche 2025 will be published in the Annual Report 2029 after the end of the four-year performance period.

Review of the maximum amounts for total remuneration in 2022

In order to verify compliance with the maximum amount limits of the 2022 financial year in which the tranche was awarded, the number of phantom stocks including dividend payments is to be updated until the reporting date of December 31, 2025 and

weighted with the relevant Xetra volume-weighted average closing price of the Siltronic share over the last 30 trading days of the 2025 financial year. This amounted to EUR 46.33 per share.

In view of the maturity of the 2022 – 2025 LTI tranche, a review was then carried out to ensure compliance with the maximum amount limits for the 2022 financial year in which the tranche was granted for the remuneration as a whole. The payout amount is not higher than 200 percent of the calculated LTI at the time of granting. The maximum limits were not exceeded for any member of the Executive Board. The final amount is shown in the overview below:

Payment in EUR	Calculated LTI at the beginning of the performance period	Number of phantom stocks at grant	Number of phantom stocks at Dec, 31 2025	Xetra price last 30 days 2025	Dividends (2022 – 2025)	Payment tranche 2022 – 2025	Remuneration paid in 2022	Total remuneration 2022	Maximum remuneration 2022
Dr. Christoph von Plotho, CEO (until May 5, 2023)	525,000	3,861	3,754	46.33	7.40	201,702	1,163,665	1,365,367	2,450,000
Rainer Irle, CFO (until June 30, 2023)	341,250	2,510	2,441	46.33	7.40	131,155	767,636	898,791	1,810,000

Additional disclosures on share-based compensation instruments in the financial year 2025

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 grant	Number of phantom stocks (preliminary) 31.12.2025	Value on the reporting date 31.12.2025 in EUR
Members of the Executive Board in office as of December 31, 2025					
Dr. Michael Heckmeier, CEO	2023 – 2026	340,489	4,472	4,523	239,079
	2024 – 2027	525,000	6,130	6,520	323,013
	2025 - 2028	525,000	10,890	13,416	554,532
Claudia Schmitt, CFO	2023 – 2026	170,625	2,241	2,267	119,830
	2024 – 2027	341,250	3,985	4,239	210,008
	2025 - 2028	341,250	7,078	8,720	360,429
Klaus Buchwald, COO (from June 1, 2024)	2023 – 2026	–	–	–	–
	2024 – 2027	199,063	2,324	2,472	122,468
	2025 - 2028	341,250	7,078	8,720	360,429
für former Members of the Executive Board					
Dr. Christoph von Plotho, CEO (until May 5, 2023)	–	–	–	–	–
	2023 – 2026	525,000	6,896	6,975	368,689
Rainer Irle, CFO (until June 30, 2023)	2023 – 2026	170,625	2,241	2,267	119,830

Malus rule for variable remuneration

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 reasonable discretion of the Supervisory Board.

In the financial year 2025, 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 their 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 three years to fulfill the share ownership commitment. The value of the shares at the time of acquisition is decisive. In addition to the LTI, the share ownership commitment 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 commencement of activities on the Executive Board

For new appointments of the Executive Board members, the compensation system provides 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.

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 2025

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 financial 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 financial year. Accordingly, the table contains all amounts that were earned in the reporting period (vesting principle). The variable compensation to be reported for the financial year includes, in addition to the fixed compensation components paid out in the financial year (basic salary and fringe benefits), the variable compensation STI earned for the financial year 2025 and the LTI tranche 2025 – 2028. The addition to provisions for the pension obligations is not recognized as compensation granted and owed but is recognized separately as pension expense in the section 'Company pension scheme'.

The fixed and variable remuneration components granted are in line with the requirements of the compensation system.

	Fixed Components			Variable Components			Total Compensation	Fixed	Variable
	Fixed Salary in EUR	Fringe Benefits in EUR	Total in EUR	LTI 2025 – 2028		Total in EUR	in EUR		
				STI 2025 in EUR	2028 in EUR			in %	in %
Members of the Executive Board in office as of December 31, 2025									
Dr. Michael Heckmeier, CEO	600,000	21,236	621,236	378,750	554,532	933,282	1,554,518	40	60
Claudia Schmitt, CFO	390,000	31,632	421,632	246,188	360,429	606,617	1,028,249	41	59
Klaus Buchwald, COO	390,000	18,231	408,231	246,188	360,429	606,617	1,014,848	40	60

Remuneration of former members of the Executive Board in the financial year 2025

In accordance with Section 162 (5) of the German Stock Corporation Act (AktG), personal details of former members of the Executive Board are not disclosed if they left the Executive Board before December 31, 2015.

For the former member of the Executive Board, Dr. von Plotho, who left with effect from May 5, 2023, an annual pension of EUR 157,331 was paid in financial year 2025. In addition, the profit-related remuneration for the 2022 – 2025 tranche was paid to Dr. von Plotho² and Mr. Irle.

Former members of the Executive Board who left before December 31, 2015, or their surviving dependents, received a total of EUR 484,663 in benefits (pension/retirement pension) in the financial year 2025, which consisted exclusively of fixed components.

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 50,000 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.

Supervisory Board members who join or leave the Supervisory Board during the current financial year receive a corresponding pro rata compensation, rounded up to full months.

The Company reimburses the members of the Supervisory Board for their necessary expenses in the form of a lump sum. The lump sum amounts to EUR 10,000 (in words: ten thousand euros) for each calendar year. The Company also reimburses the members of the Supervisory Board for their necessary travel expenses upon presentation of receipts.

The Company provides Supervisory Board members with adequate insurance cover. In particular, the Company has taken 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 May 5, 2023 with a majority of 99.84 percent of the votes.

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

² The ratio of fixed (pension) to variable compensation (LTI tranche payment) is 42% to 58%.

Supervisory Board compensation in the financial year 2025

Supervisory Board member	Membership in months	Lump sum annual remuneration 2025 in EUR ³	Lump sum for expenses for 2025 in EUR	fixed in %	Total remuneration in EUR
Mandy Breyer ²	12	50,000	10,000	100	60,000
Jos Benschop	8	50,000	10,000	100	60,000
Klaus-Peter Estermaier ¹	12	50,000	10,000	100	60,000
Sieglinde Feist	12	50,000	10,000	100	60,000
Dr. Hermann Gerlinger (until May 12, 2025)	12	20,833	4,167	100	25,000
Andreas Pecher (from May 12, 2025)	12	33,333	6,667	100	40,000
Michael Hankel	12	100,000	10,000	100	110,000
Günter Zellner ²	5	50,000	10,000	100	60,000
Daniela Berer ²	8	100,000	10,000	100	110,000
Mariella Röhm-Kottmann	8	100,000	10,000	100	110,000
Dr. Tobias Ohler	12	150,000	10,000	100	160,000
Lina Ohlmann ²	12	50,000	10,000	100	60,000
Volker Stapfer ²	12	75,000	10,000	100	85,000

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. (VAA) apply.

² These employee representatives on the Supervisory Board and the trade union representatives on the Supervisory Board have declared that they will donate their remuneration to charitable institutions in accordance with the guidelines of the German Trade Union Confederation. These mainly include the Hans Böckler Foundation, the Heinrich Imbusch House, and the Foundation for Work and the Environment.

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 financial year (including those 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 financial 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 financial 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	2021	2022	change in %	2023	change in %	2024	change in %	2025	change in %
Sales	1,405.4	1,805.3	28	1,513.8	-16	1,412.8	-7	1,346.7	-5
EBITDA	466.4	671.6	44	433.9	-35	363.8	-16	316.9	-13
Net loss/surplus for the year in accordance with German Commercial Code (HGB)	96.1	93.7	-2	21.4	-77	-13.3	-162	-94.3	609

Average compensation employees

EUR thousand									
Employees in Germany	78	82	5	76	-7	79	4	74	-6
Employees in the group (domestic and foreign)	66	71	7	64	-10	65	1	63	-4

Compensation Executive Board

EUR									
Dr. Michael Heckmeier	n.a.	n.a.	-	1,501,676	-	1,242,000	-	1,554,518	25
Claudia Schmitt	n.a.	n.a.	-	758,892	-	823,232	-	1,028,249	25
Klaus Buchwald	n.a.	n.a.	-	n.a.	-	726,589	-	1,014,848	40

Compensation Supervisory Board

EUR									
Current Supervisory Board members									
Mandy Breyer (since 04/2018)	39,184	37,500	-4	60,000	60	60,000	0	60,000	0
Jos Benschop (since 05/2023)	n.a.	n.a.	-	40,000	-	60,000	50	60,000	0
Klaus-Peter Estermaier (since 04/2018)	37,500	42,500	13	60,000	41	60,000	0	60,000	0
Sieglinde Feist (since 12/2014)	37,500	42,500	13	60,000	41	60,000	0	60,000	0
Dr. Hermann Gerlinger (until 05/2025)	68,750	75,000	9	80,833	8	60,000	-26	25,000	-58
Andreas Pecher (since 05/2025)	n.a.	n.a.	-	n.a.	-	n.a.	-	40,000	-
Michael Hankel (since 04/2018)	53,750	60,000	12	101,667	69	110,000	8	110,000	0
Günter Zellner (since 9/2024)	n.a.	n.a.	-	n.a.	-	20,000	-	60,000	200
Daniela Berer (since 05/2023)	n.a.	n.a.	-	73,333	-	110,000	50	110,000	0
Mariella Röhm-Kottmann (since 05/2023)	n.a.	n.a.	-	73,333	-	110,000	50	110,000	0
Dr. Tobias Ohler (since 02/2013)	106,250	115,000	8	160,000	39	160,000	0	160,000	0
Lina Ohlmann (since 01/2021)	37,500	42,500	13	60,000	41	60,000	0	60,000	0
Volker Stapfer (since 01/2022)	n.a.	42,500	-	76,667	80	85,000	11	85,000	0

Former board members

EUR									
Dr. Christoph von Plotho ¹	1,333,241	1,370,171	-20	1,558,819	14	806,007	-48	157,331	-80
Compensation (pension) former board members (term ended before 12/2015)	327,414	337,264	3	393,530	17	487,969	24	484,663	-1

¹ Dr. von Plotho's mandate as a member of the Executive Board and Chairman of the Executive Board of Siltronic AG was terminated prematurely by mutual agreement with effect from the end of May 5, 2023. His employment relationship continued unaffected until the end of December 31, 2023. In 2024, Dr. von Plotho received a compensation payment, which was credited to the company pension benefits.

Munich, March 10, 2026



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



Dr. Michael Heckmeier
CEO



Claudia Schmitt
CFO



Klaus Buchwald
COO

Auditor's Report

To Siltronic AG, Munich,

REPORT ON THE AUDIT OF THE REMUNERATION REPORT

We have audited the remuneration report of Siltronic AG, München, for the financial year from January 1, 2025 to December 31, 2025 including the related disclosures, which was prepared to comply with § [Article] 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of the Executive Directors and the Supervisory Board

The executive directors and the supervisory board of Siltronic AG are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a 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 German generally accepted standards for the audit of financial statements 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 stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this 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 the executive directors and the supervisory board, as well as evaluating the overall presentation of the remuneration report including the related disclosures.

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

Audit Opinion

In our opinion, based on the findings of our audit, the remuneration report for the financial year from January 1, 2025 to December 31, 2025, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

Reference to an Other Matter – Formal Audit of the Remuneration Report according to § 162 AktG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report.

Restriction on us

We issue this auditor's report on the basis of the engagement agreed with Siltronic AG. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. § 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Munich, March 10, 2026

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Klaus Bernhard
Wirtschaftsprüfer
[German Public Auditor]

Diana Plaum
Wirtschaftsprüfer
[German Public Auditor]

Additional information

Quarterly overview

		Q4 2025	Q3 2025	Q2 2025	Q1 2025
Statement of profit or loss					
Sales	In EUR million	371.6	300.3	329.1	345.8
EBITDA	In EUR million	86.4	65.7	86.4	78.3
EBITDA margin	In %	23.3	21.9	26.3	22.6
EBIT	In EUR million	-33.6	-31.4	23.7	14.9
EBIT margin	In %	-9.0	-10.5	7.2	4.3
Net profit	In EUR million	-52.8	-43.9	14.6	4.3
Earnings per share	In EUR	-1.48	-1.29	0.38	0.08
Capital expenditure and net cash flow					
Capital expenditure including intangible assets	In EUR million	61.6	85.5	125.5	96.5
Net cash flow	In EUR million	102.1	-30.6	-83.4	-73.6
Statement of financial position					
Total assets	In EUR million	4,760.9	4,855.8	4,931.5	4,971.4
Equity	In EUR million	2,028.3	2,069.8	2,136.5	2,179.1
Equity ratio	In %	42.6	42.6	43.3	43.8
Net financial debt	In EUR million	836.5	932.7	902.7	819.1

¹ Quarterly figures are unaudited values.

Glossary

ASP

Average selling prices

Cash flow

A financial metric representing the net amount of cash and cash equivalents flowing into and out of a business during a given period. Net cash flow is the sum of cash flow from operating activities (excluding changes in advance prepayments received) and cash flow from current investing activities (excluding securities but including additions from finance leases).

EBIT

Earnings before interest and taxes. This standardized metric is used by many companies, making it useful for comparing profit.

EBITDA

Earnings before interest, taxes, depreciation and amortization = EBIT + depreciation and amortization.

Equity ratio

A company's equity expressed as a percentage of its total assets. This metric provides an indication of a company's economic and financial stability.

HAP

Hazardous air pollutants

IFRS

International Financial Reporting Standards (until 2001: International Accounting Standards, IAS). These standards are developed and published by the International Accounting Standards Board (IASB), which is based in London, UK. Under the IAS Regulation, adoption of IFRS has been mandatory for listed companies headquartered in the European Union since 2005.

NM VOC

Non-methane volatile organic compounds

NO_x

Nitrogen oxides

PM

Particulate matter

Polysilicon

Hyperpure silicon used to manufacture silicon wafers for the electronics and solar industries. Raw silicon is added to liquid trichlorosilane and extensively distilled before being separated again in a hyperpure form at a temperature of 1,000 degrees Celsius.

POP

Persistent organic pollutant

Semiconductor

A substance whose electrical conductivity is much lower than that of a metal but increases rapidly as the temperature rises. Semiconductors can be changed by deliberately introducing impurities in order to adapt them for a particular purpose.

Silicon

The second most abundant element on Earth after oxygen. In nature, silicon can only be found in the form of compounds, predominantly silicon dioxide and silicates. Silicon is obtained in an energy-intensive reaction between quartz sand and carbon. It is the most important raw material for the electronics industry.

Silicon wafer

A round disk with a thickness of approximately 200 to 800 µm. Silicon wafers are used by the semiconductor industry to manufacture semiconductor components, i.e. integrated circuits and individual components (known as discrete components).

SO_x

Sulfur oxides

Financial calendar

April 29, 2026	Interim Report Q1 2026
May 08, 2026	Annual General Meeting
July 30, 2026	Interim Report Q2 2026
October 29, 2026	Interim Report Q3 2026

Contact

Stephanie Malgara
Senior Manager Investor Relations
Phone +49 89 8564 3133
investor.relations@siltronic.com

Imprint

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Siltronic AG
Einsteinstraße 172
81677 Munich, Germany
Phone +49 89 8564 3000
impressum@siltronic.com

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Note on the Annual Report

This Annual Report is also available in German. If there are differences between the two, the German version takes priority. The Annual Report is available as a PDF document.

Note on rounding

Please note that slight differences may arise as a result of the use of rounded amounts and percentages.

Disclaimer

This annual report contains forward-looking statements based on assumptions and estimates made by Siltronic's Executive Board. Although we assume that the expectations in these forward-looking statements are realistic, we cannot guarantee they will prove to be correct. The assumptions may harbor risks and uncertainties that may cause the actual figures to differ considerably from the forward-looking statements. Factors that may cause such discrepancies include, among other things, changes in the economic and business environment, variations in exchange and interest rates, the introduction of competing products, lack of acceptance for new products or services, and changes in corporate strategy. Siltronic does not plan to update the forward-looking statements, nor does it assume the obligation to do so. Due to rounding, it is possible that individual figures in this report and other reports do not exactly add up to the total stated and that percentages shown may not exactly reflect the absolute values to which they refer.

Siltronic AG

Einsteinstraße 172

81677 Munich, Germany

Phone +49 89 8564 3000

impressum@siltronic.com