

## **Siltronic AG**

### **Detailed explanations of shareholders' rights and agenda items not requiring a resolution**

#### **DETAILED EXPLANATION OF SHAREHOLDERS' RIGHTS**

(pursuant to Section 122 (2), Section 126 (1), Section 127, Section 131 (1) of the German Stock Corporation Act (AktG))

##### **1. Requests for Additions to the Agenda pursuant to Section 122 (2) of the German Stock Corporation Act (AktG)**

Shareholders whose combined shares reach the nominal amount of €500,000 of the company's share capital (equivalent to 125,000 no-par-value shares) may request that items be added to the agenda and be published. Each new item must be accompanied by an explanation or a draft proposal. Requests must be directed to the Executive Board of Siltronic AG in writing and be received at least 30 days in advance of the Annual General Meeting, i.e. no later than midnight (24:00 hours) on **April 6, 2019**. Requests can be sent to the following address:

**Siltronic AG**  
Executive Board  
Attn: Investor Relations  
Hanns-Seidel-Platz 4  
81737 München, Germany

Persons submitting a request must prove that they have held the shares for at least 90 days before the date the request is received and that they hold the shares until the Executive Board decides on the request, with Section 70 of the German Stock Corporation Act (AktG) being applicable when calculating the time for which shares have been held. The day on which the request is received shall not be counted. Any move from a Sunday, Saturday or public holiday to a preceding or subsequent business day shall not be possible. Sections 187 to 193 of the German Civil Code (BGB) shall not be applied accordingly.

Requests for additions to the agenda that need to be published shall be announced immediately after receipt in the Bundesanzeiger (Germany's Federal Gazette). Furthermore, they will be made available to shareholders at the web address <https://www.siltronic.com/en/investors/annual-general-meeting.html>, and will be sent to all shareholders registered in the Shareholder Register pursuant to Section 125 (2) and (1) Sentence 3 of the German Stock Corporation Act (AktG).

The provisions of the German Stock Corporation Act (AktG) underlying these shareholders' rights are as follows:

**Section 122 Convening a meeting at the request of a minority**

- (1) A shareholders' meeting shall be convened if shareholders whose holdings amount in the aggregate to one-twentieth of the share capital request such a meeting in writing, stating the purpose and the reasons of such meeting; such request shall be addressed to the executive board. The articles of association may provide that the right to require a shareholders' meeting to be convened shall be linked to a different form or to a lower portion of the share capital. The applicants have to prove that they have been shareholders for at least 90 days prior to the day of the receipt of the demand and that they will continue to hold the shares until the decision of the executive board regarding their request is made. Section 121(7) shall apply correspondingly.*
- (2) Equally, shareholders whose holdings amount in the aggregate to one-twentieth of the share capital or a proportionate interest of €500,000 may require items to be placed on the agenda and published. Each new item must be accompanied by an explanatory statement or by a draft proposal. Requests within the meaning of sentence 1 must be received by the company at least 24 days, and in the case of listed companies at least 30 days, prior to the meeting; the day of receipt shall not be included.*
- (3) If such a request is not complied with, the court may authorize the shareholders who made the request to convene a shareholders' meeting or publish the item concerned. At the same time, the court may appoint the chair of the meeting. The notice of the meeting or the publication must refer to the authorization. An appeal may be brought against the ruling. The applicants have to prove that they will continue to hold the shares until the decision of the court is made.*
- (4) The company shall bear the costs of the shareholders' meeting and, in the case of subsection (3), the court costs as well if the court has approved of the application.*

**Section 121 General Provisions (excerpt)**

- (7) In case of deadlines and dates which are calculated back from the date of the meeting, the day of the meeting itself shall not be included in the calculation. Adjourning the meeting from a Sunday, Saturday or a holiday to a preceding or following working day shall not be an option. Sections 187 to 193 of the German Civil Code (Bürgerliches Gesetzbuch) shall not be applied analogously. In case of unlisted companies, the articles may provide for a different calculation of the deadline.*

**Section 70 Calculating the Shareholding Period**

*If the exercise of rights from a share depends on the shareholder having held the share for a certain period of time, the right to demand transfer of title from a credit institution, a financial services institution, or an enterprise operating in accordance with section 53(1) sentence 1 or section 53b(1) sentence 1 or (7) of the German Banking Act (Gesetz über das Kreditwesen) shall be considered equivalent to ownership. The period during which the share was owned by a predecessor in title shall be attributed to the shareholder, provided that the latter has acquired the share without consideration, from the latter's fiduciary, as the universal successor, on the liquidation of a community, or on a transfer of assets in accordance with section 13 of the German Insurance Supervision Act (Versicherungsaufsichtsgesetz) or section 14 of the German Building and Loan Associations Act (Gesetz über Bausparkassen).*

## **2. Counter motions and election proposals pursuant to Section 126 (1) and Section 127 of the German Stock Corporation Act (AktG)**

Any shareholder of the Company is entitled to submit counter motions to proposals of the Executive Board and/or Supervisory Board concerning certain items of the agenda and to submit election proposals for the Supervisory Board or the auditor.

Counter motions (possibly accompanied by the reasons for the motion) and election proposals are to be sent exclusively to:

### **Siltronic AG**

Investor Relations  
Hanns-Seidel-Platz 4  
81737 Munich, Germany  
Fax: +49 89 8564 3904  
E-Mail: [investor.relations@siltronic.com](mailto:investor.relations@siltronic.com)

We will publish counter motions and election proposals that have to be made accessible and have been received by the Company by no later than 14 days before the Meeting, in other words by **midnight (24.00 hours) April 22, 2019**, immediately upon receipt, including the shareholder's name, reasons to be made available – where applicable together with additional content in accordance with Section 127 (4) of the German Stock Corporation Act (AktG) – on <https://www.siltronic.com/en/investors/annual-general-meeting.html>. Any statements by the management will also be published on Siltronic AG's website.

Election proposals do not need to be published if the proposal does not contain the information required by Sections 124 (3) Sentence 4 and 125 (1) 5 of the German Stock Corporation Act (AktG) (name, profession and residence of the auditor or Supervisory Board candidates and information on membership of the Supervisory Board candidates in other statutory Supervisory Boards).

The Company may also waive making a counter motion or election proposal available in the cases of Section 126 (2) or (3) of the German Stock Corporation Act (AktG).

Please note that counter proposals and election proposals will only be considered at the Annual General Meeting, even if they have already been submitted to the Company in advance, if they are (again) submitted orally at the Annual General Meeting. The right of shareholders to raise counter proposals to items on the agenda or to submit election proposals during the Annual General Meeting is otherwise independent of any prior submissions to the Company.

The provisions of the German Stock Corporation Act (AktG) underlying these shareholders' rights which also specify, under which conditions counter motions and election proposals need not be made accessible, read as follows:

### **Section 126 Motions by shareholders**

- (1) Motions by shareholders, including the shareholders' name, supporting information and, if any, management's position shall be made available to the eligible persons referred to in Section 125, (1) through (3) under the conditions specified therein, provided that the shareholder transmitted to the company at least 14 days prior to the meeting a counter proposal to a proposal of the executive board and the supervisory board regarding a specific item on the agenda, together with supporting information, to the address designated for this purpose in the shareholders' meeting notice. The day of receipt shall not be counted. In the case of stock exchange listed companies, the required acces-*

sibility shall be provided over the website of the company. Section 125 (3) shall apply *mutatis mutandis*.

- (2) A countermotion and its reason need not be made accessible if:
1. the executive board would by reason of such accessibility become criminally liable,
  2. the countermotion would result in a resolution of the Annual Meeting of the Shareholders in violation of applicable law or the Articles of Incorporation,
  3. main points of the reason obviously contain false or misleading or insulting statements,
  4. a countermotion of the shareholder relating to the same subject matter has already been made accessible to an Annual Meeting of the Shareholders pursuant to Section 125,
  5. the same countermotion of the shareholder with materially the same reason has already been made accessible to at least two of the Annual Meetings of the Shareholders of the Company in the past five years pursuant to Section 125 and less than one twentieth of the share capital represented at the Annual Meeting of the Shareholders voted in its favor,
  6. the shareholder indicates that he will not attend or be represented at the Annual Meeting of the Shareholders, or
  7. in the past two years at two Annual Meetings of the Shareholders, the shareholder notified the Company of a countermotion but did not present that countermotion and did not have it presented.

The reason need not to be made accessible if it is longer than 5,000 characters in total.

- (3) If several shareholders make counterproposals for resolution with respect to the same subject matter, the executive board may combine such counterproposals and the respective supporting information.

### **Section 127 Election proposals by shareholders**

Section 126 shall apply *mutatis mutandis* to a proposal by a shareholder for the election of members of the supervisory board or independent auditors. Such election proposal need not be supported by a reason. The executive board need not make such election proposal accessible if the proposal fails to contain information pursuant to Section 124 (3) Sentence 4, and Section 125 (1) Sentence 5. Regarding nominations made by shareholders for the election of supervisory board members of listed companies, to which the Co-Determination Act (*Mitbestimmungsgesetz*), the Coal, Iron and Steel Co-Determination Act (*Montan-Mitbestimmungsgesetz*) or the Co-Determination Amendment Act (*Mitbestimmungsergänzungsgesetz*) apply, the management board has to add the following information:

1. reference to the requirements pursuant to Section 96 (2),
2. statement whether there has been an objection to the overall fulfilment pursuant to Section 96, Subsection 2, Sentence 3 and
3. statement how many seats in the supervisory board need to be occupied by women and men respectively to comply with the requirements pursuant to Section 96 (2) Sentence 1.

### **Section 124 Publication of requests for additions to the agenda; proposals for resolutions (excerpts)**

- (3) [...] <sup>4</sup>The proposal for the election of members of the supervisory board or auditors shall state their names, actual profession and place of residence.

### **Section 125 Communications to shareholders and supervisory board members (excerpts)**

- (1) [...] <sup>5</sup>In the case of stock exchange listed companies, any proposal for the election of supervisory board members must be accompanied by details on the membership in other supervisory boards whose establishment is required by law; details on their membership in comparable domestic and foreign controlling bodies of business enterprises should also be provided.

### **3. Right to obtain information pursuant to Section 131 (1) of the German Stock Corporation Act (AktG)**

At the Annual General Meeting, each shareholder shall upon request be provided with information by the Executive Board regarding the Company's affairs, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda and that there is no legal right to withhold such information. The Executive Board has to also disclose information with regard to the company's legal and business relation with any affiliated enterprise as well as to the position of the consolidated group and any enterprise included in the consolidated financial statements. Requests for information must be made orally during the Annual General Meeting as part of the question-and-answer session.

The provisions of the German Stock Corporation Act (AktG) underlying these shareholders' rights which also determine under which circumstances this information need not be provided, read as follows:

### **Section 131 Shareholders' right to obtain information (excerpts)**

- (1) *Each shareholder shall upon request be provided with information at the shareholders' meeting by the executive board regarding the company's affairs, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda. The duty to provide information shall also extend to the company's legal and business relations with any affiliated enterprise. If a company makes use of the simplified procedure pursuant to Section 266 (1) Sentence 3, Section 276 or Section 288 of the German Commercial Code (HGB), each shareholder may request that the annual financial statements be presented to him / her at the shareholders' meeting on such annual financial statements in the form they would take without these simplifications. The duty of the executive board of a parent company (Section 290 (1) and (2) of the German Commercial Code (HGB)) to provide information at the shareholders' meeting at which the consolidated financial statements and management report of these statements are presented also extends to the position of the consolidated group and any enterprises included in the consolidated financial statements.*
- (2) *The information provided shall comply with the principles of conscientious and accurate accounting. The articles or the bylaws pursuant to Section 129 may authorize the chairman of the meeting to reasonably limit a shareholder's time to speak and ask questions and may provide relevant details in this connection.*
- (3) *The executive board may refuse to provide information:*
- 1. if, according to a reasonable business judgment, disclosing the information is likely to result in material disadvantage to the Company or one of its subsidiaries;*
  - 2. that relates to the estimation of amounts for tax purposes or the amounts of individual taxes;*
  - 3. concerning the difference between the amounts at which items are entered in the year-end balance sheet and any higher value of those items, unless the shareholders' meeting is to approve the annual financial statements;*
  - 4. concerning accounting and valuation methods, if the information on these methods given in the notes to the financial statements is sufficient to provide a view of the actual situation of the Company's financial position, liquidity and capital resources, and profitability in accordance with Sec-*

*tion 264 (2) of the German Commercial Code (Handelsgesetzbuch); the foregoing shall not apply if the shareholders' meeting is to approve the annual financial statements;*

- 5. the executive board would by become criminally liable for providing such information;*
- 6. insofar as, in the case of a credit institution or financial services institution, information need not be given on methods of accounting and valuation applied and setoffs made in the annual financial statements, management's discussion and analysis thereof, consolidated financial statements or management's discussion and analysis thereof;*
- 7. if the information is fully accessible on the Company's Internet website for at least seven days before the beginning of the Annual Meeting of the Shareholders and is also accessible during the Annual Meeting.*

*The information may not be refused for any other reasons.*

- (4) If information has been provided to a shareholder outside the shareholders' meeting by reason of his / her status as a shareholder, such information shall upon request be provided to any other shareholder at the shareholders' meeting, even if such information is not necessary to permit a proper evaluation of an item on the agenda. The executive board may not refuse to provide such information on the grounds of Section 131 (3) Sentence 1, no. 1 through 4. Sentences 1 and 2 shall not apply if a subsidiary (Section 290 (1) and (2) of the German Commercial Code (HGB)), a joint venture (Section 310 (1) of the German Commercial Code (HGB)) or an associated company (Section 311 (1) of the German Commercial Code (HGB)) provides information to a parent company (Section 290 (1) and (2) of the German Commercial Code (HGB)) for the purpose of inclusion of the company in the consolidated financial statements of the parent company and such information is needed for such purposes.*
- (5) A shareholder who has been denied information may request that his / her query and the reason for which the information was denied be recorded in the minutes of the meeting.*

Furthermore, pursuant to Section 131 (2) Sentence 2 of the German Stock Corporation Act (AktG) in connection with Article 16 (2) of Siltronic AG's Articles of Incorporation, the Chairman of the Annual General Meeting may set an appropriate time limit with respect to the right of shareholders to speak and ask questions at the Annual General Meeting. The respective provision of the Articles of Incorporation reads as follows:

**Article 16 Chairman of the Annual General Meeting (excerpts)**

- (2) The Chairman may decide that topics of the agenda be dealt with in a sequence that differs from the notified sequence. He may determine type, form and sequence of the voting. The Chairman may set an appropriate time limit with respect to the right of shareholders to speak and ask questions.*

## DETAILED EXPLANATION OF AGENDA ITEMS NOT REQUIRING A RESOLUTION

(Section 124a, Sentence 1 No. 2 of the German Stock Corporation Act (AktG))

The Agenda stipulates the following agenda topic no. 1 which does not require a resolution:

**Presentation of the adopted separate financial statements, the approved consolidated financial statements and combined management report of Siltronic AG and the Siltronic Group as at December 31, 2018 as well as the report of the Supervisory Board for the 2018 fiscal year and Executive Board's Explanatory Report of the disclosures made pursuant to sections 289a and 315a of the German Commercial Code (HGB)**

No resolution on this agenda item is intended, since on March 1, 2019, the Supervisory Board already approved the annual financial statements and consolidated financial statements presented by the Executive Board, thus adopting the annual financial statements (Section 172 of the German Stock Corporation Act (AktG)).

Pursuant to Section 173 of the German Stock Corporation Act (AktG), the Annual General Meeting can only adopt the annual financial statements if the Executive Board and Supervisory Board have resolved to cede adoption of the annual financial statements to the Annual General Meeting or if the Supervisory Board has not approved the annual financial statements. This applies analogously if the Supervisory Board of a parent company has not approved the consolidated financial statements (Section 290 (1), (2) of the German Commercial Code).

Therefore, no resolution by the Annual General Meeting shall be passed.