

Declaration of compliance with the German Corporate Governance Code 2022

Superseding the declaration of compliance of September 2021, Management Board and Supervisory Board of Elmos Semiconductor SE declare in accordance with Section 161 AktG (German Stock Corporation Act):

I. Statements with respect to the future

Elmos Semiconductor SE will comply with the recommendations of the "Government Commission German Corporate Governance Code" (in short: GCGC) in its latest version of December 16, 2019 (released in the official section of the Federal Gazette on March 20, 2020) as of now, subject to the following exceptions:

- No age limits will be defined for members of the Management Board or for members of the Supervisory Board (GCGC Recommendations B.5 and C.2). The Supervisory Board decides on the suitability of the members of the Management Board. Appointing the members of the Supervisory Board is the responsibility of the Annual General Meeting; thus the Annual General Meeting also decides on the Supervisory Board's age structure.
- The rules of procedure of the Supervisory Board are not made public on the Company's website (GCGC Recommendation D.1) as the procedural arrangement determined therein is considered irrelevant to an assessment of the Company.
- The Chairman of the Supervisory Board is also the Chairman of the Audit Committee (GCGC Recommendation D.4 sentence 2). The Supervisory Board is convinced that the workload of committee chairmanship is not too high and can be managed by the Chairman of the Supervisory Board. The Supervisory Board does also not see the risk of a too close relationship with the Management Board and of the Supervisory Board Chairman's lack of attention on these grounds in seeing to his additional obligations as Chairman of the Audit Committee. The Chairman of the Supervisory Board is perfectly suited to chairing the Audit Committee as well. It is in the Company's interest not to follow this recommendation (GCGC Recommendation D.4 sentence 2).
- The determination of the remuneration of each member of the Management Board complies with current statutory requirements, most notably those under the Shareholders' Rights Directive (ARUG II). Any stricter requirements or more specific definitions are not considered expedient at present (GCGC Recommendations G.1 and G.2).
- The Supervisory Board determines the remuneration of the members of the Management Board at its reasonable discretion. No benchmarking surveys to be prepared especially for Elmos Semiconductor SE will be commissioned (GCGC Recommendation G.3). Employee remuneration will not be analyzed specifically for the sole purpose of determining Management Board remuneration (GCGC Recommendation G.4). The Supervisory Board utilizes remuneration surveys and benchmarks of other companies instead as well as taking into consideration the existing employee remuneration level and typical changes in remuneration over time. With respect to analyses going beyond that scope, the Supervisory Board does not recognize a corresponding benefit of the increased effort.

- Management Board employment contracts do not provide for caps on severance payments in case of premature termination of Management Board membership (GCGC Recommendation G.13). The Supervisory Board holds the view that the appropriate amount of a severance payment in case of an early termination of the employment contract can only be determined by agreement in the individual case.
- According to GCGC Recommendation G.17, the greater time commitment of the Chairman and the Vice Chairman of the Supervisory Board as well as the chairman and the members of Supervisory Board committees are supposed to be adequately considered for the remuneration of Supervisory Board members.

The remuneration of the Supervisory Board of Elmos Semiconductor SE resolved by the Annual General Meeting on May 20, 2021 considers the greater time commitment of the Chairman and the Vice Chairman of the Supervisory Board as well as the greater time commitment due to all additional functions or rather typical committee functions the Supervisory Board usually performs in full session or in the individual case in its own committees. For their positions on the Audit Committee, the Chairman and its other members therefore receive no higher remuneration in deviation from GCGC Recommendation G.17. Apart from the Audit Committee established in fiscal year 2021, the Supervisory Board does not set up any further committees. The Supervisory Board as a whole had performed the audit and control tasks assigned to the Audit Committee in full session up to the Audit Committee’s formation in fiscal year 2021. A differentiation with respect to the special function and the different time commitments was therefore not indicated in the opinion shared by Management Board and Supervisory Board as the existing remuneration already adequately rewards the commitment of the Audit Committee’s Chairman and its members in particular as well as all other additional tasks. In its session on May 11, 2022, the Supervisory Board has decided to propose to the Annual General Meeting held in the year 2023 a revised remuneration policy for adoption, including a separate remuneration for the chairman and the members of committees in full compliance with GCGC Recommendation G.17.

II. Statements with respect to the past

The recommendations of the GCGC in its current version of December 16, 2019 (announcement in the official section of the Federal Gazette on March 20, 2020) have been complied with since the release of the declaration of compliance in September 2021 with the exceptions mentioned above under I.

Dortmund, May 2022

On behalf of the Supervisory Board

On behalf of the Management Board

Dr. Klaus Weyer
Chairman of the Supervisory Board

Dr. Arne Schneider
Chief Executive Officer