



Notice of Annual General Meeting | May 1, 2014

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Dialog Semiconductor Plc

ISIN: GB0059822006

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting (AGM) of Dialog Semiconductor Plc (the **Company** or **Dialog**) will be held at Reynolds Porter Chamberlain LLP, Tower Bridge House, St Katharine's Way, London E1W 1AA on May 1, 2014 at 9.00 a.m. BST (10.00 a.m. CEST) for the purpose of transacting the following business:

To consider and, if thought fit, to pass the following Resolutions of which Resolutions 1 to 12 (inclusive) will be proposed as ordinary resolutions and Resolutions 13 and 14 will be proposed as special resolutions:

RESOLUTION 1 - Receipt of the Company's Report and Accounts

THAT the Annual Report and Accounts for the financial year ended 31 December 2013 be and are hereby received.

RESOLUTION 2 - Approval of Directors' Remuneration Policy

THAT the Directors' Remuneration Policy, set out at pages 65 to 74 of the Annual Report and Accounts for the financial year ended 31 December 2013, be and is hereby approved.

RESOLUTION 3 - Approval of Directors' Remuneration Report (excluding the Directors' Remuneration Policy)

THAT the Directors' Remuneration Report (excluding the Directors' Remuneration Policy referred to in Resolution 2), set out at pages 75 to 81 of the Annual Report and Accounts for the financial year ended 31 December 2013, be and is hereby approved.

RESOLUTION 4 - Re-appointment of Ernst & Young LLP as Auditors of the Company

THAT Ernst & Young LLP be and are hereby re-appointed Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at which accounts are laid before the Company.

RESOLUTION 5 - Authority to agree the Auditors' remuneration

THAT the Directors be and are hereby authorised to agree the remuneration of the Auditors.

RESOLUTION 6 - Re-appointment of Chris Burke as a Director of the Company

THAT Chris Burke retiring pursuant to Article 93 of the Company's Articles of Association be and is hereby re-appointed as a Director of the Company.

RESOLUTION 7 - Re-appointment of Russell Shaw as a Director of the Company

THAT Russell Shaw retiring pursuant to Article 93 of the Company's Articles of Association be and is hereby re-appointed as a Director of the Company.

RESOLUTION 8 - Re-appointment of Aidan Hughes as a Director of the Company

THAT Aidan Hughes be and is hereby re-appointed as a Director of the Company.

RESOLUTION 9 - Re-appointment of John McMonigall as a Director of the Company

THAT John McMonigall be and is hereby re-appointed as a Director of the Company.

RESOLUTION 10 - Appointment of Eamonn O'Hare as a Director of the Company

THAT Eamonn O'Hare appointed by the Board pursuant to Article 95 of the Company's Articles of Association be and is hereby appointed as a Director of the Company.

RESOLUTION 11 - Directors' authority to allot shares

THAT the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the **Act**) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any securities into shares in the Company up to an aggregate nominal amount of £2,368,964 provided that this authority shall (unless previously renewed, varied or revoked) expire at the earlier of 15

months from the date of this Resolution and the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution save that the Company may before such expiry make any offers or agreements which would or might require shares in the Company to be allotted or rights to subscribe for or to convert any securities into shares in the Company to be granted after such expiry and the Directors may allot shares and grant rights to subscribe for or to convert any securities into shares in the Company pursuant to any such offer or agreement as if the authority conferred by this Resolution had not expired.

RESOLUTION 12 - Additional authority to allot shares in connection with a rights issue

THAT, in addition to Resolution 11, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all the powers of the Company to allot equity securities (within the meaning of section 560 of the Act) in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them up to an aggregate nominal amount (when added to any allotments made under Resolution 11) of £4,737,928 provided that this authority shall (unless previously renewed, varied or revoked) expire at the earlier of 15 months from the date of this Resolution and the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution save that the Company may before such expiry make any offers or agreements which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to any such offer or agreement as if the authority conferred by this Resolution had not expired.

RESOLUTION 13 - Disapplication of pre-emption rights

THAT, subject to and conditional upon Resolution 11 and/or, as the case may be, Resolution 12 being passed, the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by Resolutions 11 and/or 12 (as applicable) as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

- (a) in connection with a rights issue, open offer or any other pre-emptive offer in favour of ordinary shareholders (but in the case of any authority granted under Resolution 12, by way of rights issue only) where the equity securities attributable to the interests of all ordinary shareholders are proportionate (as nearly as practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal, regulatory or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and
- (b) otherwise than pursuant to sub-paragraph (a) above up to an aggregate nominal amount of £355,345,

and shall (unless previously renewed, varied or revoked) expire at the earlier of 15 months from the date of this Resolution and the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution save that the Company may before such expiry make any offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer or agreement as if the power conferred by this Resolution had not expired.

RESOLUTION 14 - Notice period for general meetings

THAT a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice.

By order of the Board

Tim Anderson
Company Secretary
Dialog Semiconductor Plc
Tower Bridge House
St Katharine's Way
London E1W 1AA

March 28, 2014

Registered in England and Wales No. 3505161

Notes to the Notice of AGM

1. Documents provided

Notice of the Annual General Meeting (**Notice**) is being sent to all members and all CI Holders (as defined in the Company's Articles of Association (the **Articles**)) (the CI Holders together with the members, the **Shareholders**).

A separate letter from the CEO of the Company (the **Letter to Shareholders**) incorporating further details of how Shareholders may attend and vote at the AGM and important notes for AGM registration, proxy appointment and voting instructions (**Important Notes**) is available on the Company's website: <http://www.dialog-semiconductor.com> -> Investor Relations -> Annual General Meeting and is included with the Notice sent to Shareholders.

2. Entitlement to attend and vote

The Company, pursuant to the Articles, specifies that only those Shareholders entered in the register of members of the Company or the CI Register (as defined in the Articles) (together, the **Registers of Members**) at 9.00 a.m. BST (10.00 a.m. CEST) on April 29, 2014, or, if this meeting is adjourned, in the appropriate Registers of Members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the AGM in respect of the number of shares or interests in shares registered in their name at that time. Changes to the entries in the Registers of Members after 9.00 a.m. BST (10.00 a.m. CEST) on April 29, 2014, or, if this meeting is adjourned, in the Registers of Members less than 48 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.

3. Personal attendance

Shareholders wishing to attend the AGM in person, should request an Admission Card by following the procedure described at section 1 ("Request for an Admission Card") in the reply form attached to the Letter to Shareholders (the **Reply Form**).

4. Proxies

Shareholders who are unable to attend the AGM may appoint one or more proxies (who need not be a Shareholder) to exercise all or any of their rights to attend, speak and vote at the AGM, provided that each proxy is appointed

to exercise the rights attached to a different share or shares held by his appointor. A Shareholder may only appoint a proxy or proxies by following the procedure described at section 2 ("Appointment of Proxy and Voting Instructions") in the Reply Form. **Your proxy appointment must be received no later than 9.00 a.m. BST/10.00 a.m. CEST on April 29, 2014. Further details in relation to the appointment of proxies are given in the Reply Form and Important Notes.**

5. Questions at the AGM

Under section 319A of the Act, any member attending the AGM has the right to ask questions. The Company must answer any such question relating to the business being dealt with at the meeting unless:

- answering the question would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information;
- the answer has already been given on a website in the form of an answer to a question; or
- it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.

6. Number of issued shares and total voting rights

As at March 27, 2014 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital comprised 71,068,930 ordinary shares carrying one vote each. Therefore, the total voting rights in the Company as at March 27, 2014 are 71,068,930.

7. Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a **Nominated Person**) may have a right, under an agreement between him and the Shareholder by whom he was nominated, to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.

The statement of the rights of Shareholders in relation to the appointment of proxies in note 4 to this Notice does not apply to Nominated Persons. The rights described in that note can only be exercised by Shareholders.

8. Corporate representatives

A corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all its powers as a member provided that no more than one corporate representative exercises power over the same share. Any corporate Shareholder who wishes (or who may wish) to appoint more than one corporate representative should contact Martina Zawadzki by email at dialog@art-of-conference.de or by telephone on +49 (0) 711 4709-605.

9. Website giving information regarding the AGM

A copy of this Notice, and the other information required by section 311A of the Act, can be found at <http://www.dialog-semiconductor.com> -> Investor Relations -> Annual General Meeting.

10. Website publication of audit concerns

Pursuant to Chapter 5 of Part 16 of the Act (sections 527 to 531), where requested by a member or members meeting the qualification criteria set out at note 11 to this Notice, the Company must publish on its website, a statement setting out any matter that such members propose to raise at the meeting relating to the audit of the Company's accounts (including the Auditor's Report and the conduct of the audit) that are to be laid before the meeting. Where the Company is required to publish such a statement on its website:

- it may not require the members making the request to pay any expenses incurred by the Company in complying with the request;
- it must forward the statement to the Company's auditors no later than the time the statement is made available on the Company's website; and
- the statement may be dealt with as part of the business of the meeting.

The request:

- may be in hard copy form or by fax (see note 12 to this Notice);
- must either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported;
- must be authenticated by the person(s) making it; and
- must be received by the Company at least one week before the AGM.

11. Qualification criteria

In order to be able to exercise the members' right to require the Company to publish audit concerns (see note 10 to this Notice) the relevant request must be made by:

- a member or members having a right to vote at the AGM and holding at least 5% of total voting rights of the Company; or
- at least 100 members having a right to vote at the AGM and holding, on average, at least £100 of paid up share capital in the Company.

The Company wishes to extend these rights to the CI Holders, and all references in notes 10 to 12 to this Notice to a **member** or **members** should therefore be construed accordingly.

For information on voting rights, including the total number of voting rights, see note 6 to this Notice and the website referred to in note 9 to this Notice.

12. Submission of requests and authentication requirements

Where one or more members wish to request the Company to publish audit concerns (see note 10 to this Notice) such request must be made in accordance with one of the following ways:

- a hard copy request which is signed by the relevant member(s), states their full name(s) and address(es) and is sent to Dialog Semiconductor Plc c/o Art-of-Conference - Martina Zawadzki, Böblinger Str. 26, 70178 Stuttgart, Germany; or
- a request which is signed by the relevant member(s), states their full name(s) and address(es) and is sent to fax number +49 (0) 711 4709-713 marked for the attention of Martina Zawadzki.

13. Documents available for inspection

Copies of the Executive Director's service contract and Non-executive Directors' letters of appointment will be available for inspection during normal business hours at the Company's registered office from the date of this Notice until the AGM's conclusion and will also be available for inspection at the AGM venue immediately prior to and during the AGM itself.

14. Communication

Except as provided above, Shareholders who have general queries about the AGM should contact Martina Zawadzki by email at dialog@art-of-conference.de. No other methods of communication will be accepted.

You may not use any electronic address provided either:

- in this Notice of Annual General Meeting; or
- in any related documents (including the Letter to Shareholders),

to communicate with the Company for any purposes other than those expressly stated.

Explanatory Notes for Resolutions to be proposed at AGM

Resolutions

Resolutions 1 to 12 are proposed as ordinary resolutions. To pass these Resolutions more than 50% of the votes cast on each Resolution must be in favour. Resolutions 13 and 14 are proposed as special resolutions. To pass a special resolution not less than 75% of the votes cast on the Resolution must be in favour.

Resolution 1 - Receipt of Report and Accounts

The Directors must present the Company's Annual Report and Accounts for the financial year ended 31 December 2013 to the AGM. The Annual Report and Accounts for the financial year ended 31 December 2013 are also available on the Company's website: <http://www.dialog-semiconductor.com> -> Investor Relations -> Reports & Filings -> Annual Reports. Please note that the Directors do not propose to declare a dividend.

Resolution 2 - Approval of Directors' Remuneration Policy

Section 439A of the Act requires a separate resolution on the Directors' Remuneration Policy part of the Directors' Remuneration Report to be put to shareholders for approval. This vote is binding, which means that all payments to Directors must be consistent with the approved Policy and cannot be made under the Policy until it has been approved by Shareholders.

The Directors' Remuneration Policy must be put to Shareholders for approval at least every three years or at any time when the Company wants to make changes to the existing Policy or introduce a new Directors' Remuneration Policy. The Directors' Remuneration Policy is set out at pages 65 to 74 of the Annual Report and Accounts for the financial year ended 31 December 2013 which is available on the Company's website: <http://www.dialog-semiconductor.com> -> Investor Relations -> Reports & Filings -> Annual Reports.

Resolution 3 - Approval of Directors' Remuneration Report (excluding the Directors' Remuneration Policy)

In accordance with section 439 of the Act, Shareholders are required to approve a resolution on the Directors' Remuneration Report (excluding the Directors' Remuneration Policy

referred to in Resolution 2). The vote on Resolution 3 is advisory and in respect of the overall Directors' remuneration package, which means that the remuneration paid to any individual Director will not be contingent on the outcome of the vote.

The Directors' Remuneration Report is set out at pages 75 to 81 of the Annual Report and Accounts for the financial year ended 31 December 2013 which is available on the Company's website: <http://www.dialog-semiconductor.com> -> Investor Relations -> Reports & Filings -> Annual Reports.

Resolutions 4 and 5 - Appointment and remuneration of Auditors

Ernst & Young LLP are required by the Act to retire at the AGM and seek re-appointment. The Act also requires Shareholders to determine the manner in which the Auditors are remunerated; Resolution 5 gives authority to the Directors to determine the Auditors' remuneration.

Resolutions 6, 7, 8, and 9 - Re-appointment of Directors

Pursuant to the Articles one third of the Directors shall retire at each Annual General Meeting, and the Directors to retire by rotation shall be those who have been longest in the office since their last appointment or re-appointment. Accordingly, those retiring by rotation at the AGM are Chris Burke, Russell Shaw and Gregorio Reyes. In addition, as members of the Board for in excess of nine years, in line with best practice, each of Aidan Hughes and John McMonigall are subject to annual re-appointment and are also retiring at the AGM.

Chris Burke, Russell Shaw, Aidan Hughes and John McMonigall are offering themselves for re-appointment in accordance with the Articles. Biographical details for each of them are set out below, and a separate Resolution is proposed for each re-appointment. Gregorio Reyes is not offering himself for re-appointment.

The Board has confirmed that Chris Burke, who is seeking re-appointment as a Non-executive Director, Russell Shaw, who is seeking re-appointment as a Non-executive Director, Aidan Hughes, who is seeking re-appointment as a Non-executive Director, and John McMonigall, who is seeking re-appointment as a Non-Executive Director and Senior Independent Director, continue to perform effectively and demonstrate commitment to their roles. Therefore the Board

considers that each of Chris Burke, Russell Shaw, Aidan Hughes and John Monigall should be re-appointed as their wider, current and relevant business experience allows them to contribute effectively to the leadership of the Company.

Chris Burke

Non-executive Director, Chair of the Strategic Transaction and Technology Committee and member of the Remuneration Committee

Chris joined the Board in July 2006. He has a career of thirty years in Telecoms and Technology. Post his degree in Computer Science in 1982, he spent fifteen years in Nortel Research and Development, followed by Technology Business Leadership roles as Chief Technology Officer (CTO) in Energis Communications (at time of IPO into the London Stock Exchange), then CTO at Vodafone UK Ltd. Post-Vodafone Chris has made over twenty technology investments from his own investment fund, founded/co-founded a number of start-up companies, and provides a Strategy and Technology Advisory service for some of the biggest technology manufacturers in the industry as well as both private and venture investors.

Russell Shaw

Non-executive Director, Chair of the Nomination Committee and member of the Remuneration Committee

Russell joined the Board in July 2006 and has over twenty years' senior marketing and brand management experience in the technology, telecoms and financial services sectors. Russell most recently served as the Vice President & General Manager for Skype, with responsibilities for its Mobile Division as well as Europe, Middle East and Africa. Previously, he was at Telefonica, where he was the Global Director of Innovation. Before joining Telefonica, he was the Innovation Director at O2, which he joined as Marketing Director in 2005. Russell is a past Chairman of the Marketing Group of Great Britain, is senior adviser to Ariadne Capital and Founder and Chairman of Tech London Advocates.

Aidan Hughes

Non-executive Director, Chair of the Audit Committee and member of the Nomination Committee and the Strategic and Transaction and Technology Committee

Aidan joined the Board in October 2004. He is a Fellow of the Institute of Chartered Accountants in England and Wales and qualified as a chartered accountant with Price Waterhouse in the 1980s. He has held senior finance roles

at Lex Service Plc and Carlton Communications Plc. He was a FTSE 100 finance director having held that position at the Sage Group Plc from 1993 to 2000. From December 2001 to August 2004, was a director of Communis Plc.

As part of its annual review, the Board specifically considered Aidan's independence given his nine years tenure on the Board. When assessing the potential impact of tenure on any Director's independence, the Board views the issue of concurrency with executive Directors (in this case eight years) as central to that process. The Board's unanimous view is that Aidan's independence and objectivity, as evidenced by his continuing valuable contribution at Board meetings, is in no way compromised by his length of tenure on the Board. The Board also believes that his industry experience and contribution to the continuing development of Dialog is of significant benefit to the Board as a whole.

While the Board is satisfied that Mr Hughes is wholly independent, as he has been a member of the Board for in excess of nine years, in line with best practice principles, he is subject to annual re-election by Shareholders.

John Monigall

Non-executive Director, member of the Audit Committee and the Nomination Committee and Senior Independent Director

John joined the Board in March 1998. Before becoming an investor John worked for more than twenty years in the software, electronics and telecommunications industries and was finally a Divisional Managing Director at British Telecommunications Plc. In 1990 he joined Apax Partners Worldwide LLP and was responsible for investments in telecommunications and technology. He has been a director of eight public companies.

As part of its annual review, the Board specifically considered John's independence given his sixteen years tenure on the Board. When assessing the potential impact of tenure on any Director's independence, the Board views the issue of concurrency with executive Directors (in this case eight years) as central to that process. The Board's unanimous view is that John's independence and objectivity, as evidenced by his continuing valuable contribution at Board meetings, is in no way compromised by his length of tenure on the Board. The Board also believes that his industry experience and contribution to the continuing development of Dialog is of significant benefit to the Board as a whole.

While the Board is satisfied that Mr McMonigall is wholly independent, as he has been a member of the Board for in excess of nine years, in line with best practice principles, he is subject to annual re-election by Shareholders.

Resolution 10 - Appointment of Eamonn O'Hare as a Director

Eamonn was appointed to the Board on March 7, 2014 as an independent Non-executive Director. Given his recent appointment, he has not yet been appointed to any Board sub-committees.

Eamonn (50) is a British citizen.

Eamonn has spent over twenty years as Chief Financial Officer of some of the world's fastest growing consumer and technology businesses. From November 2009 to June 2013, Eamonn was CFO and Director of Virgin Media Inc, a UK entertainment and communications business.

From 2005 to 2009, Eamonn served as the CFO of Tesco Plc, a multinational grocery and general merchandise retailer. Before joining Tesco Plc, he was CFO and Director at Energis Communications, a technology-driven communications company in the UK, and successfully led the turnaround of this company. Prior to this, Eamonn spent ten years at PepsiCo Inc. in a series of senior executive roles in Europe, Asia and the Middle East.

Eamonn holds a Bachelor's Degree in Aerospace Engineering at Queen's University Belfast and an MBA from the London Business School.

Resolution 11 - Directors' authority to allot shares

The purpose of Resolution 11 is to renew the Directors' authority to issue shares until the conclusion of the next Annual General Meeting up to an aggregate nominal value of £2,368,964 equating to 23,689,640 shares. The nominal amount of relevant securities to which this authority will relate represents the aggregate of approximately one third of the issued share capital of the Company.

Resolution 12 - Additional authority to allot shares in connection with a rights issue

UK investor guidelines (the Association of British Insurers) make it acceptable to give authority to the Directors to issue up to a further third of the issued share capital (over and

above the authority granted under Resolution 11) provided it is only applied on the basis of a rights issue. If any of the additional authority in Resolution 12 is used all the Directors of the Company wishing to remain in office shall stand for re-election at the next Annual General Meeting of the Company.

Resolution 13 - Disapplication of pre-emption rights

If Directors wish to issue shares they have to abide by the statutory pre-emption rights in the Act. This means that, subject to limited exceptions (including shares allotted under the Company's share and incentive schemes, which are themselves subject to limits), Directors have to offer any shares they want to issue to existing shareholders first. Resolution 13 seeks to give the Directors authority to disapply the statutory pre-emption rights where (i) the share issue relates to a pre-emptive issue (in which case all holders of ordinary shares would be made an offer to participate anyway); or (ii) where the allotment is limited to the issue of equity securities having a maximum aggregate nominal value of £355,345 (equating to 3,553,450 shares) which is equivalent to 5% of the Company's issued share capital of 71,068,930 shares. The Directors do not have any present intention of exercising the authority granted by Resolution 13 and do not intend to issue more than 7.5% of the issued share capital of the Company on a (non-exempt) non pre-emptive basis in any rolling three-year period without prior consultation with Shareholders.

Resolution 14 - Notice period for general meetings

The Articles allow the Directors to call general meetings other than Annual General Meetings on 14 clear days' notice. However, the Companies (Shareholders' Rights) Regulations 2009 (the **Regulations**) require that all general meetings be held on 21 days' notice, unless Shareholders agree to a shorter notice period, and the Company has met the requirements for electronic voting under the Regulations. Resolution 14 seeks to renew the authority granted by Shareholders at last year's AGM which preserved the Company's ability to call general meetings, other than AGMs, on 14 clear days' notice, such authority to be effective until the Company's next AGM, when a similar resolution will be proposed. The Directors confirm that the shorter notice period would not be used as a matter of course for such meeting, but only where flexibility is merited by the business of the meeting and it is thought to be to the advantage of Shareholders as a whole. An electronic voting facility will be made available to all Shareholders for any meeting held on such notice.

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www.dialog-semiconductor.com