



Declaration of compliance 2004

The following declaration required by § 161 AktG has been issued and made accessible to the shareholders by ELMOS Semiconductor AG in 2004. Management Board and Supervisory Board of ELMOS Semiconductor AG declare in accordance with § 161 AktG:

“ELMOS Semiconductor AG complies with the recommendations of the “Government Commission German Corporate Governance Code” (in short: GCGC) in its version of May 21, 2003 with the following exceptions:

- The currently valid D&O insurance for Supervisory Board and Management Board does not provide for a deductible for the board members (GCGC No. 3.8). Based on the undefined legal position concerning personal liability of the individual Board members, an adaptation of the insurance is currently not being realized.
- No limit (“cap”) is possible for already issued share options with regard to the Management Board members’ remuneration with share options in case of extraordinary, unforeseeable developments (GCGC No. 4.2.3). Beginning in the year 2004, the Supervisory Board will issue share options to members of the Management Board only with a cap provided for.
- Even though the Management Board members’ remuneration is stated in the internet as well as in the annual report with reference to fixed components, success-dependent components, and components with a long-term incentive effect (share options), these statements are made in summarized and not individualized form (GCGC No. 4.2.4).
- Deviant with the recommendations, the procedural rules of the Supervisory Board of ELMOS Semiconductor AG provide for the implementation of professionally qualified committees and a board of examiners only if the number of six Supervisory Board members is exceeded (GCGC Nos. 5.3.1 and 5.3.2).
- The Supervisory Board members’ remuneration also consists of fixed components and success-dependent components. Supervisory Board remuneration is stated in the internet as well as in the annual report with reference to its components, yet not individualized. Remuneration paid by ELMOS Semiconductor AG to Supervisory Board members for



individually performed services, in particular consultations and negotiations, is not individually stated in the notes to the consolidated financial statements (GGC No. 5.4.5).”

Dortmund, December 2004

The Management Board

The Supervisory Board