

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 of the German Stock Corporation Act (AktG) as well as on the possibilities available to shareholders under Section 1 (2) no. 3 / no. 4 COVID-19-Law)

1. Requests for Additions to the Agenda at the request of a minority pursuant to Section 122 (2) of the German Stock Corporation Act (AktG)

Shareholders whose shares together represent a proportionate amount of the share capital of €500,000.00 (this corresponds to 125,000 shares) may request that items be placed on the Agenda and be published. In addition, in accordance with Section 87 (4) of the German Stock Corporation Act (AktG) in conjunction with Section 122 (2) of the German Stock Corporation Act (AktG), they can request the General Meeting to pass a resolution on the reduction of the maximum compensation determined in accordance with Section 87a (1) sentence 2 no. 1 of the German Stock Corporation Act (AktG). Each new item must be accompanied by an explanation or a draft resolution. The request must be addressed in writing to the Executive Board of Siltronic AG and must be received by the Company at least 30 days prior to the meeting, i.e. no later than **24:00 hours on May 26, 2020**. Please send your request to the following address:

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

The applicants must prove that they have held the shares for at least 90 days prior to the date of receipt of the request and that they will hold the shares until the decision of the Executive Board on the request, whereby section 70 of the German Stock Corporation Act (AktG) applies when calculating the period of share ownership. The day of receipt of the request shall not be counted. A postponement from a Sunday, Saturday or public holiday to a preceding or following working day shall not be considered. Sections 187 to 193 of the German Civil Code (BGB) shall not apply mutatis mutandis.

Requests for additions to the Agenda that have to be published will be announced in the Federal Gazette immediately after receipt of the request. They are also published on the Internet at <https://www.siltronic.com/en/investors/annual-general-meeting.html> and communicated to the shareholders entered in the share register in accordance with Section 125 (2), (1) sentence 3 of the German Stock Corporation Act (AktG).

These shareholder rights are based on the following provisions of the German Stock Corporation Act (AktG):

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).

Section 87 Principles for the remuneration of members of the Executive Board (excerpt)

- (4) *Subject to a request in accordance with Section 122 (2) sentence 1, the shareholders' meeting can reduce the maximum compensation defined in Section 87 a (1) sentence 2 number 1.*

Section 87a Remuneration system of listed companies (excerpt)

(1) *The Supervisory Board of the listed company shall adopt a clear and comprehensible system for the remuneration of the members of the Executive Board. This remuneration system shall contain at least the following information, but with regard to remuneration components only to the extent that these are actually provided for:*

1. the determination of a maximum remuneration for the members of the Executive Board;

2. Motions and nominations by shareholders pursuant to Sections 126 (1), 127 of the German Stock Corporation Act (AktG)

Each shareholder is entitled to submit to the Company countermotions to a proposal of the Executive Board and/or Supervisory Board on a specific Agenda Item as well as proposals for the election of Supervisory Board members or auditors.

Countermotions (possibly accompanied by the reasons for the motion) and election proposals must be sent exclusively to the following address:

Siltronic AG

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

Countermotions and election proposals to be made accessible, which are received at the above address no later than 14 days prior to the Annual General Meeting, i.e. by **24.00 hours on June 11, 2020**, will be published at <https://www.siltronic.com/en/investors/annual-general-meeting.html> without delay after receipt, including the name of the shareholder and the reasons to be made accessible - if applicable, together with the additional content to be provided pursuant to Section 127 sentence 4 of the German Stock Corporation Act (AktG). Any comments by the management will also be published on the Siltronic AG website.

Nominations do not have to be published if the nomination does not contain the information required under stock corporation law in accordance with Sections 124 (3) sentence 4 and 125 (1) sentence 5 of the German Stock Corporation Act (AktG) (name, profession and place of residence of the auditor or Supervisory Board candidate as well as information on the Supervisory Board candidate's membership of other statutory supervisory boards).

In addition, the Company may refrain from making a countermotion or election proposal accessible in the cases set out in Section 126 (2) or (3) of the German Stock Corporation Act (AktG).

The provisions of the German Stock Corporation Act (AktG) underlying these shareholders' rights which also specify under which conditions countermotions and election proposals need not be made accessible, are 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 counterproposal 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 accessibility 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) [...] *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) [...] *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. Possibility of questions according to Section 1 (2) no. 3 COVID-19-Law

Shareholders and their proxies, with the exception of proxies appointed by the Company, have the possibility of asking questions by way of electronic communication in accordance with Section 1 (2) no. 3 of Article 2 of the Law on Mitigation of the Effects of the COVID 19 Pandemic in Civil, Insolvency and Criminal Proceedings, hereinafter COVID-19-Law. The possibility to ask questions is only available to shareholders and their proxies who have duly registered for the virtual General Meeting.

Questions can only be submitted electronically in the shareholder portal at <https://www.siltronic.com/en/investors/annual-general-meeting.html> with the access data by June 24, 2020, 10:00 a.m. There is no right to receive a reply associated with the possibility to ask questions. In accordance with Section 1 (2) of the COVID-19-Law, the Executive Board in its due, sole discretion decides which questions will be answered and how. The Executive Board is not required to answer all questions; rather, it may summarize questions and select questions that are meaningful in the interests of the other shareholders

The provisions underlying this question possibility by way of electronic communication are as follows:

Section 1 of COVID-19-Law (excerpt)

- (2) *The executive board may decide that the meeting is held as a virtual general meeting without the physical presence of shareholders or their proxies, provided that*

[...]

- 3. the shareholders are given the opportunity to ask questions by way of electronic communication,*

[...]

The Executive Board shall decide, at its sole discretion, which questions to answer and how to answer them; it may also stipulate that questions must be submitted by electronic communication at least two days before the meeting.

- (6) *The decisions of the executive board pursuant to paragraphs 1 to 5 require the approval of the supervisory board. [...]*

4. Possibility to raise an objection against resolutions of the virtual Annual General Meeting in accordance with Section 1 (2) no. 4 of the COVID-19-Law

Notwithstanding Section 245 no. 1 of the German Stock Corporation Act (AktG), shareholders who exercise their voting rights by postal vote or by proxy may - in person or by proxy - raise an objection to resolutions of the virtual Annual General Meeting during the virtual Annual General Meeting in the shareholder portal at <https://www.siltronic.com/en/investors/annual-general-meeting.html> using the access data sent to them, without physically appearing at the Annual General Meeting.

The provisions on which this possibility to object are based are as follows:

§ Section 1 Covid 19 Act (excerpt)

(2) *The executive board may decide that the meeting is held as a virtual general meeting without the physical presence of shareholders or their proxies, provided that*

[...]

2. the exercise of shareholders' voting rights is possible via electronic communication (postal voting or electronic participation) and the granting of proxies,

[...]

4. the shareholders who have exercised their voting rights in accordance with No. 2 are given the possibility to object to a resolution of the Annual General Meeting, in deviation from Section 245 No. 1 of the German Stock Corporation Act, waiving the requirement to appear at the Annual General Meeting.

[...]

(6) *The decisions of the executive Board pursuant to paragraphs 1 to 5 require the approval of the Supervisory Board. [...]*

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, 2019 as well as the report of the Supervisory Board for the 2019 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, as the Supervisory Board approved the annual and consolidated financial statements prepared by the Executive Board on March 4, 2020 and the annual financial statements are thus adopted (Section 172 of the German Stock Corporation Act (AktG)).

Pursuant to Section 173 of the German Stock Corporation Act (AktG), the Annual General Meeting only adopts the annual financial statements if the Executive Board and Supervisory Board have decided to leave the 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 (Section 290 (1), (2) of the German Commercial Code (HGB)) has not approved the consolidated financial statements.

A resolution by the Annual General Meeting is therefore not required.