



**Bylaws for the Executive Board
of
Siltronic AG**

Pursuant to § 5 (3) of the Articles of Association, the Supervisory Board of Siltronic AG (the **Company**, together with its group companies hereinafter also referred to as the **Company**) issues the following Bylaws for the Executive Board:

**§ 1
General**

- (1) The Executive Board shall conduct the business of the Company in accordance with the law, the Articles of Association and these Bylaws. It shall cooperate in a spirit of trust with the other corporate bodies of the Company and with the representatives of the workforce for the benefit of the Company.
- (2) The Executive Board manages the Company on its own responsibility. It is bound to the interests of the Company and committed to increasing the sustainable value of the Company. It develops the strategic direction of the Company, agrees it with the Supervisory Board and ensures its implementation.
- (3) The Executive Board is responsible for ensuring compliance with statutory provisions and internal Company policies and works towards their observance by the group companies (Compliance). It ensures appropriate risk management and risk controlling.
- (4) The areas of responsibility of the individual members of the Executive Board are shown in the schedule of responsibilities attached as an Annex, which forms part of these Bylaws.

**§ 2
Overall responsibility and management of the divisions**

- (1) The members of the Executive Board are jointly responsible for the overall management of the Company. They shall work together as colleagues and keep each other informed on an ongoing basis of important measures and transactions in their respective areas of responsibility. Each member of the Executive Board may at any time request information from the other members of the Executive Board on specific business matters relating to the respective Board member's area of responsibility.

The Executive Board is to be informed regularly about business developments in the individual departments by the respective Board member responsible.

(2) The Executive Board shall decide in its entirety on all matters in which the law, the Articles of Association or these Bylaws provide for a decision by the Executive Board, in particular on

- a) the strategy of the Company, significant issues of business policy and all other matters, in particular national or international business relations, which are of particular importance and scope for the Company or its subsidiaries;
- b) the preparation of the annual financial statements and the management report as well as the consolidated financial statements and the group management report as well as half-yearly and quarterly financial reports, interim announcements and other comparable reports;
- c) the convening of the Annual General Meeting and proposals of the Executive Board for resolutions to be adopted by the Annual General Meeting;
- d) periodic reporting to the Supervisory Board;
- e) measures and legal transactions requiring the approval of the Supervisory Board or the Annual General Meeting in accordance with the law, the Articles of Association or these Bylaws;
- f) important personnel matters;
- g) the annual and multi-year planning for the Company and the Group and, in particular, the associated investment and financial planning;
- h) the issuance of the declaration on the Corporate Governance Code pursuant to § 161 of the German Stock Corporation Act (AktG), insofar as such a declaration is to be issued;
- i) all matters that are not assigned to the area of responsibility of a member of the Executive Board by the schedule of responsibilities;
- j) on all matters submitted to the Board for resolution by a member of the Board or on which a member of the Board requests that a resolution be adopted.

(3) The individual member of the Executive Board shall be responsible for managing the departments assigned to him within the framework of the Executive Board resolutions; this shall not constitute an individual power of representation.

(4) Insofar as measures and transactions of one department significantly affect one or more other departments at the same time, the member of the Executive Board must first reach agreement with the other members involved. If no agreement can be reached, each member of the Executive Board involved is obliged to bring about a resolution by the Executive Board. In this case, the measure must not be taken until the Executive Board has reached a decision.

(5) Each member is obliged, in the event of serious concerns about a matter concerning another department, to bring about a resolution by the Executive Board if the concerns cannot be resolved by discussion with the other member of the Executive Board. In

this case, the action must be refrained from until the Executive Board has reached a decision.

- (6) Measures and transactions in the area of responsibility of a member of the Executive Board which are of exceptional importance for the Company or which involve an exceptional economic risk require the prior approval of the Executive Board.
- (7) A member of the Executive Board may undertake measures and transactions of the kind described in section 4 sentence 1, section 5 sentence 1 and section 6 without the prior approval of the Executive Board - and in the case of section 4 sentence 1 or section 5 sentence 1 also without prior consultation or discussion with the other members involved - if this is necessary at his due discretion to avoid imminent serious disadvantages for the Company. The Executive Board must be informed immediately of any such action.
- (8) The Executive Board shall determine the rules according to which the members of the Executive Board shall represent each other in case of absence.

§ 3 **Chairperson of the Executive Board, Deputy**

- (1) The Chairperson of the Executive Board is responsible for the coordination of all areas of activity of the Executive Board and the departments of the members of the Executive Board. He/she shall work to ensure that the management of all areas of responsibility is uniformly aligned with the objectives set out in the resolutions of the Executive Board. He/she may at any time request information from the members of the Executive Board on individual matters relating to their departments and may stipulate that he/she be informed in advance of certain types of business.
- (2) The Chairperson of the Executive Board represents the Executive Board and the Company vis-à-vis the public, in particular vis-à-vis authorities, associations, business organizations and publication bodies. He/she may delegate these duties to another member of the Executive Board for certain types of matters or in individual cases.
- (3) The Chairperson of the Executive Board is responsible for leading the Executive Board in its cooperation with the Supervisory Board and its members. He/she regularly informs the Chairperson of the Supervisory Board about the course of business and the situation of the Company and the enterprise. He/she shall report to the Chairperson of the Supervisory Board without delay on important occasions and on business matters which may have a significant influence on the assessment of the situation and development as well as on the management of the Company; this shall include in particular any deficiencies which become known within the framework of the monitoring system pursuant to § 91 (2) of the German Stock Corporation Act (AktG).

- (4) If the Chairperson of the Executive Board is prevented from attending, the Deputy Chairperson, if one has been appointed by the Supervisory Board, shall exercise the rights and duties of the Chairperson. This does not apply to the Chairperson's right to cast a deciding vote pursuant to § 4 (6) sentence 2 of these Bylaws.

§ 4

Meetings, quorum and passing of resolutions

- (1) Meetings of the Executive Board shall be convened by the Chairperson of the Board. Meetings shall be held, as a rule, twice a month. They must take place when the welfare of the Company requires it. Any member may request that a meeting be convened without delay, stating the item to be discussed. Each member of the Executive Board has the right to request the inclusion of an item on the agenda. The agenda shall be communicated with the notice of the meeting, which shall not be later than three days before the meeting.
- (2) The Chairperson of the Executive Board chairs the meetings. He/she shall determine the order in which the items on the agenda are dealt with and the manner and sequence of voting. He/she may determine that persons who are not members of the Executive Board be called in to discuss individual items. The chairperson may postpone the discussion and adoption of resolutions on individual items on the agenda.
- (3) As a rule, the Executive Board shall adopt resolutions in meetings, which may also be held in the form of a video or telephone conference if the Chairperson so directs. Absent members shall be informed immediately of resolutions adopted in their absence. Members who are present by telephone or video conference are deemed to be present. Matters relating to the portfolio of an absent member shall - except in urgent cases - only be discussed and decided upon with that member's consent.
- (4) By order of the Chairperson of the Executive Board, resolutions may also be adopted outside meetings by votes cast in writing, orally, by telephone, by facsimile, by e-mail or by other customary means of communication. Such resolutions shall be recorded by the Chairperson of the Executive Board and forwarded to all members.
- (5) If the Executive Board consists of fewer than three persons, it shall constitute a quorum if all members are present; otherwise, the Executive Board shall constitute a quorum if at least half of its members are present at the meeting or participate in the vote by casting a vote in the form set out in section 4 above. The foregoing shall apply mutatis mutandis when resolutions are adopted outside a meeting. A member of the Executive Board shall participate in the adoption of a resolution for the purposes of this section even if he or she abstains from voting.
- (6) The Executive Board shall adopt resolutions by a simple majority of its members, unless other majorities are prescribed by law or by the Articles of Association or

these Bylaws. If the Executive Board consists of more than two persons, the Chairperson of the Executive Board shall have the casting vote in the event of a tie.

(7) Minutes shall be taken of the meetings of the Executive Board, showing the place and date of the meeting, the participants, the agenda and the wording of the resolutions. The minutes shall be signed by the Chairperson of the meeting and a copy shall be sent to all members of the Board. The minutes shall be deemed approved if no member of the Executive Board objects at the next meeting following receipt of the minutes.

§ 5

Approval of the Supervisory Board

(1) The Executive Board may conduct the following transactions only with the consent of the Supervisory Board:

- a) the commencement of new and the discontinuation of existing lines of production or business, as well as transactions or measures that lead to a fundamental change in the Company's net assets, financial position or results of operations or risk position;
- b) Acquisition and disposal of companies and shares in companies, as well as any other disposal or encumbrance of shares in companies, insofar as the value of the individual measure exceeds an amount of EUR 15 million and the measure is not provided for in the annual budget approved by the Supervisory Board;
- c) Financial measures (bonds, medium-term note programs, commercial paper programs, etc.) and taking out long-term loans, insofar as the value in an individual case exceeds an amount of EUR 50 million;
- d) Assumption of sureties, guarantees or similar liabilities and provision of collateral for liabilities outside the ordinary course of business, provided the value in an individual case exceeds EUR 2 million, and pledging of assets, provided the value exceeds EUR 2 million per year,
- e) Adoption of the annual budget (including financial and investment planning),
- f) Transactions that deviate significantly from the annual budget approved by the Supervisory Board (as updated from time to time), in particular investment planning, whereby a significant deviation exists if this is at least 10% higher than the estimate in the annual budget,
- g) Transactions with an object value in excess of EUR 5,000 between the Company or an affiliated Company on the one hand and a member of the Executive Board or persons or companies related to a member of the Executive Board on the other hand.

- (2) The Executive Board shall also obtain the approval of the Supervisory Board if it participates in the following measures at a Company dependent on the Company or a joint venture by issuing instructions, giving its approval, voting or in any other way:
 - a) in transactions of the types specified in paragraph 1 letters a) to g);
 - b) in capital increases if the contribution of the Company or a third party exceeds an amount of EUR 25 million;
 - c) in the conclusion, amendment or termination of intercompany agreements within the meaning of § 291 et seq. AktG;
 - d) in the conclusion, amendment, supplementation or termination of agreements in connection with the establishment of joint ventures.
- (3) Consent shall be obtained before the transaction or measure is carried out. Anything to the contrary shall only apply if the matter cannot be delayed, the transaction or measure has been agreed with the Chairperson of the Supervisory Board, and the Executive Board can reasonably assume that the Supervisory Board will approve the transaction or measure.

§ 6

Conflicts of interest, sideline activities, reporting obligations

- (1) During their membership of the Executive Board and for the duration of their employment contracts, the members of the Executive Board are subject to a comprehensive non-competition clause over and above the provisions of § 88 of the German Stock Corporation Act (AktG).
- (2) The acceptance of sideline activities, including supervisory board mandates, with the exception of supervisory board mandates at companies dependent on the Company, requires the approval of the Executive Committee of the Supervisory Board.
- (3) The members of the Executive Board may not demand or accept payments or other benefits from third parties in connection with their activities, either for themselves or for other persons, or grant unjustified benefits to third parties.
- (4) The members of the Executive Board are obliged to act in the interests of the Company. No member of the Executive Board may pursue personal interests in his decisions or exploit for himself business opportunities to which the Company or a Company dependent on it is entitled.
- (5) Each member of the Executive Board must disclose conflicts of interest immediately to the Supervisory Board for the attention of the Chairperson of the Supervisory Board and inform the Executive Board thereof. All transactions between the Company or a Company dependent on the Company on the one hand and the members of the

Executive Board or related persons, companies or associations on the other must comply with the standards that would apply to transactions with unrelated third parties. Such transactions require the approval of the Supervisory Board - unless the involvement of the Supervisory Board is required in any case pursuant to § 112 of the German Stock Corporation Act (AktG) - if the value of the transaction in an individual case exceeds an amount of EUR 5,000.

§ 7 **Confidentiality**

The members of the Executive Board are obliged to maintain confidentiality - even after leaving office as a member of the Executive Board. They shall ensure that the employees they engage comply with the confidentiality obligation in the same way.

§ 8 **Reporting requirements**

- (1) At the last meeting of the Supervisory Board of a fiscal year, the Executive Board reports to the Supervisory Board on the intended business policy and other fundamental issues of corporate planning and submits to the Supervisory Board the budget for the following fiscal year (including financial, investment and personnel planning) and medium-term planning (including financial and investment planning). If changes in the situation or new issues require immediate reporting on fundamental questions of corporate planning or business policy, this shall be done without delay.
- (2) At the meeting of the Supervisory Board at which the annual financial statements are discussed, the Executive Board reports on the profitability of the Company, in particular the return on equity.
- (3) The Executive Board shall report to the Supervisory Board in text form on a regular basis, at least quarterly, on the course of business, in particular sales, and the situation of the Company.
- (4) The Executive Board shall report to the Supervisory Board in due time on transactions that may be of significant importance for the profitability or liquidity of the Company so that the Supervisory Board has the opportunity to comment on them before the transactions are carried out.
- (5) The reporting pursuant to paragraphs 1 to 4 above shall also include subsidiaries and joint ventures (§ 310 HGB).
- (6) The Executive Board reports to the Chairperson of the Supervisory Board on other important occasions pursuant to § 90 section 1 sentence 3 German Stock Corporation Act (AktG). An important event shall also be deemed to be a business transaction at



an affiliated Company of which the Executive Board becomes aware and which may have a significant influence on the situation of the Company.

(7) The reports of the Executive Board shall comply with the principles of conscientious and faithful accountability. With the exception of the report to the Chairperson of the Supervisory Board pursuant to § 90 section 1 sentence 3 German Stock Corporation Act (AktG), they shall generally be submitted in text form. Documents required for decision-making, in particular the annual financial statements, the consolidated financial statements and the audit report, shall be forwarded to the members of the Supervisory Board as far as possible in due time before the meeting. Reporting shall be carried out in such a way that the Supervisory Board is informed regularly, promptly and comprehensively about all issues of strategy, planning, business development, risk situation, risk management and compliance relevant to the Group. In the reports, the Executive Board shall address the implementation of strategy and deviations in business development from the plans and targets drawn up, stating the reasons.

§ 9

Entry into force

These Bylaws shall enter into force on May 8, 2015. The provisions of these Bylaws shall apply only insofar as they do not conflict with the currently applicable version of the Articles of Association.