

## **Declaration of compliance with the German Corporate Governance Code 2021**

**Replacing the declaration of compliance of September 2020, the Management Board and Supervisory Board of Elmos Semiconductor SE declare in accordance with Section 161 AktG (Corporations 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 and 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 General Meeting of Shareholders; thus the General Meeting also decides on the Supervisory Board's age structure.
- The Company holds the view that at least one member of the Supervisory Board shall be independent. The Company regards any stricter requirements as not appropriate (GCGC Recommendation C.7).
- The Company holds the view that the Chairman of the Supervisory Board does not have to be independent as defined by the GCGC (GCGC Recommendation C.10). Supervisory Board membership of many years or significant share ownership e.g. are not general obstacles to performing the duties of the Chairman of the Supervisory Board.
- 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 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.

- There are no provisions to govern that variable remuneration granted to members of the Management Board shall be invested predominantly in the Company's shares or paid by way of share-based remuneration (GCGC Recommendation G.10). Respective individual agreements with the members of the Management Board apply.
- 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 can only be determined by an agreement to be concluded in the individual case.

## 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 2020 with the exceptions mentioned above under I. and the following additional exceptions:

- GCGC G.6: Variable Management Board remuneration based on achieving long-term targets did not necessarily exceed the remuneration component based on short-term target achievement at any time. Respective individual agreements with the members of the Management Board applied.

Dortmund, May 2021

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