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Board of Directors of
Meyer Burger Technology AG
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Zürich, 19. February 2019

Improvement of the Corporate Governance of Meyer Burger Technologies AG („MBT")

Dear Ladies and Gentlemen, dear Members of the Board of Directors

First we would like to thank you for presenting new candidates for the election as Board Members. This and the withdrawal of several of the present Board Members is an important step for the future of the Company. Such a step is often very difficult on a personal level – we are grateful that you did overcome these problems.

MBT should, however, seize the occasion to improve – in parallel to the change of the Board – also its Corporate Governance. According to a research paper published by zRating, MBT ranks only as number 74 in the Corporate Governance Ranking of the 176 most important Swiss listed companies. There is therefore considerable room for improvement, which MBT should use.

With a convincing step in the right direction, MBT can show that it has overcome its past issues and is ready for a successful future. An improvement of the Corporate Governance will also lead to a higher stock-market capitalisation. Research shows that companies with a positive Corporate Governance achieve higher stock-market valuations than companies that have shortages in this area. Furthermore, an improvement of the Company's Corporate Governance will also make the Company attractive for further investors – many

institutional investors invest only in companies with an above average Corporate Governance. Currently MBT cannot convince these investors. Therefore, many institutional investors have not bought MBT-shares in the past. With a material improvement of its Corporate Governance MBT will become attractive for these investors.

The change in the Board and the sale of the Wafering business are a good time to introduce improvements in the Company's Corporate Governance. In this way, Board and Company can show that they have departed from past practices not only in MBT's business but also in its corporate governance. We propose the following measures to improve the Company's Corporate Governance:

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1. Deletion of the authorised capital (Art. 3a of the Articles)

According to Art. 3a of the Company's Articles of Association the Board has the right to increase the share capital of MBT until May 2020 by a maximum CHF 4.6 Mio. by issuing a total of 93 Mio. new shares. This is equal to approx. 15 % of the currently outstanding share capital. Together with the conditional capital (Art. 3b and Art.3c) of the Company's Articles of Association the Board can increase the Company's capital by approx. 20%.

If the Board of Directors decides to increase the Company's capital on the basis of the authorised capital the Board may according to Art. 3a of the Company's Articles of Association limit or even completely exclude the preferential subscription rights of the shareholders and allow third parties to subscribe these new shares. The reasons for excluding the preferential subscription rights are very broadly defined in the Articles of Association and encompass not only the acquisition of companies and the placement of shares for the financing or re-financing of such transactions but also the issuance of shares with the purpose to have "strategic partners" participate in the Company or to "diversify the group of shareholders". Furthermore, the Board may also exclude the preferential subscription rights of the shareholders if this allows a "fast and flexible increase of the Company's equity by the placement of shares". These criteria for the exclusion of the preferential subscription rights are so broadly defined that the Board has practically unlimited discretion in the decision to exclude the preferential subscription rights of the shareholders. The Board is according to Art. 3a of the Company's Articles of Association even entitled to increase the share capital and exclude the preferential subscription rights of the shareholders after a third party has launched a public tender for the Company's shares. This enables the Board to use the authorised capital as an weapon in the fight against a tenderor.

The right of the Board to dilute the present shareholders without respecting their preferential subscription rights and to issue shares at his own discretion to third parties is a negative point in the Company's Corporate Governance (cf. para. 5.1.7 of the Corporate Governance Ratings 2018 of zRating). The amount of the authorised capital of MBT is clearly above the average of Swiss companies – according to the statistics of zRating 58.5% of the companies provide for a potential dilution by authorised conditional capital of only 0 to a maximum of 10%. The concept that the Board may dilute at will the present shareholders by issuing new shares on the basis of authorised capital today is no longer acceptable.

Particularly irritating is the right of the Board to influence a tender offer by the issuance of new shares – today's Art. 3a of the Company's Articles of Association enables the Board to issue shares to a third party who support the Board's position after a tender offer has been launched without first consulting the shareholders of MBT.

We propose to delete Art. 3a of the Company's Articles of Association at the next shareholders' meeting.

The deletion of the provision has no negative consequences for MBT – if MBT needs new equity it can always conduct a capital increase with preferential subscription rights of the shareholders. This prevents the dilution of the shareholders.

After the deletion of Art. 3a of the Company's Articles of Association it still will be possible to exclude the shareholders' preferential subscription rights if the shareholders are consulted in a shareholders' meeting and consent to such step. If the exclusion of the preferential subscription rights is beneficial for the Company the Board can certainly convince the shareholders to approve such measure.

2. Right of the shareholders to demand the convocation of a shareholders' meeting (Art. 8 of the Company's Articles of Association)

According to Art. 8, para. 2 of the Company's Articles of Association one or more shareholders who together hold at least 10% of the capital may demand the convocation of the shareholders' meeting. This percentage is very high and at the time is not attained by any single shareholder. Such a high percentage is no longer best practices in listed companies. zRating in the enclosed research

paper (para. 5.2.4) states that a lower threshold for the convocation of the shareholders' meeting is an important criteria for a positive Corporate Governance. zRating points to a growing number of companies which provide in their Articles of Association for a lower threshold for the convocation of a shareholders' meeting.

In the current revision of Swiss Corporate Law the threshold for the convocation of a shareholders' meeting defined in Art. 699 CO shall be lowered for listed companies to 5%. This threshold has been proposed by the Federal Council (*Bundesrat*) and has been endorsed by the National Council (*Nationalrat*). MBT should gain a positive profile by introducing the proposed lower threshold already now without waiting for legislation that will force such step.

We propose to change Art. 8 of the Company's Articles of Association and to reduce the threshold for the convocation of a shareholders' meeting defined in Art. 8, para 2 from 10% to 5%.

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3. Right of the Shareholders to propose Agenda Points for a Shareholders' Meeting (Art. 10 of the Company's Articles of Association)

According to Art. 10 of the Company's Articles of Association shareholders who hold at least 10% of the share capital may request that an agenda point is put on the agenda of the shareholders' meeting. For such purpose they must submit such agenda point no later than 45 days before the shareholders' meeting to the Board and must in such submission also describe their motions to this agenda point. This provision contradicts current law. According to Art. 699 CO shareholders who represent shares with a nominal value of CHF 1 Mio. may also demand that an agenda point is put on the agenda of the shareholders' meeting. As the share capital of MBT amounts to CHF 31.1 Mio. the threshold defined by Art. 699 CO is considerably lower than the 10% mentioned in the Company's Articles of Association. The Company's Articles of Association cannot validly exclude or limit the right of shareholders who hold shares with a nominal value of CHF 1 Mio. as this is a minimum standard defined by Art. 699 CO. The fact that the Company's Articles of Association, however, do not mention such right may deter certain shareholders from exercising their legal right.

In any event, the threshold of 10% does not comply with the best practise of listed companies. As described in para.5.2.2 of the Corporate Governance

paper of zRating the median of Swiss listed companies is at 1.9% of the capital. 37% of the companies analysed by zRating allow shareholders with a share of less than 1% to demand that agenda points are put on the agenda. In view of these facts the Company should lower the threshold in its Articles of Association. In the current revision of Swiss Corporate Law the threshold should, according to the decisions of the National Council, be lowered to 3% for listed companies. Therefore, the revision of Swiss Corporate Law proves that MBT should lower the threshold and in any event should mention the threshold of CHF 1 Mio. in its Articles of Association as this threshold is defined by currently applicable law.

We propose to change Art. 10 of the Company's Articles of Association by lowering the threshold to 3%. At the same time the alternative of CHF 1 Mio. of nominal capital should also be mentioned in such provision.

4. Publication of the Annual Report and the Agenda Points Proposed by the Board

An important aspect of Corporate Governance is that shareholders after having received the annual report have the possibility to demand within a reasonable period of time that certain agenda points are put on the agenda of the shareholders' meeting and in such manner can react to the annual report. The Swiss Code of Best Practice for Corporate Governance, therefore, provides that the annual report must be published before the deadline for shareholders' requests for additional agenda points expires. In the past MBT in this area has pursued a policy which did not properly respect the position of the shareholders. In most years the deadline for new agenda points had already expired when the annual report was finally published. In 2018 for example this deadline expired on March 18, 2018, however, the annual report was only published on March 22, 2018. For 2019 MBT, according to its homepage, plans to publish the annual report on March 21, 2019 while the deadline for requests regarding additional agenda points already expires on March 18, 2019. Therefore, the shareholder in 2019 again has no possibility to analyse first the annual report and then to demand additional agenda points. The Federal Council in the revision of Swiss Corporate Law has proposed that companies must give shareholders at least 10 days between the publication of the annual report and the expiry of the deadline for the proposal of additional agenda points. We would recommend that MBT pursues the Federal Council's proposal. The practice of MBT has been criticised in past years by renowned

proxy-advisors and corporate governance rating agencies. So far the Board has not reacted –now it is time to act.

We propose that the following sentence is added to Art. 10 of Company's Articles of Association :

"The Company issues its annual report no later than 55 days before the shareholders' meeting"

For the current year we suggest that either the annual report is published earlier than scheduled or that the shareholders' meeting is postponed so that shareholders can exercise their rights to demand any additional agenda points in a reasonable manner.

5. Term of Office of the Auditors

Pricewaterhouse Coopers has been elected as auditors of MBT since the date the Company has been listed. We have no doubts regarding Pricewaterhouse Coopers' competences. However, we believe that the term of office of the auditors must be limited - a periodic change of the auditors is part of a positive Corporate Governance. Such change avoids too close a relationship between the company's financial functions and the auditors and ensures that every few years the auditors take a new perspective regarding the Company's finances. Swisscom for example limits in para. 9.1 of its Articles of Association the term of office of the auditors to 10 to 14 years. After the expiry of such term the Board must solicit new offers for auditing and propose a new auditor to the shareholders' meeting. Such procedure normally leads also to lower auditing costs. We would recommend limiting the term of office of the auditors for MBT to 10 years.

We propose that the following sentence is added to the Art. 35 of the Company's Articles of Association:

"Re-election is possible. However, the total term of the auditors is limited to 10 years"

6. Number of Board and Management Positions outside the MBT Group (Art. 28 of the Company's Articles of Association)

Art. 28 of the Company's Articles of Association limits the board and management positions the members of Company's Board and Executive Committee (*Geschäftsleitung*) may have outside the MBT Group. This limitation is based on Art. 12, para. 1 No. 1 of the Ordinance on the Compensation of Board and Management:

- Members of the Board may have 5 additional board positions in listed companies while members of the Executive Committee may have 1 additional position.

- Members of the Board may have a further 15 board positions in non-listed companies (as far as such positions are compensated) while members of the Executive Committee may have 3 such positions.

- Members of the Board may have 10 non-paid board positions while members of the executive committee may have 2 such positions.

We believe that 20 board positions in commercial companies are too much for a member of the Board and do not leave such member sufficient time to seriously attend to MBT's affairs. In para. 5.3.8 of the report of zRating the threshold of 10 additional positions is considered as best practice with the provision that not more than 5 positions should be held in listed companies. We would recommend MBT to implement this limit. For board memberships in non-profit organisations and other organisations that serve the public good the current limit of 10 positions is reasonable. However, the Articles should clearly state that the criteria is not "unpaid positions" but positions in charitable/non-profit or other organisations active for the public good. Naturally we also agree that several positions in the same group are considered as a single position for the purpose of the above limit.

We propose to change Art. 28 of the Company's Articles of Association in such manner that Board Members may have only 10 additional board positions (with a maximum of five in listed companies) with the provison that several positions in the same group are considered as an only and single position for such limit and that management positions (also in a GmbH or Ltd) are treated the same way as board memberships. Furthermore, concerning the possible 10 unpaid positions the Articles should clarify that this is only valid in relation to functions

in charitable / non-profit organisations and other organisations serving the public good.

The current limitation of the board positions of members of the executive committee complies with best practice as according to the last para. of Art. 28 the Board's consent is required for any board positions members of the executive committee may have outside MBT. In order to clarify that the members of the executive committee are not simply entitled to have a total of 4 mandates outside the Company the Company's Articles of Association should state that the Board may, at will, refuse its consent to such additional position.

We propose that the following sentence is added to the last paragraph of Art. 28:

"The Board may refuse its consent at will"

We would be grateful if you could advise us until March 1, 2019 whether you will adopt our proposals and present them as the Board's proposals at the ordinary Shareholders' Meeting of 2019. If we do not receive such confirmation, we will then ourselves demand that the above points are added to the agenda and submit to you the pertinent motions. We are entitled to demand such additional agenda points according to Art. 699 CO as we hold shares with a nominal value of CHF 1 Mio.

Furthermore, we assume that there will be a "clean break" between the Company and the current Board Members who are not proposed as candidates at the next shareholders' meeting. The Company shall not conclude any consultancy agreements with theses shareholders nor with the organisations to which they belong – in particular we are of the opinion that it is inadmissible that the current chairman or his law firm (Meyerlustenberger Lachenal) would continue to act as legal advisors of the Company. This law firm has acted as the Company's legal advisor since its listing on the stock-exchange. Such a long-term relationship and the strong influence a legal advisor has on the Company are not acceptable. After 13 years a change and a fresh opinion are necessary. We assume that the newly elected Board will not have any loyalty to the present chairman and its law firm.

Sincerely yours

Anton Karl
Sentis Capital PCC
Member of the Management Board

Mark Kerekes
Sentis Capital PCC
Member of the Management Board

PS: A copy of this letter is sent to the designated candidates for the Board the present Board has proposed.